

February 28, 2024

City of San Diego Cannabis Operators

SUBJECT: Annual Cannabis Operating Permit Fee Notice

Dear Cannabis Operator,

On Feb. 15, 2022, the San Diego City Council approved the Annual Cannabis Operating Permit Fee of \$20,802.84 per facility. The fee's purpose is to help the Development Services Department meet established service levels, provide full-cost recoverability and provide sufficient resources to continue improving the quality of the mandated regulatory review process for the City's <u>Cannabis</u> <u>Program</u>.

This is an official notice for a change in the administrative requirements for collection of the annual operating fee. Beginning July 1, 2024, invoices for the Cannabis Operating Fee will go out and will be due on August 1, 2024, and payment shall be made to the City Treasurer. This fee applies to every Conditional Use Permit (CUP) with a cannabis business in operation. Failure to submit payment by August 1, 2024, will result in the business not receiving their annual operating permit which is a requirement of the conditional use permit. The City will no longer send delinquent accounts to collections. If the fee is not paid in full by August 1, 2024, it will place the CUP in jeopardy of revocation.

For questions, please submit inquiries to Lara Gates, Cannabis Business Division Deputy Director, at <u>Ingates@sandiego.gov</u> or call 619-446-5107.

Sincerely,

Lara Gates

Lara Gates Deputy Director

CC: Casey Smith, Deputy Chief Operating Officer Elizabeth Correia, Director, City Treasurer Elyse Lowe, Director, Development Services Department Ricardo Ramos, Deputy Director, City Treasurer