



## Board Report

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**File #: 23-311, Version: 1**

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- a. Receive a presentation from the Housing and Community Development Department, Environmental Health Bureau, Monterey County Regional Fire District and the Cannabis Program on the requirements for a commercial cannabis business operator; and
- b. Provide direction to the Cannabis Program on next steps for Board Referral 2022.20.

**RECOMMENDATION:**

Staff recommends that the Board of Supervisors:

- a. Receive a presentation from the Housing and Community Development Department, Environmental Health Bureau, Monterey County Regional Fire District, and the Cannabis Program on the requirements for a commercial cannabis business operator; and
- b. Provide direction to the Cannabis Program on next steps for Board Referral 2022.20.

**Discussion/Summary:**

On March 14, 2023, the Cannabis Program (Program) presented a status update related to Board Referral 2022.20 (Attachment A) including a review of current data outcomes related to the required land use entitlement permit and related Cannabis Business Permit. The information is directly related to the operator's ability to transition from the Department of Cannabis Control provisional to annual licensure. The Program was directed to return in a month and provide additional information related to the local requirements by a commercial cannabis business operator. The local requirements are as follows.

- Land Use Entitlement
  - Discretionary permit including condition compliance. Workflow approval by Housing and Community Development, Environmental Services, Public Works, Environmental Health Bureau and local Fire Agency.
- Cannabis Business Permit
  - Business permit to operate. Workflow approval by Cannabis Program, Housing and Community Development: Planning and Building, Environmental Health Bureau and local Fire Agency.
- Annual Business License
  - Issuance of the license is by Treasurer-Tax Collector.
    - The annual license is not a requirement for state transition. Per Monterey County Code 7.02, a Business License is required to operate locally.

The requirements for a commercial cannabis business operator are under local ordinances or state regulations. Staff from Housing and Community Development, Environmental Health Bureau, Monterey County Regional Fire District and the Cannabis Program will review the local requirements during the presentation.

**Annual Business License.**

Business license required for certain designated businesses:

A business license is an annual license issued by Monterey County Treasurer-Tax Collector for the privilege of conducting business within the unincorporated area of Monterey County. The purpose of a business license is to provide for necessary regulation of certain lawful businesses being conducted within the unincorporated areas

of the county, in the interest of the public health, safety and welfare of the people of the county. Currently, a business license is only required for commercial cannabis businesses. More specifically, a business license is required for all commercial cannabis activity to include cultivation, possession, manufacture, processing, storing, laboratory testing, packaging, labeling, transporting, distribution, delivery, or sale of cannabis or a cannabis produce.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel, Housing and Community Development, Health Department, Environmental Health Bureau, and local Fire agency was involved in the preparation of this report.

FINANCING:

Monterey County's Cannabis Program is funded in County Administrative Office - Department 1050, Intergovernmental and Legislative Affairs Division - Unit 8533, Cannabis and the recommendations do not incur financial impacts.

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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Approved by: Nicholas E. Chiulos, Assistant CAO

Attachment A: Board Referral 2022.20