Office of Mayor Todd Gloria

# Amendment to Hours of Operation for Cannabis Outlets

City of San Diego Planning Commission May 29, 2025





# Proposed Request

- Recommend approval to the City Council of an amendment to Chapter 14, Article 1, Division 5 of the San Diego Municipal Code by amending Section 141.0504, hours of operation for cannabis outlets, to align with hours of operation allowed by the State of California.
  - Set by the <u>California Department of Cannabis Control</u>.
  - Increase by two hours each business day.



# Memo to Planning Commission

- Memo prepared and distributed on May 27, 2025:
  - Cannabis outlets with a valid conditional use permit
    (CUP) will be permitted to expand hours to 6:00 a.m.
    until 10 p.m. without requiring an amendment to their
    existing CUP.



## **Proposed Actions**

**Extending Business Hours** 

Current San Diego Retailing Hours

7:00am - 9:00pm

<u>Current CA State</u> <u>Retailing Hours</u>

6:00am - 10:00pm

Proposed San Diego Retailing Hours

6:00am - 10:00pm



## **Economic Benefit**

 Increase in sales tax revenue and cannabis tax revenue generated by cannabis outlets.



## **Equity and Business Viability**

#### Keeping San Diego Competitive

- Benefits for San Diegan customers:
  - Increased access to legal, regulated sources of cannabis.
  - Competitive access and prices to neighboring jurisdictions.
- Benefits for local businesses:
  - Increased hours of operation and revenue/sales.
  - · Competitive hours to neighboring jurisdictions' businesses.



## **Public Safety and Compliance**

More Hours, More Safety

- Licensed businesses must continue to adhere to in-place security requirements.
- Maintains regulated, legal marketplace and can deter illicit sales by increasing availability of legal cannabis.
- Not expected to incur significant enforcement costs, as existing regulatory and security measures remain in place.



## Consistency with State Standards

#### **Adopting Approved Best Practices**

- Proposed hours (6:00 a.m. 10:00 p.m.) align with California's state regulations, bringing San Diego in line with best practices adopted by other jurisdictions.
- Maintaining unnecessarily restrictive hours places local businesses at a competitive disadvantage compared to other neighboring jurisdictions operating in compliance with State law.



## Stakeholders and Outreach Efforts

- Cannabis Retailers
- Cannabis Workers
- Citywide Departments
- Residents of City of San Diego



## Staff Recommendation

Recommend the Planning Commission Provide a Recommendation to the City Council to Adopt:

 An ordinance amending Chapter 14, Article 1, Division 5 of the San Diego Municipal Code by amending Section 141.0504, relating to the hours of operation for cannabis outlets.