

Planning and Building Agency Planning Division 20 Civic Center Plaza P.O. Box 1988 (M-20) Santa Ana, CA 92702 (714) 647-5804 www.santa-ana.org



# Commercial Cannabis Business Frequently Asked Questions

Thank you for your interest in submitting an application to operate a commercial cannabis business in Santa Ana.

## What applications do I need to submit?

All commercial cannabis businesses are required to submit a <u>Phase 1/Registration Application</u> and a <u>Phase 2/Regulatory Safety Permit (RSP) Application</u>.

## How much are the application processing fees?

The Phase 1 processing fee is \$1,887.00. The Phase 2/RSP processing fee is \$13,500.00. Please note that the Phase 2 permit and fee must be renewed annually.

### Are there any other fees or taxes?

Other standard fees may apply, such as those for business licenses, certificates of occupancy, and plan checks and permits.

Commercial cannabis businesses in Santa Ana are also subject to following taxes following the passage of Measure Y, approved by Santa Ana voters in November 2018, as modified from time to time by the Santa Ana City Council.

Commercial Cannabis Business Type	Тах
Adult-Use Retail	7% of gross receipts or \$25 per square foot (annually), whichever is higher. Or, 5% if the business complies with Section 40-16 of the Santa Ana Municipal Code.
Medicinal Retail (subject to separate tax approved in 2014)	5% of gross receipts
Testing Laboratory	1% of gross receipts or \$1.50 per square foot (annually), whichever is higher.
Cultivation	1% of gross receipts or \$7 per square foot (annually), whichever is higher.
Distribution	1% of gross receipts or \$3 per square foot (annually), whichever is higher.
Manufacturing	1% of gross receipts or \$3 per square foot (annually), whichever is higher.

#### Is there a cap or limit on the number of permits?

There is limit of 30 commercial cannabis retail store (dispensary) RSPs. The application period for adult-use retailers ended March 1, 2018, and no new applications are being accepted. There is no limit on the number of RSPs for "non-retail" commercial cannabis businesses (testing laboratory, cultivation, manufacturing, and distribution).



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# When and how can I submit an application?

Applications for "non-retail" commercial cannabis businesses (testing laboratory, cultivation, manufacturing, and distribution) are accepted year-round. Additional information is provided in each application.

### Can I submit Phase 1 and Phase 2 applications together?

Yes. Applicants are encouraged to submit Phase 1 and Phase 2 applications concurrently, which can save up to 30 days of processing time.

### Do I need a submittal appointment?

Yes, an appointment is required to submit either Phase 1 or Phase 2 applications. Please contact <a href="mailto:cannabis@santa-ana.org">cannabis@santa-ana.org</a> for a submittal appointment.

## How long is the review period?

Phase 1 applications require up to 30 days to process, after which the applicant is informed of the outcome. Phase 2 includes the full background checks of all business owners, as well as plancheck, construction, buildout, and inspections. Because each site will have different plan-check and buildout requirements, the Phase 2 timeframe is more dependent on the specifics of each project.

### Is there a reason my applications would be denied?

There is no limit for non-retail commercial cannabis businesses and there no selection process (evaluation, lottery, etc.). All applications must meet all zoning and buffer requirements, and all owners must meet the Santa Ana Municipal Code (SAMC) requirements for background checks, as well as any other applicable sections of the SAMC.

## Is there a flowchart explaining Santa Ana's permit process?

Yes. A flowchart explaining the entire application review and permitting process is available online at: https://www.santa-ana.org/commercial-cannabis/.

#### Is Santa Ana's RSP the same as a State license?

No. The City of Santa Ana issues RSPs, which are local permits. The State issues licenses to conduct commercial cannabis business activity. For information on State licenses and the application process, please visit <a href="http://bcc.ca.gov/">http://bcc.ca.gov/</a>.

#### Where can I find additional details or information?

Additional information on application requirements are contained in the Phase 1 and Phase 2 applications, as well as in the commercial cannabis ordinances available online at <a href="https://www.santa-ana.org/departments/cannabis/">https://www.santa-ana.org/departments/cannabis/</a>. For additional information, please contact <a href="mailto:cannabis@santa-ana.org">cannabis@santa-ana.org</a>.