



Monterey County

Item No.7

Board Report

Board of Supervisors
Chambers

168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: 22-803

September 01, 2022

Introduced: 8/22/2022

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

- a. Receive the proposed Cannabis Program commercial cannabis business shutdown procedure for business entities that either have submitted a cessation of business to the Cannabis Program or are found ineligible to continue operations; and
- b. Direct staff to present the Cannabis Committee's recommendation to the Board of Supervisors; and
- c. Provide further direction as appropriate.

RECOMMENDATIONS:

It is recommended that the Board of Supervisors Cannabis Committee:

- a. Receive the proposed Cannabis Program commercial cannabis business shutdown procedure for business entities that either have submitted a cessation of business to the Cannabis Program or are found ineligible to continue operations; and
- b. Direct staff to present the Cannabis Committee's recommendation to the Board of Supervisors; and
- c. Provide further direction as appropriate.

SUMMARY/DISCUSSION:

The Cannabis Program (Program) has determined that there is a need for a formal checklist for commercial cannabis business entities that have submitted a cessation of business or that no longer comply with either Monterey County Code (MCC) Chapter 7.90 or Good Standing Criteria (Attachment A).

MCC 7.90.130 states:

“Any of the following shall be grounds for suspension or revocation of a commercial cannabis permit, based on substantial evidence and following notice and public hearing pursuant to Section 7.90.140 of this Chapter.

A. Failure to comply with one or more of the terms and conditions of the commercial cannabis permit;

B. The commercial cannabis permit was granted on the basis of false material information, written or oral, given willfully or negligently by the applicant;

C. Any act or omission by a permittee in contravention of the provisions of this Chapter;

D. Any act or omission by a permittee in contravention of state law, or the Monterey County Code;

E. Any act or omission by a permittee that results in the suspension or revocation of the

applicable use permit issued under Titles 20 or 21 of the Monterey County Code for the commercial cannabis activities;

F. Any act or omission by a permittee that results in the denial, revocation or suspension of that permittee's state license;

G. Failure to pay all applicable taxes and fees required by the state, County, or other local agencies;

H. Conduct of the commercial cannabis operations in a manner that constitutes a nuisance, where the permittee has failed to comply with reasonable conditions to abate the nuisance.

The Program met with the Agricultural Commissioner’s Office, Environmental Health Bureau, Housing and Community Development and Treasurer-Tax Collector’s Office to discuss internal actions needed to process a cessation of business or begin the shutdown of a commercial cannabis business entity. Some departments have not finalized their review of the proposed checklist at the time of writing.

Attached is the proposed checklist (Attachment B) for the Committee to review and provide input and direction for staff.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel, Agricultural Commissioner’s Office, Environmental Health Bureau, Housing and Community Development and Treasurer-Tax Collector’s Office were involved in the preparation of the report.

FINANCING:

Monterey County’s Cannabis Program is funded in County Administrative Office - Department 1050, Intergovernmental and Legislative Affairs Division - Unit 8533, Cannabis. The proposed recommendations will not incur additional expenses to the Program.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Monterey County Cannabis Program addresses each of the Strategic Initiative Policy Areas that promote the growth of a responsible and legal Monterey County cannabis industry.

Mark a check to the related Board of Supervisors Strategic Initiatives

- X Economic Development
- X Administration
- X Health & Human Services
- X Infrastructure
- X Public Safety

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Attachments:

- A. Good Standing Criteria
- B. Proposed Commercial Cannabis Business Shutdown Checklist

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