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1 necessary forms, and adopt any necessary rules, regulations, and processes
2 concerning the applications and the application process; and

3 WHEREAS, Section 11.17.115.B of the Commercial Cannabis Ordinance
4 provides that the procedures that govern the selection process for the issuance of
5 Commercial Cannabis Business Permits for manufacturing, cultivation, distribution,
6 testing and delivery-only retailers commercial cannabis businesses shall be adopted
7 by Resolution of the City Council, and that the Commercial Cannabis Business
8 Permits for these categories of businesses shall be issued by the Permit
9 Administrator; and

10 WHEREAS, Section 11.17.185 of the Commercial Cannabis Ordinance
11 authorizes the City Manager to establish any additional rules, regulations and
12 standards related to the issuance, denial, or renewal of Commercial Cannabis
13 Business Permits, the ongoing operation and City's oversight of commercial
14 cannabis businesses, or any other subject determined to be necessary to carry out
15 the purposes of the Ordinance; and

16 WHEREAS, Section 11.17.200 of the Commercial Cannabis Ordinance
17 provides that the hours of operation for a commercial cannabis business will be
18 established by Resolution of the City Council; and

19 WHEREAS, on February 12, 2018, the City Council adopted Resolution
20 2018-015, providing for the following:

21 (1) Establishing the maximum number of commercial cannabis
22 manufacturing, cultivation, distribution, testing and delivery-only
23 retail businesses operating in the City at any one given time;

24 (2) Establishing the application and selection process for
25 commercial cannabis manufacturing, cultivation, distribution, testing
26 and delivery-only retail businesses;

1 (3) Provided that there are not specific hours of operation for
2 manufacturing, distribution, cultivation or testing permittees, subject
3 to any other requirement of the State of California, the County of
4 Los Angeles, the Culver City Municipal Code, or any other local
5 regulation;

6 (4) Provided that deliveries may be made by commercial cannabis
7 delivery-only retail permittees between the hours of 8:00 a.m. to
8 10:00 p.m.; and

9 WHEREAS, on July 9, 2018, the City Council adopted Resolution 2018-
10 058, modifying the allocation of commercial cannabis business permits, to reduce
11 the maximum number of available permits for commercial cannabis cultivation and
12 increase the maximum number of commercial cannabis permits for manufacturing
13 and distribution, and

14 WHEREAS, the City desires to increase the maximum number of permits
15 available to potential permittees; and

16 WHEREAS, currently distribution and/or delivery permits issued to a
17 cannabis manufacturing permit holder on the same property do not count towards
18 the maximum number of distribution or delivery-only permits allowed; the City
19 desires to eliminate this methodology, and instead increase the total number of
20 permits allowed, which will simplify the City's ability to track the permits issued; and

21 WHEREAS, the City desires to modify its application and selection
22 process for commercial cannabis business permits for cultivation, manufacturing,
23 distribution and delivery-only retail, to make the process more efficient and to accept
24 applications going forward on a rolling basis to prevent acceptance of more
25 applications than allowed by the maximum number of permits.

1 NOW, THEREFORE, the City Council of the City of Culver City, California,
2 DOES HEREBY RESOLVE:

3 SECTION 1. Any terms used in this Resolution shall have the same
4 meaning as defined in the Commercial Cannabis Ordinance.

5 SECTION 2. The maximum number of commercial cannabis
6 manufacturing, cultivation, distribution, testing and delivery-only retail businesses
7 operating in the City at any one given time shall be as set forth in Exhibit A.

8 SECTION 3. The application and selection process for a Commercial
9 Cannabis Business Permit for manufacturing, cultivation, distribution, testing and
10 delivery-only retail businesses is attached hereto as Exhibit B. The City Manager is
11 authorized to prepare the necessary forms, and adopt any necessary rules,
12 regulations and processes concerning the applications and the application process.

13 SECTION 4. Applicants for manufacturing, distribution, cultivation, testing
14 and delivery-only retail Commercial Cannabis Business Permits shall submit all
15 required application materials, meet all requirements of Section 11.17.110, and
16 demonstrate compliance with all requirements of the Commercial Cannabis
17 Ordinance and applicable rules and regulations.

18 SECTION 5. There are not specific hours of operation for manufacturing,
19 distribution, cultivation or testing permittees, subject to any other requirement of the
20 State of California, the County of Los Angeles, the Culver City Municipal Code, or
21 any other local regulation.

22 SECTION 6. Deliveries may be made by commercial cannabis delivery-
23 only retail permittees only between the hours of 8:00 a.m. to 10:00 p.m.

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SECTION 7. City Council Resolutions 2018-R015 and 2018-R058 are hereby rescinded.

This Resolution shall take effect as of the date of its adoption. Approved and adopted this __ day of September, 2021.

ALEX FISCH, MAYOR

ATTEST:

APPROVED AS TO FORM:

JEREMY GREEN, CITY CLERK

CAROL A. SCHWAB, CITY ATTORNEY

Exhibit A

Maximum Number of Delivery-only Retail, Manufacturing, Distribution, Cultivation (Indoors), and Testing Laboratory Cannabis Business Permits by Business Type in Culver City (Rev. 09/27/21)

The City of Culver City will issue up to the maximum number of commercial cannabis business permits by permit type as follows:

Permit Type	Maximum
Delivery-only Retail	15
Manufacturing	10
Distribution	15
Cultivation (Indoors)	2
Testing Laboratory	4

Note re Distribution and Delivery-only Retail Permits Issued to a Manufacturing Permit Holder:

Distribution and/or delivery permits issued to a manufacturing permit holder (whether pertaining to its manufacturing business and on the same property, OR, not pertaining to its manufacturing business and/or not on the same property) will be treated and counted the same as any other permit.

Exhibit B

Culver City Commercial Cannabis Business Permit Application and Selection Process: Manufacturing, Distribution, Delivery-only Retail, Cultivation (Indoors), and Testing Laboratory (Rev. 09/27/21)

Step 1 – “Prequalification”

1. All responsible persons (owners and managers) of applicant submit Live Scan background checks to the California Department of Justice and FBI.
2. Applicant applies for and receives Zoning Verification from City, including verification of compliance with zoning and distancing from sensitive receptors.
3. Applicant submits Cannabis Business Application and Step 1 Fees to City.
4. Staff reviews and gives Step 1 approval to application.
5. Culver City Police Department (CCPD) receives, reviews, and approves background checks from California Department of Justice and FBI.
6. If CCPD has approved background checks for the applicant, and the applicant has submitted all required application materials, meets all requirements of Section 11.17.110 of the Culver City Municipal Code (CCMC), and has demonstrated that it will meet all requirements of CCMC 11.17, then the City will issue a “Step 2 Approval Letter” to applicant, along with a Step 2 Checklist, which details any required corrections to the application noted by staff during the Step 1 review process.

Step 2 – “Building Permitting & Buildout”

1. Applicant pays Step 2 Fees.
2. Applicant completes and submits the required items listed in the Step 2 Checklist. Staff reviews and either approves or requires additional information or changes.
3. Applicant applies for all regularly required City permits needed to complete the buildout of its facility, including building, electrical, mechanical, plumbing, fire sprinkler, fire alarm, and sign permits, and registers the security alarm with the Culver City Police Department. Applicant pays for any required building permit fees.
4. Applicant applies for Los Angeles County permits.
5. Applicant receives all required building permits from the City and the County.
6. Applicant completes buildout of its facility.
7. Applicant passes any required City and County building inspections.
8. City issues “Step 3 Approval Letter” to applicant.

Step 3 – “Cannabis Inspection”

1. Applicant submits Step 3 Fees.

2. Staff performs cannabis site inspection to ensure compliance with the cannabis business operating requirements in the CCMC. Successful completion of an inspection checklist will allow applicant to proceed to Step 4.

Step 4 - “Cannabis Permit Issuance”

1. Applicant submits Annual Cannabis Business Permit fee and proof of insurance.
2. Applicant applies for Culver City Business Tax Certificate.
3. City issues Cannabis Business Permit.
4. Applicant completes Culver City’s required Community Notification Procedures.
5. City issues the Applicant a Business Tax Certificate.
6. Applicant may not operate in the City until it also has an approved County permit and State Cannabis license. The applicant may apply for a State cannabis license at any time during the Culver City process.
7. Applicant may open for business.

Application Processing

New Applicants

Applications for manufacturing, delivery-only retail, cultivation, distribution, and testing cannabis business permits will be processed by staff on a rolling basis. Once the number of applications submitted reaches the limit of available permits for that permit type, no additional applications will be accepted for that permit type unless the City Council later approves an increase in the maximum number of permits for that permit type. An application is considered submitted when it is substantially complete, including submission of all required requests for LiveScan background checks from the California Department of Justice (but not the City’s receipt of the LiveScan results from the CADOJ) and the payment of the complete Culver City cannabis business permit Step 1 application fee.

Applicants will have one year from the initial date of application submission to complete the permitting process and receive their permit. If the applicant does not secure their permit within one year from the date of submission, their application will be deemed abandoned and will be rejected by the City. After one year from the date of submission, the Permit Administrator may at her or his discretion extend the permitting period as necessary for the applicant to complete its permit, as long as the applicant again pays the required Step 1 application fee and is actively working to secure its cannabis business permit.

Existing Applicants

All current manufacturing, delivery-only retail, cultivation, distribution, and testing applicants (those who initially applied in 2018) who have not yet received their permits must complete the permitting process and receive their permit by October 1, 2022. If a current applicant does not secure its permits by October 1, 2022, its application will be deemed abandoned and will be rejected by the City. After October 1, 2022, the Permit Administrator may at her or his discretion

extend the permitting period as necessary for the applicant to complete its permit, as long as the applicant again pays the required Step 1 application fee and is actively working to secure its cannabis business permit.

Additional Procedures for Cannabis Testing Laboratory Applications

Testing Laboratories must be accredited by a body that is a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement. Testing methods must conform to ISO/EIC 17025 (11.17.230). Proof of ISO 17025 accreditation will be required in order to receive a final Cannabis Testing Laboratory Permit. ISO accreditation must be provided by a third-party accreditation body that has been shown to operate in conformance with ISO 17011 standards. ISO accreditation is required for each test that the Laboratory will perform on cannabis products.

Recognizing that a Laboratory must obtain cannabis materials in order to validate test methods prior to receiving full ISO accreditation, the City will allow applicants to possess cannabis at the proposed facility for the sole purpose of obtaining ISO accreditation during the business license application process. The City will grant a temporary, provisional authority to possess and test cannabis only to those laboratories who have completed Steps 1 - 4 of the application process.

Once Steps 1 – 4 have been completed, the City will issue a temporary, provisional permit allowing the business to obtain, possess, and test cannabis for the limited purpose of completing ISO accreditation. The provisional license will expire after six months but may be extended at the request of the applicant. The Permit Administrator will review and approve or deny all extension requests. The Testing Laboratory may not perform tests on behalf of other cannabis businesses, patients, or caregivers until ISO Accreditation is obtained, and a final cannabis business license is issued by the City. Testing Laboratories licensed by the City will have six (6) months to obtain a State Testing Laboratory license, but this time period may be extended at the request of the applicant. The Permit Administrator will review and approve or deny all extension requests. Failure to obtain a state Testing Laboratory license within the six-month window may result in revocation by the City of the local Testing Laboratory business license. Denial of a state testing laboratory license will result in the immediate revocation by the City of the local Testing Laboratory business license.