

## **SUMMARY OF PROPOSED SAN DIEGO MUNICIPAL CODE CHANGES IN RELATION TO CANNABIS CONDITIONAL USE PERMITS**

### **1. Redistricting**

[SDMC 141.0504](#): “No more than four *cannabis outlets* are permitted in each City Council District, unless the location of a *cannabis outlet* is redistricted after it was permitted to a different City Council District resulting in more than four *cannabis outlets* in the City Council District.”

### **2. Cannabis Conditional Use Permit Recission**

SDMC Section 126.0108: The utilization of a CUP is contingent upon (but not limited to) the following:

- (1) The existence of a valid license at this location by the California Department of Cannabis Control (DCC) for the proposed business activities. The issuance of this CUP does not guarantee that the DCC will grant a license for this location.
- (2) Compliance with Chapter 4, Article 2, Division 15 of the San Diego Municipal Code, including payment of any fees enacted pursuant to SDMC 42.1506.
- (3) Timely payment of all current and future Cannabis Business Tax owed pursuant to Chapter 3, Article 4, Division 1 of the San Diego Municipal Code.
- (4) Possession of a Business Tax Certificate.
- (5) Fulfillment of all permit conditions.
- (6) Continued compliance with all other applicable federal, state, and local laws.

In the event a CUP does not comply with 1-6, the City Manager may make a determination to rescind the CUP through a Process 1 cancellation.

### **3. Cannabis tax payment responsibilities**

42.1504(h): An application for a Cannabis Outlet Permit or a Cannabis Production Facility Permit shall be denied if the applicant has had any permit issued pursuant to this Division revoked by the City Manager within the five years preceding the date of application.

42.1507(e): It is unlawful to act as a *responsible person* for any *cannabis outlet* or *cannabis production facility* operating within the City at any time if that person meets any of the following criteria:

- 1) Was a *responsible person* for any *cannabis outlet* or *cannabis production facility* that is currently delinquent on taxes owed to the City at the time delinquency occurred.
- 2) Was a *responsible person* for any *cannabis outlet* or *cannabis production facility* at a location that is currently delinquent on cost recovery fees owed to the City pursuant to Section 42.1506 of this division at the time delinquency occurred.
- 3) Was a *responsible person* for any *cannabis outlet* or *cannabis production facility* at any location that currently has a deposit account in deficit with the City at the time the deficit occurred.

### **4. Cannabis permit expiration date regulations**

SDMC 141.0504(n)(4): Prohibit the indefinite extensions of cannabis CUPs as to allow other eligible applicants to be able to process their permits.