CITY OF CORONA COMMERCIAL CANNABIS BUSINESSES

FREQUENTLY ASKED QUESTIONS

TABLE OF CONTENTS

Merit-Based Ranking & Premise Control Questions	2
Morit Rosed Roview & Criteria Questions	4
Merit-Based Review & Criteria Questions	
Application Process Questions	16
Corona Municipal Code & Resolution Questions	27
Background Information	32

MERIT-BASED RANKING & PREMISE CONTROL QUESTIONS

RESOLUTION 2021-022 ALLOWS A SINGLE PROPERTY TO BE LISTED ON MULTIPLE APPLICATIONS. WHAT HAPPENS IF A HIGHER-RANKED APPLICATION SECURES PREMISE CONTROL OF THE PROPERTY WE LISTED IN OUR APPLICATION?

Resolution 2021-022 establishes a process for identifying an applicant's preferred premises. This process requires all applicants to submit to the City their "preferred premises", which must be listed on their submitted application forms. Subsequently, the City will require applicants to demonstrate premise control, starting from the highest-ranked applicant from HdL's final ranking. Pursuant to Resolution 2021-022 Section V(A)(2)(c)(iv). if an applicant ranked lower on the final ranking list loses a location identified in their application to a higher-ranked applicant, the lower-ranked applicant may propose another preferred premises from the locations listed in their submitted application. If an applicant has only one listed location in their application, or if all of their listed locations have been lost to a higher-ranked applicant, then the lower-ranked applicant can propose a location that is not listed in their submitted application (subject, of course, to the conditions noted in Resolution 2021-022). However, the lower-ranked applicant will forfeit its rank on the list as established by HdL, and will be re-ranked as the last ranked applicant. Because the final ranking as established by HdL is comprised of 47 applicants, the first applicant that is re-ranked per Section V(A)(2)(c)(iv) will be re-listed as number 48. If a subsequent applicant is re-ranked per Section V(A)(2)(c)(iv), that subsequent applicant will be re-listed as number 49. The re-ranking of subsequent applicants who lose their preferred premises to a higher-ranked applicant will continue in this manner.

Date: 03-24-22

CAN WE IDENTIFY A PREFERRED PREMISES THAT IS NOT LISTED IN OUR STOREFRONT APPLICATION?

Possibly, but only under very limited circumstances. A storefront applicant can identify a preferred premises that is not listed in their application enly when all of the locations listed on their application have been secured by a higher-ranked applicant. However, in this circumstance, the lower-ranked applicant will forfeit its ranking as established by HdL and will be re-ranked as the last ranked applicant. An applicant can also identify a preferred premises that is not listed in their application when they are unable to secure the legal right to occupy and use any of the premises listed on their application. However, in this circumstance, the applicant will forfeit its ranking as established by HdL and will be reranked as the last ranked applicant.

Date: 03-24-22; Updated 04-20-22

IF AN APPLICANT RANKED HIGHER THAN OUR APPLICATION FORFEITS THEIR APPLICATION OR POSITION IN THE RANKING, WILL MY APPLICATION BE MOVED UP IN THE FINAL RANKING?

No. Resolution 2021-022 Section VI(B) clarifies that applicants do not "move up" in the ranking. This section states that if a storefront applicant forfeits their commercial cannabis permit application and any right to a commercial cannabis permit, pursuant to Section V or Section VI, the next ranked applicant will not be moved up to the ranking of the forfeited applicant. Rather, the City will notify the next ranked applicant on the final ranking list *that* is outside the maximum number of permits available for issuance that the higher-ranked applicant has forfeited their permit application and any right to a cannabis permit. Per the

Municipal Code, there are twelve (12) permits available for issuance. Should an applicant ranked within the top 12 applicants forfeit their application and any right to a permit, the City will notify the applicant ranked number 13 on HdL's final ranking list.

The intent of maintaining an applicant's original place on the ranking list is to maintain clarity of an applicant's place in the ranking. The fact that applicants are not moved up in the ranking does not alter the number of storefront commercial cannabis permits that are available for issuance in the City.

Date: 03-24-22

MERIT-BASED REVIEW & CRITERIA QUESTIONS

HOW WILL AN OWNER/OPERATOR DEMONSTRATE ITS COMPLIANCE RECORD?

In the Qualifications of Owners/Operators section, up to 40 points is available for meeting the following criteria:

COMPLIANCE RECORD – Proposal demonstrates record of operating a compliant commercial cannabis or other business, with more points awarded for operating a cannabis business. A compliant business operation does not have a documented history of local or state level violations relating, but not limited to: business code, public safety, environmental impacts, employment, and financial payments.

The City does not anticipate any particular way in which an applicant must demonstrate its ability to meet this criteria. We also understand that the state does not issue "compliance certificates" or some similar measurement for cannabis businesses and that other industries may also not do so. Please use your discretion and provide as much information as possible for the City to make a determination regarding the extent to which the applicant's prior cannabis or other business operated without a documented history of violations.

Date: 04-15-2

WILL THE MERIT-BASED INDEPENDENT CONSULTANT CONDUCT INTERVIEWS?

Yes. An interview <u>will</u> be conducted for all applicants that pass the application clearance process. Resolution 2021-015 stated that interviews <u>may</u> be held. Resolution 2021-015 was replaced by Resolution 2021-022 specifically to clarify that, as part of the interview process, applicants will be required to submit and present a PowerPoint presentation that demonstrates the applicant's responsiveness to some or all of the Storefront Retail Merit-Based <u>Selection Evaluation</u> Criteria, as instructed by the independent consultant. Applicants will be expected to answer questions during the interview intended to elicit information regarding the applicant and their ability to satisfy or exceed one or more of the Storefront Retail Merit-Based <u>Selection-Evaluation</u> Criteria.

Date: 04-15-21; Updated 05-13-21; Type Correction 12-14-21

WILL THE POWERPOINT PREPARED BY THE APPLICANT FOR THE INTERVIEWS BE SCORED?

No. The PowerPoint file (slides) prepared by the applicant will **not** be scored. The merit-based scoring will be based upon information conveyed **verbally** by the applicant during the interview, which includes the verbal PowerPoint presentation and an oral interview administered by HdL. HdL will not be evaluating the text or images in the PowerPoint presentation.

For instance, if a slide states that an owner named John Smith has 30 years of cannabis business experience, but John Smith is not discussed during the interview, then the applicant will not receive points for John Smith's experience. HdL reserves the right to use information printed on the PowerPoint slides as supplemental material for verifying and clarifying information verbally presented by the applicant.

Date: 12-14-21

WILL THE MERIT-BASED SCORING BE BASED UPON THE INTERVIEWS?

Yes. In fact, the independent consultant's scoring/ranking of the applicants will be based solely on the interview and the PowerPoint presentation. The application documents <u>and PowerPoint file (slides)</u> will be used by the independent consultant as a resource document to assist in the interview process, but will not be scored/ranked by the independent consultant.

Date: 04-15-21; Updated 12-14-21

HOW DOES AN OWNER PROVE THAT THEY ARE OR WERE A RESIDENT OF CORONA OR THE COUNTY OF RIVERSIDE?

In the Community Benefit section, up to 20 points are available for meeting the following criteria:

LOCAL EXPERIENCE – Owner in the proposed business have resided in the City of Corona and/or County of Riverside for at least 5 years.

The City does not anticipate any particular way in which an applicant must demonstrate its ability to meet this criteria, as each situation is unique. Applicants should use their best judgement in demonstrating residency.

Date: 05-13-21

HOW DOES AN OWNER PROVE THAT THEY ARE AN OWNER OF AN EXISTING BUSINESS IN THE CITY OF CORONA?

In the Qualifications of Owner/Operators section, up to 10 points are available for meeting the following criteria:

LOCAL OWNERSHIP – Proposals demonstrate that a current resident or business owner within the City owns at least fifty-one percent (51%) of the cannabis business.

The City does not anticipate any particular way in which an applicant must demonstrate its ability to meet this criteria, as each situation is unique. Applicants should use their best judgement in demonstrating residency or business ownership.

Date: 05-13-21

WE'VE BEEN ASSIGNED AN INTERVIEW DATE AND TIME. CAN THE INTERVIEW BE RESCHEDULED?

No. All applications have been assigned an interview date, time and location. Interviews will not be rescheduled. Please note that every owner is not required to participate in the merit-based evaluation process, and the total number of applicant attendees is limited to three (3).

Date: 12-14-21

THE CITY'S CONSULTANT, HDL, WILL BE CONDUCTING INTERVIEWS OF, AND RECEIVING POWERPOINT PRESENTATIONS FROM, ALL STOREFRONT CANNABIS APPLICATIONS THAT ARE GRANTED APPLICATION CLEARANCE. HOW LONG IS THE INTERVIEW? WHO CAN ATTEND THE INTERVIEW? HOW MANY PEOPLE CAN ATTEND THE INTERVIEW? WHAT IS THE TIME LIMIT ON THE POWERPOINT? WHEN WILL THE INTERVIEWS BE HELD? HOW WILL THE INTERVIEW AND POWERPOINT BE SCORED?

Details related to the interview process have not been determined at this time. The City has hired a consultant, HdL, to conduct an independent merit-based review of storefront applicants. Consistent with Resolution 2021-022, HdL will provide has provided instructions to applicants who passed Application Clearance. The instructions will—address the questions related to time, place and manner of the interviews, and will—clarify details regarding the applicant's PowerPoint presentation. The instructions state that the interview is up to one hour in duration, including a 30-minute PowerPoint presentation by the applicant. Answers about the interview are provided in HdL's November 23, 2021 letter or in response to questions contained herein.

Scoring of applicants by HdL will be based solely on the interview and applicant's PowerPoint_presentation. The scoring will address all criteria outlined in Attachment A of Resolution 2021-022, and points will be allocated as stipulated therein. The rubric pertaining to the point allocation within each criteria will be determined by HdL in consultation with the City. The rubric will not be disclosed prior to the interviews.

Date: 05-13-21; Updated 12-14-21

WHEN WILL THE INTERVIEWS OCCUR? HOW LONG IS EACH INTERVIEW? WHAT HAPPENS AFTER THE INTERVIEWS?

Interviews will occur during the month of January 2022. All applicants who have passed "Application Clearance" have been assigned an interview day and time. Interviews will be conducted at City Hall (400 S. Vicentia Avenue, Corona, CA). The total duration of each interview is limited to one (1) hour, which includes a thirty (30) minute PowerPoint presentation by the applicant.

After all interviews have taken place, HdL will produce a written ranking of the applicants from highest to lowest, based upon the combined total points allocated to each application using the Storefront Retail Merit-Based Evaluation Criteria (Attachment A of City Council Resolution 2021-022). The City expects HdL's written ranking will be provided to the City in mid- to late-February. The ranking of applicants will be posted on the City's website, and the ranking will be provided to each applicant, as stipulated in Resolution 2021-022.

Storefront commercial cannabis permit applicants that have been placed on HdL's written ranking will receive Preliminary Approval at the time HdL provides the ranking to the City.

Date: 12-14-21

WHO CAN ATTEND THE MERIT-BASED INTERVIEWS? CAN A CONSULTANT ATTEND THE EVALUATIONS AS ONE OF THE THREE PARTICIPANTS?

The only persons who may attend the interview on behalf of the applicant are those persons listed on Form A-1 (Owners, Officers and Managers) of the submitted application. A consultant cannot attend the interviews unless they are listed on Form A-1 of the submitted application. Please note that every owner does not need to participate in the merit-based evaluation process, and the total number of applicant attendees is limited to three (3).

)ate: 12-14-21

IS THE INTERVIEW LIMITED TO THREE (3) PERSONS TOTAL, OR IS IT ALL OWNERS AND AN ADDITIONAL THREE PEOPLE? WHAT IF THE APPLICANT HAS MORE THAN THREE OWNERS LISTED ON APPLICATION FORM A-1?

The number of applicant attendees at the interview is limited to a total of three (3) people, all of whom must be listed on Application Form A-1 submitted prior to the application filing deadline. If there are more than three (3) owners listed on Form A-1, then the applicant will

need to determine which owners will represent the business during the presentation.

Date: 12-14-21

WE'VE BEEN INVITED BY HDL TO AN INTERVIEW. DO ALL OWNERS, OFFICERS, AND MANAGERS NEED TO SIGN ATTACHMENT B TO HDL'S LETTER ("APPLICANT ATTESTATION FOR MERIT-BASED EVALUATION PROCESS"), OR DO ONLY THE INDIVIDUALS ATTENDING THE INTERVIEW SIGN THE SECOND PAGE?

All individuals listed in Form A-1 of the application need to sign the second page of the Applicant Attestation form, whether or not they attend the interview. This is because interview attendance is limited to three (3) people, and it is understood that the other owners, officers and managers not in attendance would be made privy to the information provided. As such, all owners, officers and managers will be required to comply with the "No Disclosure of Interview Proceedings" section of the Application Attestation. Additionally, it is understood that all owners, officers and managers share the responsibility of, and would be similarly impacted by, any attestation violations of the owners, officers and/or managers attending the interview.

Date: 12-14-21

WE'VE BEEN INVITED BY HDL TO AN INTERVIEW. WE UNDERSTAND THAT WE MUST SUBMIT TO AN "APPLICANT ATTESTATION FOR MERIT-BASED EVALUATION PROCESS" FORM, WHICH NEEDS TO BE SIGNED BY ALL OWNERS, OFFICERS AND MANAGERS LISTED ON APPLICATION FORM A-1. CAN WE SUBMIT SIGNATURES ON SEPARATE APPLICANT ATTESTATION FORMS, OR MUST ALL SIGNATURES BE ON ONE FORM?

Yes. Signatures may be provided on separate duplicated forms, provided all required signatures are provided prior to the start of the interview. The signatures must be on the Applicant Attestation form provided; the City will not accept letters, notes, e-mails or other forms of communication in lieu of the form.

Date: 12-14-21

WE'VE BEEN INVITED BY HDL TO AN INTERVIEW. CAN A PERSON NOT LISTED ON APPLICATION FORM A-1 SIGN THE 'APPLICANT ATTESTATION FOR MERIT-BASED EVALUATION PROCESS' FORM?

No. The Application Attestation states that the signatures are to be provided by the Owners, Officers and Managers. The City will not accept Applicant Attestation signatures of individuals not listed on Form A-1.

Note that the applicant's owners, officers and managers are accountable for not disclosing any part of the interview proceedings, and for maintaining the integrity of the interview process. Persons who are **not** listed on Application Form A-1 shall not be made privy to the details of interview proceedings, including but not limited to consultants, employees listed on Form A-2, persons and entities listed on Form A-3, etc.

Date: 12-14-21

WE'VE BEEN INVITED BY HDL TO AN INTERVIEW. WHAT IS THE DEADLINE FOR TURNING IN THE SIGNED "APPLICANT ATTESTATION FOR MERIT-BASED EVALUATION PROCESS" FORM? WHERE DO WE SUBMIT THE SIGNED APPLICANT ATTESTATION? DO WE NEED TO SUBMIT AN ORIGINAL SIGNED COPY, OR WILL ELECTRONIC SIGNATURES AND COPIES BE ACCEPTABLE?

Signed Applicant Attestation forms shall be submitted to the City's Planning Division staff on the day of the interview, prior to the start of the interview. The City will also accept mailed/delivered forms that arrive prior to the interview. The City will not be responsible for

any forms sent to the City that are not received prior to the interview.

"Wet signed originals" are required; copies, PDFs and electronic signatures will not be accepted.

Date: 12-14-21

HDL'S INSTRUCTIONS FOR THE INTERVIEW STATE THAT ANY DEVICE, MATERIAL OR EQUIPMENT THAT CAN CREATE A TRANSCRIPT OF THE INTERVIEW ARE PROHIBITED IN THE INTERVIEW ROOM. THE LETTER SPECIFICALLY STATES THAT "PENS, PENCILS, PAPER, NOTEBOOKS, IPADS, OR ANY OTHER MATERIALS OR EQUIPMENT THAT CAN BE USED TO TAKE NOTES, RECORD COMMENTS OR OBSERVATIONS, OR OTHERWISE CREATE A TRANSCRIPT OF ANY PART OF THE INTERVIEW ARE PROHIBITED IN THE INTERVIEW ROOM". CAN APPLICANTS BRING PREPARED NOTES TO THE INTERVIEW? CAN AN APPLICANT BRING A PRINTOUT OF THEIR POWERPOINT FOR THE SOLE PURPOSE OF REFERRING TO IT DURING THE PRESENTATION, PROVIDED THERE ARE NO PENS OR OTHER WRITING UTENSILS?

No. Attendees may not bring prepared notes or a printout of their PowerPoint to the interview. It is expected that attendees are able to share with the interview panel their knowledge, experience and capabilities as a cannabis operator without relying on prepared notes. The PowerPoint slides will be displayed on a screen in the interview room for applicants to refer to during the presentation. All applicants will be held to the same standard in order to ensure consistency and fairness of the process.

Date: 12-14-21

ARE APPLICANTS ALLOWED TO BRING AND LEAVE BEHIND MATERIALS RELATED TO THEIR BUSINESS, PRODUCTS, OR PROMOTIONS (AKA, "LEAVE-BEHIND MATERIALS")?

No. Applicants shall not bring "leave-behind" material to the interview. Any leave-behind materials brought to the meeting will be discarded prior to the interview, will not be viewed by HdL, and will not be scored or retained.

Date: 12-14-21

ARE APPLICANTS ALLOWED TO BRING AND LEAVE BEHIND MATERIALS TO THE MERIT-BASED REVIEW INTERVIEW?

No. As instructed by HdL, applicants shall not bring any materials, such as pens, papers, etc., to the interview. It is expected that attendees are able to share with the interview panel their knowledge, experience and capabilities as a cannabis operator without relying on prepared materials. All applicants will be held to the same standard, in order to ensure consistency and fairness of the process.

Specifically, HdL's instructions for interview attendees state the following:

"No Recording Devices: Cellular phones and/or any type of device or equipment capable of any type of communication and/or video or audio recording are prohibited in the interview room. You are advised NOT to bring cellular phones and/or any other device or equipment that is capable of any type of communication and/or video or audio recording with you to the interview. Applicants who arrive to the interview with cellular phones or other recording device or equipment will be required to leave them in a box outside the interview room, in which event, neither the City nor HdL shall be responsible for their safekeeping."

"No Pens, Paper, etc.: Pens, pencils, paper, notebooks, iPads, or any other materials or equipment that can be used to take notes, record comments or observations, or otherwise create a transcript of any part of the interview are prohibited in the interview room."

Date: 12-14-21

WE'VE BEEN INVITED BY HDL TO AN INTERVIEW. HDL'S LETTER INCLUDED INSTRUCTIONS FOR PREPARING A POWERPOINT (ATTACHMENT A). THE INSTRUCTIONS SPECIFY THAT THE PRESENTATION SHALL CONTAIN 10 SLIDES, WITH EACH SLIDE COVERING A SPECIFIC TOPIC. A SCORE SHEET IS NOT PROVIDED BY HDL FOR EACH TOPIC. WILL SCORING OF THE POWERPOINT PRESENTATION BE BASED ON ATTACHMENT A OF CITY COUNCIL RESOLUTION 2021-022? NOT ALL OF THE CRITERIA IN ATTACHMENT A OF RESOLUTION 2021-022 ARE COVERED BY THE POWERPOINT SLIDES. HOW WILL THE OTHER CRITERIA IN THE RESOLUTION BE ADDRESSED IN THE INTERVIEW?

The scoring of applicants participating in the Merit-Based Review interviews will cover all of the criteria established by Attachment A of City Council Resolution 2021-022. The interview is designed to capture the full scope and range of points specified in the resolution.

The interview will consist of two parts, including a PowerPoint presentation by the applicant, followed by an oral interview administered by HdL. The two parts are intended to elicit the information necessary for HdL to assess and score the applicants per the merit-based criteria in Resolution 2021-022.

As stated in City Council Resolution 2021-022, Section IV.B.4, the application documents submitted by the applicant may be used by HdL as a resource document to assist in the interview process. If and how HdL resources the details provided in each applicant's submitted application cannot be forecasted, as each applicant's presentation, application documents and experience is unique. As stated in the Resolution, the application documents will not be scored/ranked, and the scoring/ranking of applicants will be based solely on the interview and the applicant's PowerPoint presentation.

The details of the interview questions ("rubric") will not be disclosed prior to the interview, and all owners, officers and managers privy to the interview proceedings are prohibited from sharing any details of the proceedings after their interview.

WHO WILL BE ON THE INTERVIEW PANEL?

As stated in City Council Resolution 2021-022, Section IV.B.4, the interview panel is comprised of at least three (3) evaluators selected by HdL. The evaluators have demonstrated experience in local government cannabis regulatory or policy implementation, fiscal analysis, and/or auditing. None of the evaluators are officials, officers, or employees of the City of Corona.

Date: 12-14-21

Date: 12-14-21

WILL THE APPLICANT BE ABLE TO VIEW THE INTERVIEW ROOM SO THAT THEY CAN PLAN THEIR PRESENTATION? WHAT IS THE SIZE OF THE INTERVIEW ROOM?

No. Applicants are not able to view the interview room prior to the interviews.

The interviews will be held in a large room at City Hall that can accommodate the evaluation panel, three (3) applicant attendees, and city staff. The City will pre-load the applicant's PowerPoint presentation on a city computer as a "PowerPoint Show", and the PowerPoint

will be projected onto a screen or displayed on a monitor.

Date: 12-14-21

HOW MANY APPLICANTS ARE BEING INTERVIEWED AS PART OF THE MERIT-BASED REVIEW PROCESS?

Forty-seven (47) storefront commercial cannabis permit applicants passed Application Clearance. All forty-seven (47) of these applicants have been scheduled for an interview as part of the Merit-Based Evaluation.

Date: 12-14-21

WHAT IS THE MAXIMUM NUMBER OF SLIDES THAT CAN BE USED IN THE APPLICANT'S POWERPOINT PRESENTATION? CAN AN APPLICANT ADD ADDITIONAL SLIDES TO THE TEN (10) SPECIFIED IN HDL'S INSTRUCTIONS?

HdL's November 23, 2021 letter states that "The PowerPoint presentation must be formatted in the exact manner outlined in Attachment A, and cannot exceed 50 megabits in size." That same letter included Attachment A, which are the instructions for preparing the PowerPoint presentation. The instructions state that "presentations must be structured in the order identified below, using the number of slides allocated to each topic".

Based on these instructions, all PowerPoints shall contain ten (10) slides. The ten (10) slides shall cover only the topics identified in Attachment A of HdL's November 23, 2021 letter, and the topics must be presented in the order identified in the instructions.

Date: 12-14-21

ATTACHMENT A TO HDL'S NOVEMBER 23, 2021 LETTER STATES THAT THE POWERPOINT STRUCTURE SHALL BE LIMITED TO TEN (10) "SLIDES". TO PROVIDE A COMPREHENSIVE RESPONSE TO EACH QUESTION, WE BELIEVE IT WILL REQUIRE MORE THAN ONE (1) SLIDE. ARE APPLICANTS ALLOWED TO INCLUDE ADDITIONAL SLIDES IN RESPONSE TO THE PROPOSED QUESTION?

No. PowerPoints shall be ten (10) slides in length. Please keep in mind that the merit-based scoring will be based upon information conveyed verbally. Applicants should not rely upon information printed on a PowerPoint slide to provide a comprehensive response.

Date: 12-14-21

CAN AN APPLICANT'S POWERPOINT PRESENTATION CONTAIN VIDEOS, SOUND, GRAPHICS, 3D MAPPING, ETC., PROVIDED THE SIZE OF THE POWERPOINT FILE DOES NOT EXCEED 50 MEGABITS? MAY A VIDEO LINK BE INCLUDED IN THE POWERPOINT SLIDES SO THAT A VIDEO CAN PLAY DURING THE PRESENTATION? CAN LINKS TO WEB PAGES OR OTHER OUTSIDE MATERIALS BE INCLUDED IN THE POWERPOINT SLIDES? IS THE POWERPOINT MERELY A BRIEF VISUAL TO AID IN THE INTERVIEW?

Applicants shall not include any video/audio recordings in the PowerPoint Presentation, and shall not imbed links to outside materials or data sources. The purpose of the PowerPoint Presentation is intended to allow applicants to share their knowledge, experience and capabilities as a cannabis operator without relying on digitally recorded remarks. All applicants will be held to the same standard, in order to ensure consistency and fairness of the process.

Date: 12-14-21

CAN THE SLIDES BE SUBMITTED IN A "PDF" FORMAT INSTEAD OF A "POWERPOINT" FORMAT?

No. Slides must be submitted in a PowerPoint format. The City will not be responsible for

the content, formatting, etc. of slides that are converted from a PDF format to a PowerPoint file.

Date: 12-14-21

APPLICATIONS WERE SUBMITTED MID-2021. OUR BUSINESS HAS GROWN IN THE LAST 6 MONTHS. CAN WE PRESENT NEW INFORMATION IN OUR POWERPOINT OR DURING THE INTERVIEW THAT WAS NOT IN OUR ORIGINAL APPLICATION SUBMITTAL?

No. Applicants cannot present new information.

While the City recognize that businesses evolve, applicants are only permitted to present information during the interview that is contained within their submitted application packets and "cleared" by city staff as part of the Application Clearance process. Applicants cannot present new information that is not included in their submitted application packet submitted prior to the filing deadline, including but not limited to cannabis licenses recently acquired, new employees recently hired, new business agreements, etc.

Conversely, applicants cannot present information contained within their submitted application packet if it is no longer applicable/valid. For instance, if a manager with the applicant's company leaves employment, the applicant cannot present that persons as the manager of their Corona facility.

Date: 12-14-21

I RECEIVED A LETTER FROM HDL, DATED NOVEMBER 23, 2021, WHICH STATES THAT OUR INTERVIEW IS SCHEDULED IN JANUARY 2021. JANUARY 2021 IS IN THE PAST. IS THIS A TYPO?

Yes. The letter sent by HdL on November 23, 2021 contained a typo. The letter stated that the in-person evaluation process would take place in January 2021. **Each applicant's assigned timeslot should have been identified as January 2022**. Apart from this revision, the specific Day, Time and Location assigned for each applicant to participate in the in-person evaluation process remains unchanged.

Note, the deadline to submit a final digital copy of the PowerPoint to the City is <u>still</u> no later than **5:00PM on Wednesday**, **December 29**, **2021**.

Date: 12-14-21

WHAT HAPPENS IF AN APPLICANT DECLINES THE INTERVIEW OR FAILS TO SHOW UP FOR THE INTERVIEW?

If none of the owners, officers or managers attend the merit-based interview (i.e., the applicant is a "no show"), then the application will receive zero (0) points and will be ranked last. If this occurs with more than one application, then all applications that do not have an owner, officer or manager attend the interview will receive zero (0) points, and these applications will effectively be tied for the last position in the ranking.

Date: 12-14-21

OTHER THAN THE HDL PANELISTS, WHO WILL BE PRESENT AT THE EVALUATION? WILL CITY STAFF BE PRESENT, AND IF SO, IN WHAT CAPACITY? WILL CITY STAFF HAVE INPUT ON THE RANKINGS? WILL THE CITY COUNCIL BE PRESENT AT THE INTERVIEW, AND IF SO, IN WHAT CAPACITY? IS THE INTERVIEW SUBJECT TO THE BROWN ACT?

There may be up to eight (8) attendees at each merit-based evaluation. This includes:

- Three (3) HdL selected panelists
- One (1) or two (2) City staff members
- Up to three (3) applicant representatives.

City staff will not be rating the applicants or directly participating in evaluation questions, which is being managed by HdL. Staff's role is to represent the City's interest, which is to ensure a smooth, fair and accountable process. For instance, staff will ensure equipment and facilities work effortlessly, and will monitor attendees to ensure there is no recording, note taking, etc.

Ultimately, pursuant to City Council Resolution 2021-022, the scoring and ranking of applicants shall be by the three (3) individuals selected by HdL to conduct the evaluation. City staff will not participate in the scoring of the applicants.

Members of the City Council will not be present at the evaluation.

The evaluations are not subject to the Brown Act, as the "legislative bodies" of the city will not be present, and the evaluation is not a process that is open to public participation. Results of the interview will be reported to the city in writing and posted on-line, as stipulated in City Council Resolution 2021-022.

Date: 12-27-21

WILL THE MERIT-BASED EVALUATIONS BE RECORDED?

No, the evaluations (interviews) will not be recorded.

Date: 12-27-21

MAY AN APPLICANT REFER TO SPECIFIC PAGES OF THE SUBMITTED APPLICATION TO DEMONSTRATE AN APPLICANT'S PROOF OF THE CRITERIA IDENTIFIED IN ATTACHMENT A OF CITY COUNCIL RESOLUTION 2021-022? APPLICANTS WERE TOLD THAT THE APPLICATION FORMS WILL BE USED AS A RESOURCE; IS THAT WHAT WAS MEANT?

No. If an applicant responds to a presentation topic or interview question by referencing their application, they will not be awarded any points. HdL's evaluation shall be based on the information conveyed verbally during the merit-based evaluation process.

No. Resolution 2021-022 states that the application documents submitted by an applicant **may** be used by HdL as a resource document to assist in the interview process. It does not state that the application documents **will** be used. Given the varied content of each application, and the fact that HdL cannot forecast applicant presentations or responses to questions, it is impossible to specify how HdL will use the application documents as a resource.

Date: 12-27-21

THE NOVEMBER 23, 2021 LETTER FROM HDL INDICATED THAT POWERPOINT PRESENTATIONS CANNOT EXCEED 50 MEGABITS IN SIZE. IS THE SIZE LIMIT "MEGABITS" OR "MEGABYTES"?

The letter from HdL states "Megabits". This is a typeo. The letter should state "Megabytes".

The size limits is solely for the purpose of ensuring PowerPoints submitted to the City will not be rejected by restrictions associated with the City's e-mail system. The City will not reject a PowerPoint slide that exceeds the 50-megabyte limit, provided it is received by the

City prior to the Wednesday, December 29, 2021 5:00 PM deadline. All presentations received by the City after the deadline will be rejected.

Date: 12-27-21

WE'VE BEEN INVITED BY HDL TO AN INTERVIEW. HDL'S LETTER INCLUDED INSTRUCTIONS FOR PREPARING A POWERPOINT. THE INSTRUCTIONS SPECIFY THAT THE PRESENTATION SHALL CONTAIN 10 SLIDES, WITH EACH SLIDE COVERING A SPECIFIC TOPIC. SLIDE 9 COVERS "COMMUNITY BENEFITS". DOES THIS REFER TO THE ENTIRE CATEGORY OF COMMUNITY BENEFITS, AS SHOWN IN ATTACHMENT A OF CITY COUNCIL RESOLUTION 2021-022, INCLUDING COMMUNITY BENEFITS, LOCAL HIRING, LOCAL SOURCING, AND EMPLOYEE RELATIONS, OR DOES IT JUST REFER TO THE COMMUNITY BENEFITS SUBCATEGORY!

Applicants should be prepared to cover all Community Benefit subcategories of Attachment A of Resolution 2021-022, including Community Benefits, Local Hiring Practices, Local Sourcing Practices, Employee Relations, and Local Experience.

Date: 12-27-21

WE'VE BEEN INVITED BY HDL TO AN INTERVIEW. HDL'S LETTER INCLUDED INSTRUCTIONS FOR PREPARING A POWERPOINT. THE INSTRUCTIONS SPECIFY THAT THE PRESENTATION SHALL CONTAIN 10 SLIDES, WITH EACH SLIDE COVERING A SPECIFIC TOPIC. SLIDE 10 COVERS "LOCAL OWNERSHIP". DOES SLIDE 10 FOCUS EXCLUSIVELY ON "LOCAL EXPERIENCE" SUBCATEGORY OF COMMUNITY BENEFITS, AS SHOWN IN ATTACHMENT A OF CITY COUNCIL RESOLUTION 2021-022, WHICH STATES: "LOCAL EXPERIENCE – OWNER IN THE PROPOSED BUSINESS HAS RESIDED IN THE CITY OF CORONA AND/OR COUNTY OF RIVERSIDE FOR AT LEAST 5 YEARS"?

IF NOT, MAY OTHER BENEFITS TO THE CITY FROM LOCAL PARTICIPATION BE DISCUSSED ON THIS SLIDE?

No. This slide is intended to address more than one subcategory. Please refer to Resolution 2021-022.

No. Applicants are expected to only address the topics for each slide as specified in HdL's instructions. Responding beyond the scope of HdL's instructions will not accrue additional points for the applicant.

Date: 12-27-21

WHERE CAN WE ACCESS OUR COMMERCIAL CANNABIS PERMIT APPLICATION NUMBER?

The City's application numbers for Commercial Cannabis Permits will be identified as either "CCP21-xxxxx", or "CCP2021-xxxxx". For example, the first commercial cannabis permit application generated by the City's permitting software is CCP21-00001.

You can find your application number on any of the official correspondence letters, such as the Notice of Decision letters associated with Application Clearance. You can also find the number on the receipt page provided when applications were submitted at the front counter.

Date: 12-27-21

WE'VE BEEN INVITED BY HDL TO AN INTERVIEW. HDL'S LETTER INCLUDED INSTRUCTIONS FOR PREPARING A POWERPOINT. THE INSTRUCTIONS SPECIFY THAT THE POWERPOINT SHALL CONTAIN 10 SLIDES, WITH EACH SLIDE COVERING A SPECIFIC TOPIC.

IF AN APPLICANT IS NOT ABLE TO DEMONSTRATE AN ABILITY TO ACCRUE POINTS FOR A PARTICULAR TOPIC, CAN THEY USE THAT SLIDE TO EXPAND ON

ANOTHER SLIDE'S TOPIC? AS AN EXAMPLE, IF AN APPLICANT CANNOT DEMONSTRATE "LOCAL OWNERSHIP", AS DESCRIBED IN THE INSTRUCTIONS FOR SLIDE 10, CAN THE APPLICANT REPURPOSE SLIDE 10 TO FURTHER EXPAND ON SLIDE 9'S "COMMUNITY BENEFITS"?

No. Each slide may only address the topic as specified in HdL's instructions.

Note: As stated in HdL's November 23, 2021 letter, and described in FAQ responses herein, the scoring of each applicant will be based on the content of the applicant's **verbal** presentation. The Applicant's PowerPoint slides **will not** be scored. Furthermore, each applicant will be provided 30 minutes to verbally present their slides. Applicants are expected to manage their time as best suit them. As an example, if an applicant cannot demonstrate Local Ownership, they can choose to spend more time verbally responding to slide 9 than slide 10.

Date: 12-27-21

THE POWERPOINT PRESENTATION INSTRUCTIONS PROVIDED BY HDL ON NOVEMBER 23, 2021 STATE THAT "APPLICANTS ARE NOT EXPECTED TO DISCUSS OTHER EVALUATION TOPICS DURING THE PRESENTATION BEYOND THOSE IDENTIFIED... [IN THE POWERPOINT INSTRUCTIONS]." ARE APPLICANTS ALLOWED TO MAKE AN ORAL PRESENTATION THAT IS OUTSIDE THE SCOPE OF THE POWERPOINT PRESENTATION TOPICS, SO AS TO PRESENT INFORMATION RESPONSIVE TO THE MERIT-BASED CRITERIA, BUT ARE NOT INCLUDED IN THE POWERPOINT PRESENTATION TOPICS?

No. The PowerPoint presentation has been designed to address specific topics related to the scoring criteria in Attachment A of City Council Resolution 2021-022. Any representations provided during the PowerPoint presentation that are not relevant to the particular slide topic will not accrue points for the applicant.

The scoring criteria within Attachment A of City Council Resolution 2021-022 will be addressed during the evaluation process, either as a topic of a PowerPoint slide, a question asked during the oral interview, or both.

Date: 12-27-21

WE'VE BEEN INVITED BY HDL TO AN INTERVIEW. HDL'S LETTER INCLUDED INSTRUCTIONS FOR PREPARING A POWERPOINT. THE INSTRUCTIONS SPECIFY THAT THE POWERPOINT SHALL CONTAIN 10 SLIDES, WITH EACH SLIDE COVERING A SPECIFIC TOPIC. CAN AN APPLICANT INCLUDE A TITLE AND/OR CONCLUSION SLIDE, IN ADDITION TO THE 10 SLIDES SPECIFIED? DOES THE TITLE OF EACH SLIDE NEED TO MATCH THE TOPIC TITLE PROVIDED ON THE INSTRUCTIONS?

No. The applicant's PowerPoint shall be limited to 10 slides, and each slide shall only cover the specific topic identified in the instructions. Additional slides, including a "title" and "conclusion" slide shall not be included.

The exact wording provided in the instructions is not necessary. However, the title of the slide should accurately reflect the required topic. Please note, as stated in HdL's November 23, 2021 letter, and described in FAQ responses herein, the scoring of each applicant will be based on the content of the applicant's **verbal** presentation. The Applicant's PowerPoint slides **will not** be scored.

Date: 12-27-21

IF A PERSON LISTED ON FORM A-1 IS NO LONGER AN OWNER, OFFICER, MANAGER OR EMPLOYEE OF THE PROPOSED BUSINESS, AND THAT PERSON IS NOT ATTENDING THE EVALUATION, DOES THAT PERSON STILL NEED TO SIGN THE ATTESTATION FORM?

WHAT IF A PERSON FORM A-1 IS STILL WITH THE PROPOSED BUSINESS, BUT IS INCAPACITATED DUE TO A STROKE OR COMA? CAN A PERSON WITH POWER OF ATTORNEY ATTEND THE EVALUATION (INTERVIEW) ON BEHALF OF THE INCAPACITATED PERSON?

If a person listed on Form A-1 is no longer an owner, officer, or employee of the proposed business, then that person need not sign the Attestation Form. However, the remaining owners shall provide a signed statement verifying that the person is no longer with the business, and that no information shall be shared with that individual pertaining to the interview proceedings.

If a person listed on Form A-1 is still with the proposed business, but is incapacitated due to a stroke, coma, or other medical condition that prohibits them from comprehending or signing the Attestation Form, then the (remaining) owners shall provide a signed statement verifying that the person is incapacitated and unable to sign the document, and that no information shall be shared with that individual pertaining to the interview proceedings until after the City has concluded all evaluations. Furthermore, medical documentation related to the persons incapacity shall be provided by a licensed medical professional overseeing the individual's health.

No. A person with the power of attorney for an incapacitated person listed on Form A-1 shall not be permitted to attend the evaluation proceedings on behalf of the incapacitated person unless the person with power of attorney is themselves listed on Form A-1. A person with power of attorney for an incapacitated persons shall not be made privy to any information directly related to the interview proceedings until after the City has posted applicant rankings on-line.

Date: 12-27-21

DOES THE SIGNATURES FOR THE ATTESTATION FORM PROVIDED AS ATTACHMENT B TO HDL'S NOVEMBER 23, 2021 LETTER NEED TO BE "WET SIGNATURES"? DO THE SIGNATURES NEED TO BE NOTARIZED?

Yes. The signatures need to be "wet signed" originals.

No. The signatures do not need to be notarized.

Date: 12-27-21

APPLICATION PROCESS QUESTIONS

WHEN IS THE APPLICATION PERIOD?

Merit-Based Section Process (Storefront Retail)

Applications which are subject to the merit-based selection process (i.e. any application with a storefront retail component) will be accepted only during the following period:

Start Date: Monday, April 19, 2021 at 7:00 AM

Extended Close Date: Monday, June 7, 2021 at 12:00 PM (Noon)

(Note: On May 13, 2021, the City Manager extended the original close date, which was Tuesday, May 18, 2021)

All Others

Applications which are <u>not</u> subject to the merit-based selection process (i.e. any application <u>without</u> a storefront retail component) will be accepted only during the following period:

Start Date: Monday, April 19, 2021 at 7:00 AM

Close Date: None

Date: 04-15-21; Revised 05-13-21

AFTER SUBMISSION OF AN APPLICATION, CAN AN OWNER, OFFICER OR MANAGER BE REMOVED?

Yes, but only until the applicant obtains application clearance pursuant to Section IV(B)(2) of the Rules and Regulations adopted by Resolution No. 2021-015. After an application has been submitted, but not after application clearance, the applicant can remove an owner, officer or manager. However, such person shall be removed for all purposes, including their impact on any and all scoring criteria.

Date: 04-15-21

AFTER SUBMISSION, CAN AN OWNER, OFFICER OR MANAGER BE ADDED?

No.

Date: 04-15-21

DO YOU GET A SCORE IN THE "APPLICATION CLEARANCE" PROCESS?

No. The application clearance process for storefront retailers and storefront retail microbusinesses in Section IV(B)(2) of the Rules and Regulations adopted by Resolution No. 2021-015 is a pass/fail process and no score will be given.

Date: 04-15-21

DOES THE CITY RESERVE THE RIGHT TO TERMINATE THE APPLICATION PROCESS?

Yes. Although unlikely, the City Manager has the right to terminate the application review process at any time. This could be done, for instance, if a substantive error in the process has been discovered. The City may thereafter initiate a new review. The City Manager

does not have the authority to change the written ranking provided by the independent consultant.

Date: 04-15-21

DOES A SINGLE APPLICATION FOR STOREFRONT & NON-STOREFRONT PERMIT TYPES PAY BOTH FEES?

No. If an applicant submits a **single application** for one business with storefront and non-storefront permit types (e.g., storefront retail or storefront microbusiness and non-storefront retail (delivery), manufacturing, or distribution), the City will only require the applicant to pay the storefront application fees and deposit. Please note, however, that an applicant that wishes to operate a single business with multiple permit types must clearly indicate the types of cannabis activities in section 4 of the Commercial Cannabis Permit Master Application form.

If an applicant submits two separate applications for two types of permits, then the applicant must pay application fees for each of the applications submitted.

Date: 04-15-21

IF AN APPLICATION INCLUDES MULTIPLE CANNABIS ACTIVITIES, INCLUDING STOREFRONT AND NON-STOREFRONT PERMITS, CAN THE NON-STOREFRONT PERMIT BE GRANTED IF THE STOREFRONT PERMIT IS NOT IN THE FINAL RANKING?

No. A single application that is submitted with both storefront and non-storefront activities would **not** be granted a non-storefront permit if the storefront component is not granted a commercial cannabis permit.

A person wishing to obtain approval of a non-storefront permit, regardless of the outcome of a storefront proposal, would need to submit two separate applications. Please note that Corona Municipal Code 5.36.060(C) does not allow a person or entity to obtain a storefront retail permit and a non-storefront retail permit at different locations in the city.

Date: 05-13-21

HOW DO I SUBMIT AN APPLICATION AND WHAT FORMAT SHOULD IT BE IN?

The Master Application Form states that application packets need to be submitted on 8 $\frac{1}{2}$ x 11 inch pages, and all the supplemental application forms should be included in alphabetical order, with the master application on top. The only exception is that premise plans can be 11 x 17 inches in size, but must be folded to 8 $\frac{1}{2}$ x 11 inches.

The City requires that six hard copies be provided and one digital copy in a PDF format. All pages and information must be legible. Hard copies must be bound with no loose pages. Three-ring binders, spiral binders, or similar are acceptable. Digital copies shall be provided on a flash drive and submitted at the same time as the hard copies.

One of the six hard copies must include original signatures and notary stamps. Staff may accept applications at the counter that do not include the original signatures and notary stamp, but staff will not grant application clearance until originals are provided.

Date: 04-15-21

MAY I PLACE A PAGE BORDER ON ATTACHMENTS, SUCH AS THE BUSINESS PLAN, OPERATIONS PLAN, SECURITY PLAN, ETC? CAN I PLACE A PAGE BORDER OR OTHERWISE REVISTE THE CITY FORMS, INCLUDING THE MASTER APPLICATION OR LETTERED FORMS?

Yes. Any document that is not a City application form can have a boarder.

City application forms shall not be modified, recreated or redesigned.

Please note that the submitted application documents will not be scored or ranked as part of the merit-based review process, as the City's consultant (HdL) will be scoring applicants based on an interview and the applicant's PowerPoint presentation. Submitted application forms will be provided to the consultant to be used only as a reference document.

Date: 05-13-21

HOW AND WHEN SHOULD FEES BE SUBMITTED?

Fees must be submitted with the application, but please **do not** staple or otherwise attach a check or other form of payment to the application forms. Simply include the payment in the envelope or otherwise make payment to the person at the counter accepting the application.

Date: 04-15-21

CAN APPLICATIONS BE SENT VIA MAIL OR COURIER?

The City will accept applications that are mailed or delivered by courier, but it is the applicant's responsibility to ensure that a complete application packet is delivered prior to the deadline. The City accepts no responsibility for applications lost in the mail, not delivered on time, not delivered to the City of Corona Planning Division, or which are not received prior to the deadline for any reason. A signature by the City Planning Division acknowledging receipt of a postal delivery shall not acknowledge, identify, or otherwise be construed as the City deeming an application packet complete.

Date: 04-15-21

CAN APPLICATION FORMS INCLUDE DIGITAL OR ELECTRONIC SIGNATURES?

No. The City does not currently have the capability of processing or verifying digital or electronic signatures as part of the application process.

Date: 04-15-21

CAN THE \$537 LIVE SCAN / BACKGROUND CHECK FEE BE WAIVED IF I HAVE A THIRD PARTY CONDUCT MY LIVE SCAN?

No. The \$537 application fee for the Live Scan/Background Investigation covers the Police Department's cost to review the Live Scan results and conduct a thorough background investigation for each owner, officer, manager and employee listed on the application within the timeline established by Resolution 2021-015. This fee **does not** cover the cost of processing the Live Scan form and rolling fingerprints. While the City may require the collection of additional fees to cover charges by the California Department of Justice (DOJ) that might be required as part of the City's background investigation, the City will not collect these DOJ fees at the time of application submittal.

The Live Scan cost of rolling fingerprints and processing the form varies, as it is a service provided through various authorized third-party providers. The Corona City Clerk's office can provide this service to you by appointment, and its fee is currently \$45 (plus a processing fee charged by the DOJ), but you are not required to use the City of Corona for this service. Application Appendix B provides a list of other Live Scan providers in the City

of Corona, some of which may charge a fee that is less than \$45. You may also find another authorized Live Scan service provider on your own.

Date: 04-15-21

APPLICATION FORM F AND RESO. 2021-022 REQUIRES SUBMITTAL OF A SECURITY PLAN. WILL A SECURITY PLAN THAT INCLUDES SENSITIVE SECURITY INFORMATION, SUCH AS CAMERA LOCATIONS, MOTION SENSORS, PANIC BUTTONS, ETC. BE CONFIDENTIAL, AND NOT FOR PUBLIC REVIEW?

The City is obligated to comply with Government Code section 6250, commonly known as the California Public Records Act ("Act"), which requires inspection or disclosure of governmental records to the public upon request, unless exempted by law. Notwithstanding, the City believes plans containing sensitive security information may be deemed confidential and withheld under the Act, as the benefit of withholding the documents outweighs the benefit of releasing the information to the public. Therefore, security plans with sensitive information that are **clearly marked** as "confidential" by the applicant will not be made readily available to the public.

Date: 05-13-21

CAN APPLICATION MATERIAL SUBMITTED BY THE APPLICANT CONTAIN HEADERS AND FOOTERS CONTAINING PAGE NUMBERS, THE APPLICANT'S BUSINESS NAME, NAME OF THE CITY, TYPE OF CANNABIS ACTIVITY, ETC?

Yes. Applications may include a header or footer on their submitted materials. Information contained with the header and footer is not restricted. However, the inclusion of images within the header or footer would cause the page to be counted as an "image page", for the purpose of calculating page limits.

Date: 05-13-21

DOES THE CITY PROHIBIT THE INCLUSION OF LOGOS, LETTERHEAD OR OTHER DISTINGUISHING BUSINESS IMAGES IN THE APPLICATION?

No, company logos, company letterhead and other distinguishing business images are not prohibited.

The Commercial Cannabis Permit Master Application form states the following:

"Application packets shall be limited to **75 pages of text**, and **25 pages of images** (100 pages total). ...Pages containing both text and image(s) shall be counted as an 'image page' for the purpose of calculating page limits. Text pages shall not include logos, letterhead, or other distinguishing business images."

The last sentence is intended to clarify that if an applicant includes company images on pages, then they would cause the page to be classified as an "image" page, not a text page.

Date: 05-13-21; Type Correction 06-01-21

THE APPLICATION FORM STATES THAT ALL COMPONENTS LISTED IN THE CHECKLIST (APPENDIX A) NEED TO BE INCLUDED IN THE APPLICATION PACKET, AND THAT THE COMPONENTS SHALL BE IN THE SAME ORDER AS THE CHECKLIST (APPENDIX A). IF AN APPLICATION FORM IS NOT USED, OR IS BLANK, DOES IT NEED TO BE INCLUDED IN THE APPLICATION PACKET? DO THE APPENDICES IN THE CHECKLIST NEED TO BE ATTACHED?

Yes. The City requires that application packets include all application forms (A-1, A-2, A-3, and B through O), with the master application form on top. All forms are to be included,

even if they are unused and left blank. This is the only way the City can verify that the applicant has no information to provide on the form; and that their application is complete.

No, the City does not require or expect applicants to include the appendices listed on the checklist, as the appendices do not provide any content to the application packet.

Date: 05-13-21

DO BLANK OR UNUSED PAGES AND FORMS COUNT TOWARD THE PAGE LIMITS? WHAT IF THE BLANK FORM STATES "THIS PAGE EQUALS 1 PAGE OF TEXT"?

Blank or unused pages will not count toward the page limits, even if the page states "This page equals 1 page of text".

However, applicants shall not provide a blank form if the form identifies information that is relevant to the applicant. For example, Master Application Form page 5, section 13, asks the applicant to identify potential cannabis properties and associated property information. All applicants will have information to include in this section, as all applicants must identify at least one proposed premise. An applicant cannot leave section 13 blank and rely on information provided on Form I, or the attachments to Form I (which are not subject to page limits).

Date: 05-13-21

IF I DO NOT YET KNOW WHO THE EMPLOYEES FOR THE BUSINESS WILL BE (OTHER THAN THE OWNERS), HOW SHOULD FORM A-2 BE FILLED OUT? SHOULD IT BE LEFT BLANK?

If an applicant has no information to include on a form, then the form should be left blank.

Date: 05-13-2

DO I NEED TO ATTACH TO FORM B, CANNABIS EXPERIENCE, A COPY OF PERMITS, LICENSES OR WRITTEN FORMS OF PERMISSION FROM LOCAL AND STATE GOVERNMENT ENTITIES? DO I NEED TO LIST ALL LICENSES THAT THE APPLICANT CURRENTLY HOLDS?

Yes. Resolution 2021-022, Section III.E.1.f states that a completed application shall contain the following:

"A description of any and all commercial cannabis activity that the applicant and all owners, officers, and managers of the commercial cannabis business have engaged in as an owner, manager, lender, employee, or agent over the previous five (5) years, including, but not limited to, the location of such activity and a copy of any permits, licenses, or other written forms of permission for such activity by a local or state government entity. The applicant shall include a list of the license types and the license numbers issued from the State of California and all other out-of-state or local licensing authorities that the applicant holds, including the date the license was issued and the licensing authority that issued the license, permit or other authorization." (emphasis added)

The City recognizes that Application Form B does not instruct applicants with the level of detail identified in Resolution 2021-022. Form B will be revised to clarify the details necessary to comply with Resolution 2021-022. Form B will also clarify the following:

1. When attached to From B, copies of permits, licenses, or other written forms of permission, and a list of licenses held, with dates issued and licensing authority, shall not be included the application page limits.

2. The submittal of an application without copies of applicable permits, licenses, or other written forms of permission, or a list of licenses held, with dates issued and licensing authority, shall be deemed a minor omission, and may be cured pursuant to Resolution 2021-022, section IV.B.2.b.

A revised Form B will be posted on the City's website as soon as possible, if it hasn't already. The City will accept an old Form B at time of submission, with signed acknowledgement by applicant (See below).

Date: 05-13-2

THE CITY HAS MADE VARIOUS CHANGES TO APPLICATION FORMS. CAN AN OLD FORM BE USED WHEN SUBMITTING AN APPLICATION?

Yes. The city continues to respond to applicant concerns and provide clarity regarding the application process and content. This has resulted in revisions to application forms.

The City will accept applications that include old application forms. However, the applicant shall be required to sign an acknowledgement that the application contains outdated forms. Additionally, the use of old forms does not negate the applicant's obligation to comply with Resolution 2021-022.

Date: 05-13-21

PAGE 6 OF THE MASTER APPLICATION FORM REQUIRES OWNER SIGNATURES. ARE ALL OWNERS REQUIRED TO SIGN PAGE 6, OR JUST THE OWNER LISTED AS THE CONTACT OR APPLICANT?

All owners, as defined by CMC Chapter 5.36 must sign and notarize page 6 of the Master Application form.

Date: 05-13-21

PAGE 6 OF THE MASTER APPLICATION FORM REQUIRES OWNER SIGNATURE AN INDEMNIFICATION. CAN OWNERS EACH SIGN AND NOTARIZE A SINGLE PAGE 6?

Yes. The City does not require that all owners sign "page 6" in front of the same notary, at the same time. The City will accept multiple page 6's to accommodate the notarized signature of all business owners.

Date: 05-13-21

THE APPLICATION REQUIRES A PROPERTY OWNER AFFIDAVIT. WHAT FORMAT IS ACCEPTABLE TO MEET THIS AFFIDAVIT REQUIREMENT?

Resolution 2021-022 requires applicants to submit a property owner affidavit if they are not the record owner of the premises where the commercial cannabis activity is proposed to be conducted. However, the city recognizes that applicants may identify multiple properties on their application, and some property owners negotiating with multiple cannabis applicants may be reluctant to notarize a formal affidavit until an applicant is under contract.

Therefore the City will accept at time of application submittal a letter signed by the record owner of the premise acknowledging that the premise is available for operation by the applicant of the type of commercial cannabis activity described in the applicant's application. Alternatively, applicants can create an affidavit for the property owner to sign, provided it includes the acknowledgment of the premises being available for the type of cannabis activity proposed.

The City will require an official City affidavit signed by the property owner when the applicant is required to identify a "preferred premises". Staff will provide a formal City affidavit form

to applicants after they are granted "application clearance".

The City's determination to accept a formal City affidavit after Application Completeness is consistent with the authority granted to the City Manager pursuant to CMC 5.36.040.

Date: 05-13-21

INFORMATION REQUIRED BY MOST OF THE APPLICATION FORMS SUPPORT THE MERIT BASED CRITERIA IN ATTACHEMNT A OF RESOLUTION 2021-022. FORM M, MERIT-BASED INFORMATION, ASKS THE APPLICANT TO PROVIDE INFORMATION RESPONSIVE TO THE MERIT-BASED REVIEW PROCESS. DOES THE CITY REQUIRE APPLICANTS TO DUPLICATE THE INFORMATION PROVIDED IN OTHER FORMS WHEN COMPLETING FORM M?

No. Storefront cannabis permit applicants do not need to provide duplicated information in Form M.

Staff recognizes that information applicable to the merit-based review is contained in many of the forms. However, these other forms do not cover all the criteria relevant to the merit-based review process, as described in Attachment A of Resolution 2021-022. Additionally, the format and context of the information provided in many of the forms may not be conducive to clarifying its applicability to the merit-based review criteria.

Form M allows "...any additional information and documentation that the applicant believes will address or be responsive to the Merit-Based Evaluation Criteria...".

Please note that Form M (and Form O, if applicable) may be used by the City as a basis for defining community benefit, performance criteria, or other considerations to the public that might be included in an Operational Agreement. Additionally, all of the forms are the basis of the commercial cannabis proposal, and therefore part of the permit's administrative record.

As identified in Resolution 2021-022, and elsewhere in this FAQ, the application packets for storefront cannabis businesses will be provided to the City's independent merit-based review consultant (HdL) for their use as a resource document. The application forms, including Form M, will not be scored. HdL's scoring of the storefront applications will be based on an interview and PowerPoint presentation.

Date: 05-13-21

IF AN APPLICANT WAS DENIED A CANNABIS PERMIT IN ANOTHER CITY DUE TO NOT BEING SELECTED IN A COMPETITIVE PROCESS, OR NOT WINNING A LOTTERY, DOES THE APPLICANT LIST THE DENIALS ON SECTION 7 OF THE MASTER APPLICATION FORM?

No. As stated in Resolution 2021-022, Section IV.B.2.j, grounds for failing Application Clearance shall not include someone who was denied a permit to conduct a commercial cannabis activity solely because of a lottery or competitive process.

The City does not need to know of instances where an owner, officer, or manager of a cannabis business was not issued a permit **solely** due to a lottery or competitive process.

Date: 05-13-21

WHAT METHOD OF PAYMENT WILL THE CITY ACCEPT FOR APPLICATION FEES?

City will accept most forms of payment, including most major credit cards, check, cashier checks and cash. The city does not accept American Express. If an applicant is expecting

to pay in cash, it is suggested, but not required, that the applicant make an appointment with City staff prior to submitting the application.

Date: 05-13-21

WHO DO I MAKE A CHECK OUT TO? MAY I PAY ALL THE FEES WITH A SINGLE CHECK?

Checks should be made out to "City of Corona". Applicants may pay the application fees using a single check for each application packet submitted.

Date: 05-13-21; Revised 06-01-21

DO DESIGN RENDERINGS COUNT AS IMAGES OR TEXT PAGES?

Renderings submitted with the application are considered images, and would count as "image pages" as it relates to the application page limits.

The determination above shall not apply to those attachments that are identified on the City's application forms as not counting toward the application page limit.

Date: 05-13-21

ARE GRAPHS AND CHARTS CONSIDERED AS IMAGES OR TEXT, AS IT RELATES TO PAGE LIMITS? ARE TABLES CONSIDERED IMAGES OR TEXT, AS IT RELATES TO PAGE LIMITS?

Items attached to, inserted or added to the application that include a graphic element, such as bar charts, histograms, pic charts, dot charts, etc. shall be considered images. If an image is inserted into a page, the entire page is considered an "image page" as it relates to the application page limits.

Items attached to, inserted or added to the application that consist solely of text (and numerical data), such as tables or text boxes, are considered text. If there are no images on the page, and only text, then the page is considered a "text page" as it relates to the application page limits.

The determination above shall not apply to those attachments that are identified on the City's application forms as not counting toward the application page limit.

Date: 05-13-21

ARE LETTERS OF SUPPORT, LETTERS FROM OTHER JURISDICTIONS/AGENCIES, COPIES OF PERMITS, OR OTHER WRITTEN DOCUMENTS CONSIDERED IMAGES OR TEXT AS IT RELATES TO PAGE LIMITS?

Letters, permits, licenses, certifications, or similar provided by another organization that are attached to, inserted or added to the application shall be considered a text page as it relates to the application page limits, even if the letters, permits, licenses, certifications, etc. includes a graphic image, such as a city seal, certification stamp, or inserted chart.

The determination above shall not apply to those attachments that are identified on the City's application forms as not counting toward the application page limit. Furthermore, a letter, permit, license or written authorization as stipulated by Form B, as discussed in this FAQ, shall not count toward the application page limits.

Date: 05-13-21

DOES AN APPLICANT NEED TO PROVIDE A PROPERTY OWNER AFFIDAVIT IF THE APPLICANT IS IN ESCROW ON THE PROPERTY?

Yes. An applicant will need to provide a letter or affidavit signed by the property owner of record at time of submittal, acknowledging that the premise is available for operation by the

applicant of the type of commercial cannabis activity described in the applicant's application. Additionally, a City of Corona Property Owner Affidavit will need to be signed and notarized by the property owner of record when the applicant is required to identify a "preferred premise". An applicant in escrow is not the owner of record.

Date: 05-13-21

IF AN APPLICATION IS SUBMITTED BEFORE THE DEADLINE, WILL THE APPLICANT BE ALLOWED TO MAKE CHANGES TO THE APPLICATION IF THE CHANGES ARE DONE BEFORE THE DEADLINE?

The City is amenable to minor revisions to the application provided the changes occur prior to the filing deadline, and prior to any substantive review of the application by City staff. This determination is based on the fact that, technically, an applicant can withdraw the application and resubmit the proposal prior to the filing deadline; and fees collected for the review of the application would be refunded on a pro-rated basis, based on the costs incurred by the City to conduct a partial review.

Date: 05-13-21; Type Correction 06-01-21

RESOLUTION 2021-022, SECTION V.A.3 REQUIRES AN APPLICANT TO PROVIDE DOCUMENTED EVIDENCE TO OCCUPY AND USE THE PREMISES DESCRIBED IN THE CANNABIS PERMIT APPLICANTION. DOES A BINDING PURCHASE AND SALE AGREEMENT SATISFY THIS REQUIREMENT?

No. A biding purchase and sale agreement is not, in itself, sufficient. A binding purchase and sale agreement does not necessarily give an applicant the right to occupy and use the premises. Unless the purchase and sale agreement states otherwise, the sale would need to be consummated and escrow closed before there is a right to occupy. In short, an applicant needs to either own the property or have an agreement stating that they have the legal right to use the premises.

Date: 05-13-21

IF I HAVE ALREADY INITIATED THE LIVE SCAN PROCESS FOR AN OWNER, OFFICER, MANAGER OR EMPLOYEE, WILL I NEED TO REDO THEIR LIVE SCANS SINCE THE APPLICATION DEADLINE WAS EXTENDED?

In accordance with Resolution 2021-022, application Form N states:

"Owners, officers, managers and employees **shall not** begin the Live Scan/background check process **earlier than thirty (30) calendar days** prior to, and no later **than fourteen (14) calendar days** following, submittal of their application form for a commercial cannabis permit."

If an applicant has already initiated the Live Scan process for one or more owners, officers, managers, or employees, but has not submitted their commercial cannabis application packet, then one of the two would apply:

- An applicant can submit their commercial cannabis permit application without having to redo Live Scan screenings if the application packet is submitted within 30 calendar days of when all Live Scans were initiated with the service provider; or
- 2. Submit their application more than 30 calendar days **after** initiation of the Live Scan process, but redo all the Live Scans that were initiated more than 30 days prior to submittal of the application packet.

Date: 06-01-21

IF AN OWNER, OFFICER, MANAGER OR EMPLOYEE LIVES OUTSIDE OF CALIFORNIA, HOW DOES THAT PERSON SUBMIT "LIVE SCAN" INFORMATION?

The City requires owners, officers, managers, and employees to submit electronic fingerprints using a Live Scan service provider authorized by the California Department of Justice (CA DOJ). All electronic fingerprints must be sent to the CA DOJ for background review.

The Planning Division has consulted with the City's Police Department and the CA DOJ. Unfortunately, it appears that there may not be Live Scan providers outside of California that will be accepted by CA DOJ; or if there are providers, they have very limited locations.

A person outside of California must use a Live Scan service provider authorized to send fingerprint information to the CA DOJ. If a person outside of California cannot find a qualified service provider nearby, then that person would need to travel to a location where the service can be performed, which is likely in California.

Date: 06-01-21

THE CITY REQUIRES APPLICATION TEXT TO BE ARIAL FONT WITH A MINIMUM POINT SIZE OF 11. DOES THIS MINIMUM FONT SIZE APPLY TO IMAGES, ATTACHED LETTERS, GRAPHS, ETC.? CAN LETTERS OR CERTIFICATES INCLUDED IN THE APPLICATION HAVE FONT THAT IS NOT ARIAL?

The City specifies that text shall be in arial font and no smaller than 11 points. The purpose is to ensure of a standard font type and minimum font size is to ensure legibility and ease of review.

Images, graphs and tables – The City will accept applications that contains images, graphs and tables that have a font size smaller than 11. However, while the applications will be accepted, the information contained within the images and graphs may be discarded as "not legible". Therefore, any information within the image, graph or table that is considered critical to the applicant's proposal should be greater than an 11 font or greater if the applicant wish to ensure that the information is considered.

Letters – The City will accept applications that contain letters from other jurisdictions, agencies or entities that are not in arial font, as it is understood that an applicant cannot dictate the font other entities use in their correspondence. However, all letters submitted shall be legible. Applicants may reduce the size of the letters provided, but they should not be smaller than 5.6 inches x 7.25 inches (2/3 of the original). Any letter provided that is smaller than this dimension may be discarded as "not legible". Therefore, any information contained within the letter that is considered critical to the applicant's proposal should not be reduced below the specified size.

The City reserves the right to determine whether an image, graphic, table or letter is to be discarded because it does not meet the font or letter size requirements, or because the font or letter is not legible without mechanical assistance.

Date: 06-01-21; Type Correction 12-14-21

FORM N REQUIRES APPLICANTS TO SHOW PROOF OF SUBMITTAL OF A REQUEST FOR LIVE SCAN SERVICE, PROOF THAT FINGERPRINTS HAVE BEEN ROLLED, AND PROOF THAT ALL FEES HAVE BEEN PAID. HOW DOES AN APPLICANT SHOW PROOF OF LIVE SCAN PAYMENT?

City Council Resolution 2021-022 requires that owners, officers, managers and employees submit a Live Scan request to the California Department of Justice using an authorized Live

Scan service provider. Commercial Cannabis Permit applicants need to show proof of payment of Live Scan.

The resolution does not specify how proof is to be provided. The City will accept a receipt from the service provider, a cancelled check, credit card statements, or other forms of evidence that the fees were paid. A letter from the service provider verifying that the Live Scan service was performed at their location and all fees were paid will also suffice. The letter should identify the name of the provider, location, and contact information.

Date: 06-01-21

CORONA MUNICIPAL CODE & RESOLUTION QUESTIONS

WHAT IS AN OWNER?

As used in CMC Chapter 5.36 (Commercial Cannabis) and Reso 2021-015 (Rules and Regulations for Commercial Cannabis Businesses), the term "Owner" shall mean as follows:

"Owner" means any of the following:

- (1) A person with an aggregate ownership interest of 20 percent (20%) or more in the person applying for a license or a licensee, unless the interest is solely a security, lien, or encumbrance.
- (2) The chief executive officer of a nonprofit or other entity.
- (3) A member of the board of directors of a nonprofit.
- (4) An individual who will be participating in the direction, control, or management of the person applying for a license.

Date: 04-15-21

WHAT IS A YOUTH CENTER?

As used in CMC Chapter 5.36 (Commercial Cannabis) and Reso 2021-015 (Rules and Regulations for Commercial Cannabis Businesses), the term "Youth Center" shall mean as follows:

"Youth center" means any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, a game arcade (as defined in Section 17.04.268 of this Code) where minors are legally permitted to accept services, or similar amusement park facilities. Notwithstanding the foregoing, this definition shall not include any private gym, private athletic training facility, any private studio at which instruction is provided in gymnastics, martial arts, yoga, ballet, music, art, or similar recreational activities, or a location which is primarily utilized as an administrative office or administrative facility for youth programs or organizations.

Date: 04-15-21

WHAT IS A SCHOOL?

As used in CMC Chapter 5.36 (Commercial Cannabis) and Reso 2021-015 (Rules and Regulations for Commercial Cannabis Businesses), the term "School" shall mean as follows:

"School" means those sites upon which full-time (e.g. daily to every student) instruction is provided to students in grades K through 12 in those courses of study required by the California Education Code or which is maintained pursuant to standards set by the State Board of Education and where the primary purpose is education. "School"

includes public schools, private schools, and charter schools, but does not include any private site upon which instruction or education is primarily conducted in private homes, any site where the primary purpose is tutoring, or any site where instruction is provided on less than a full-time basis.

Date: 04-15-21

WHAT ARE THE SEPARATION REQUIREMENTS?

Storefront Retail and Storefront Microbusiness

1,000 feet from:

- ✓ Schools
- ✓ Day care centers
- ✓ Parks (w/in city's jurisdictional boundaries)
- ✓ Residential zones (w/in city's jurisdictional boundaries)
 - * The measurement shall stop at, and shall not include, SR-91 and I-15, so long as the separation distance otherwise complies with the state cannabis laws.

600 feet from:

✓ Youth centers

All Others

600 feet from:

- ✓ Schools
- ✓ Day care centers
- ✓ Parks (w/in city's jurisdictional boundaries)
- ✓ Residential zones (w/in city's jurisdictional boundaries)

600 feet from:

✓ Youth centers

Date: 04-15-21

WHEN ARE THE SEPARATION REQUIREMENT DETERMINATIONS MADE?

The separation requirements required by CMC 5.36.070 (City Permit – Separation Requirements) shall be determined by the City as part of the Application Clearance, as provided for in Section IV(B)(2) and Section IV(C)(2) of Resolution 2021-015.

Date: 04-15-21

ARE THERE SEPARATION REQUIREMENTS BETWEEN CANNABIS BUSINESSES?

No. The City does not require that one cannabis business be separated a specific distance from another cannabis business. Therefore, as an example, a retail cannabis business could be located in the same multi-tenant building as another retail cannabis business, as long as they are not located in the same tenant space. Cannabis businesses are not prohibited from having tenant space adjacent to each other, but the City will not allow two separate cannabis businesses to operate in the same physical space. In other words, two cannabis businesses cannot share a tenant space.

Date: 04-15-21

CAN A STOREFRONT RETAILER PROVIDE DELIVERY SERVICES?

Only if they also have a City-issued non-storefront retailer permit. CMC Chapter 5.36 (Commercial Cannabis) defines a storefront retailer differently than the state. In Corona, a storefront retailer is a person that sells cannabis to customers **exclusively** at a premise accessible to the public, and a non-storefront retailer is a person that sells cannabis to customers **exclusively** by delivery. This is different from the State, which allows a storefront retail licensee to sell on-premise **and** by delivery.

The City prohibits a cannabis business or its owners and investors from having multiple retail locations in the city, but does allow a business to have multiple cannabis permits at a single location. Therefore, a cannabis business wishing to provide on-site cannabis sales and delivery must obtain a storefront retail permit **and** a non-storefront retail permit for the same location.

An applicant wishing to operate different cannabis activities at a single location must obtain a separate permit for each activity, but may submit a single application for those multiple permits. Please note, however, that you must clearly indicate the types of cannabis activities in section 4 of the Commercial Cannabis Permit Master Application form.

Date: 04-15-21

WHAT IS A COMMERCIAL CANNABIS MICROBUSINESS?

A commercial cannabis microbusiness in the City of Corona is a business that engages in retail sales (storefront and/or non-storefront), manufacturing, and distribution.

It should be noted that the State of California defines a microbusiness differently and requires that a licensee engage in at least 3 of the following types of commercial activities: cultivation, distribution, manufacturing and retail. However, since cultivation is prohibited in the City of Corona, an applicant must engage in retail, manufacturing and distribution in order to qualify as a microbusiness in Corona.

Date: 04-15-21

CAN THE SAME TENANT SPACE BE LISTED ON DIFFERENT APPLICATIONS?

Yes. CMC Chapter 5.36 (Commercial Cannabis) and the Rules and Regulations for Permitting Commercial Cannabis Businesses adopted by Resolution No. 2021-015 allow a single cannabis location to be listed on multiple cannabis permit applications.

Section III(E)(2) of the Rules and Regulations clarifies that an applicant can list as many premise locations on their application as they want, as long as they provide an affidavit from the owner(s) of the premises acknowledging that the premises are available for operation by the applicant of the type of commercial cannabis activity described in the cannabis application. The Rules and Regulations also require applicants to submit plans for each location identified.

The Rules and Regulations establish a process by which a ranked storefront applicant would identify their preferred location from the premises identified on their application. The process takes into consideration the possibility that certain premises may have been identified on multiple cannabis applications and may have been secured by a higher ranked applicant.

There is no limit on the number of applicants that can list a single premise location on their application. However, the City will only authorize a single cannabis business per

tenant space.

Date: 04-15-21

DOES THE CITY OF CORONA HAVE A CANNABIS TAX?

No. The City does not have a voter approved cannabis tax.

However, commercial cannabis businesses are required to enter into an operational agreement with the City, which establishes a monthly operational fee. The operational fee is based on the gross receipts generated or otherwise received. The purpose of the fee is to provide mitigation options to compensate for impacts to City services, residents and/or businesses

The City Council adopted fee is an "up to amount", and varies from three (3) to nine (9) percent of gross receipts depending on the type of commercial cannabis activity. The established fee can be less than the adopted maximum, after taking into account any additional considerations to the public provided for in the commercial cannabis operational agreement. Please reference Resolution 2021-022, Section V.C.4.

Date: 05-13-21

WHAT HAPPENS IF A SENSITIVE LAND USE, SUCH AS A DAY CARE, LOCATES NEAR A PROPOSED CANNABIS BUSINESS' LOCATION? WILL THE PROPOSED CANNABIS PERMIT NOT BE ISSUED?

Corona Municipal Code (CMC) § 5.36.070 states that a cannabis business shall be separated from identified sensitive land uses "at the time the initial commercial cannabis permit... is issued". This language is intended to ensure that an approved cannabis business is not deemed to be in violation of the CMC at the time of annual permit renewal if an identified sensitive land use is established after issuance of a commercial cannabis permit.

Resolution 2021-022 establishes the rules and process for reviewing commercial cannabis permit applications. The process requires City staff to determine if a premise complies with the CMC as part of "application clearance". Staff's review includes a determination as to whether there are sensitive uses near the proposed cannabis businesses. The granting of application clearance is a "Preliminary Approval"; from which the proposal must then obtain "Provisional Approval" and "Final Approval".

A Commercial Cannabis Permit would not be able to operate until an application obtains Final Approval, which does not occur until a business obtains a license from the State and is issued a certificate of occupancy. The "issuance" of a cannabis permit, in practice, does not occur until the State has granted a License and the building can be occupied.

However, the time between the granting of Preliminary Approval and the granting of a certificate of occupancy could be several months or more. Given the time span, and the fact that City staff has not been directed to review separation requirements after application clearance, the City shall deem Preliminary Approval as the point where an application is "issued" for the purpose of complying with CMC Section 5.36.070. In other words, if an identified sensitive land use is established near a cannabis business after the business is granted Preliminary Approval, but before the business is granted a certificate of occupancy, the City will deem the cannabis business as being in compliance with CMC Section 5.36.070.

This is consistent with the intent of 5.36.070, and the process established by City Council Resolution 2021-022.

Date: 06-01-21

THERE IS INCONSISTENCY IN RESOLUTION 2021-022 SECTION V.C.1 and V.C.3 REGARDING "CALENDAR DAYS" AND "BUSINESS DAYS". WHICH IS IT?

Resolution 2021-022 Section V.C.1 establishes the timeline for executing operational agreements between a cannabis business and the City of Corona.

Section V.C.1 initially specifies a fourteen (14) **calendar** day timeline; but then also states fourteen (14) **business** days. V.C.3 then references fourteen (14) **calendar** days.

The City will implement a fourteen (14) business day timeline, which ensures applicants have adequate time to execute an operational agreement with the City. Please note that City Hall business days are limited to Monday through Thursday, with City Hall being closed Friday, Saturday, and Sunday.

Date: 06-01-21

BACKGROUND INFORMATION

ARE CERTAIN COMMERCIAL CANNABIS BUSINESSES ALLOWED IN CORONA?

Yes, but only with duly issued City and state permits. This has occurred through the adoption of Ordinance 3321 on October 21, 2020, which added Chapter 5.36 (Commercial Cannabis) to the Corona Municipal Code, Ordinance 3323 on November 18, 2020, which adopted Title 17 zoning amendments, Resolution 2021-015 on March 17, 2021, which added updated Rules & Regulations for Commercial Cannabis Businesses, as well as Resolution 2020-135 on November 4, 2020, which adopted Application Fees for Commercial Cannabis Businesses. Additionally, on April 21, 2021 the City adopted Ordinance 3327 to amend Chapter 5.36 to clarify definitions and revise setbacks to sensitive land uses, and Resolution 2021-022 to provide additional detail regarding the application process.

The City now regulates the following commercial cannabis operations in the City's manufacturing zones (e.g., the M-1, M-2, M-3 & M-4 zones, and specific plan districts that refer back to the M-1, M-2, M-3 or M-3 zones):

Manufacturing Zones

- ✓ Manufacturing
- ✓ Distribution
- ✓ Testing Labs
- ✓ Retailers

All commercial cannabis operations must fully comply with the City and state laws, rules and regulations in order to operate lawfully. This includes obtaining proper permits from the City and state.

Date: 04-15-21; Revised 05-24-21

IS THE COMMERCIAL CULTIVATION OF CANNABIS ALLOWED IN CORONA?

No. Cultivation remains expressly prohibited in Corona.

Date: 04-15-21

IS IT MARIJUANA OR CANNABIS?

Although marijuana is a common slang term used to describe the cannabis plant and its products, the City will be using the technical term "cannabis" moving forward.

Date: 04-15-21

WHEN WAS CANNABIS LEGALIZED IN CALIFORNIA?

- 1996: Voters approved Prop 215 (Compassionate Use Act), authorizing the medicinal use of cannabis, including certain non-commercial uses by individuals.
- 2015: The California legislature approved MCRSA (Medical Cannabis Regulation & Safety Act), in part creating the State's 3 Cannabis Licensing Agencies (Bureau of Cannabis Control; CalCannabis Cultivation Licensing in the CDFA; and the Manufactured Cannabis Safety Branch in the CDPH).

- 2016: Voters Approved Prop 64 (Adult Use of Marijuana Act), authorizing (with some restrictions) adults 21 & older to grow, possess & use cannabis for non-medicinal purposes.
- 2017: The California legislature approved MAUCRSA (Medicinal & Adult-Use Cannabis Regulation & Safety Act), which in part has now created a single regulatory system for medicinal and adult-use of cannabis.
- 2018: Pursuant to Prop 64, as of January 1, 2018, it is legal to sell, cultivate, manufacture & distribute cannabis through licensed businesses. Business operators <u>must</u> have both state and local (city or county, as applicable) licenses to legally operate.

Date: 04-15-21

ARE CANNABIS BUSINESSES ALREADY OPERATING IN THE CITY?

It is sometimes claimed that cannabis businesses are already operating within the City. There could be a few reasons for this:

- ✓ First, there are pockets of Riverside County land in and around the City of Corona, including the "island" area of Coronita on the west side of the City, the Home Gardens area on the east end of the City, and El Cerrito on the southeast end of the City. Historically, there have been some illegal cannabis businesses operating within the County's jurisdiction and people have mistakenly believed that these businesses were operating in the City. We should also note that the County has recently changed its ordinances and will now authorize certain cannabis businesses to begin operating within its jurisdiction. Thus, in the near future you will likely see legal cannabis businesses operating in these County areas.
- ✓ Second, over the years the City has had some illegal cannabis businesses open within our jurisdiction. While all of those businesses were shut down in fairly short order, they did operate for a short time before the necessary court and other legal actions were taken to shut them down.
- ✓ Third, there are many cannabis delivery businesses located outside the City that are delivering cannabis within the City. While there are a variety of reasons these businesses have not been the focus of the City's enforcement efforts, it should be noted that the state has also recently administratively attempted to require all cities and counties to accept cannabis deliveries within their jurisdictions.

Date: 04-15-21

WHERE CAN WE FIND MORE INFO ABOUT STATE LICENSING AND REGULATIONS?

The 3 state licensing agencies are the Bureau of Cannabis Control, CalCannabis Cultivation Licensing in the California Department of Food & Agriculture and the Manufactured Cannabis Safety Branch in the California Department of Public Health. You can access their websites at the following links:

BUREAU OF CANNABIS CONTROL CALCANNABIS CULTIVATION LICENSING MANUFACTURED CANNABIS SAFETY BRANCH

Bureau of Cannabis Control

The Bureau of Cannabis Control is responsible for licensing retailers, distributors, testing laboratories, microbusinesses, and temporary cannabis events. For a general overview of the state licensing requirements for each type of commercial cannabis operation they oversee, you can visit their "Licensee and Consumer Information" page. On this page, you can find state licensing requirements for each individual license type, application forms, licensed cannabis businesses and public health information, and you can subscribe to Weekly Reports to stay up to date. This page can be found at the following link:

BCC - LICENSEE & CONSUMER INFORMATION PAGE

Although the information provided by each licensing agency is constantly evolving, as of the date of this FAQ, the Bureau of Cannabis Control has published some interesting and educational fact sheets on the areas of commercial cannabis operations that the City is considering regulating. While we encourage you to fully explore each agency's website, we are providing the following links to the current versions of some fact sheets:

BCC FACT SHEET - RETAIL (STOREFRONT)
BCC FACT SHEET - RETAIL (NON-STOREFRONT)
BCC FACT SHEET - LAB TESTING
BCC FACT SHEET - MANUFACTURING

CalCannabis Cultivation Licensing

CalCannabis Cultivation Licensing strives to ensure public safety and environmental protection by licensing and regulating commercial cannabis cultivators in California. CalCannabis also manages the state's track-and-trace system, which tracks all commercial cannabis and cannabis products—from cultivation to sale. Their "Resources" page is a good place to start, as it includes interesting fact sheets, references guides and other resources. This page can be found at the following link:

CALCANNABIS - RESOURCES PAGE

Manufactured Cannabis Safety Branch

The Manufactured Cannabis Safety Branch is responsible for the regulation of all commercial cannabis manufacturing in California. They strive to protect public health and safety by ensuring commercial cannabis manufacturers operate safe, sanitary workplaces and follow good manufacturing practices to produce products that are free of contaminants, meet product guidelines and are properly packaged and labeled. Their "Resources" page is a also a good place to start, as it also includes interesting information for both licensees and consumers. This page can be found at the following link:

MCSB - RESOURCES PAGE

Date: 04-15-21