



## City of Riverside Storefront Retail Commercial Cannabis Business Permit FAQs (Updated on 11/29/2023)

1. What cannabis business types are approved?
  - [Ordinance 7628](#) establishes the following:
    - Storefront retail (with or without deliver) – 14 permits
    - Warehousing/manufacturing/distribution and laboratories– no maximum number of permits (Applications for these uses are not being considered at this time).
2. How will applications be submitted?
  - Applications and attachments must be submitted through the City's portal, available beginning on November 15, 2023, and closes on December 15, 2023.
  - There is no alternative to this submittal platform.
  - Any applications not received through the City's portal by the deadline stated above will not be eligible for review.
3. Is there a naming convention and type of files that are accepted?
  - Application Files are to be the business name, underscore (\_), and the phone number of the listed primary contact. (Ex: RiversideCannabisShop\_951-320-8024)
  - Only a PDF file will be accepted.
  - **NOTICE: Failure to follow this naming convention or to upload in PDF format shall deem an application invalid and not eligible for review.**
4. What if my application is missing an item?
  - Missing items can be uploaded after the initial submittal until the closing deadline of December 15, 2023, at 5:00PM.
  - Applicants must resubmit their entire PDF application and supporting documents before the December 15, 2023, at 5:00 PM deadline through the portal.
  - No missing items will be accepted after the close of the application period.
  - **NOTICE: Failure to upload all required documents by this date and time will deem an application incomplete and ineligible.**
5. Do you accept late applications?
  - No. Late submittals will not be accepted.
  - **NOTICE: Failure to upload all required documents by the deadline will deem an application incomplete and ineligible.**

6. Will fees be charged at the time of application submittal?
  - The Storefront Retail Commercial Cannabis Business Permit Application Fee of \$13,842 and must be paid prior to the application deadline of December 15, 2023, at 5:00PM.
  - Applicants are urged to pay this fee well in advance of the deadline.
  - **NOTICE: Applications without a copy of a paid receipt will be considered incomplete and ineligible for review.**
7. How will the permit awardees be selected?
  - All Storefront Retail CCB Permit applications shall be reviewed, and complete applications granted application clearance will be evaluated, scored, and ranked by a review panel composed of City staff selected by the City Manager.
  - The merit review criteria can be found [here](#).
8. How do I find out about the status of my application?
  - The Cannabis Facilitator will contact each applicant to confirm your application has been received and is complete.
  - No scoring or ranking will be released until all of the applications have been reviewed, scored and ranked.
  - Final scores and ranking will be posted to the City's website.
9. Is the application fee refunded if the business is denied the license or withdraws their proposal?
  - No. Application fees will not be refunded.
10. How do I withdraw an application?
  - Send an email to [Cannabis@riversideca.gov](mailto:Cannabis@riversideca.gov) directing the City to withdraw your application.
11. Do I need to have the location selected at the time I submit the application?
  - No, no site selection is required for Phase 1.
  - Please refer to [Guidelines and Procedures](#)
12. Where can I locate my dispensary?
  - The site selection process will take place during Phase 2 of the application process.
  - Applicants should not pursue selecting a location during the Phase 1 Application process.
  - For information purposes only: Commercial Cannabis is generally allowed in the Commercial Retail (CR), Commercial General (CG), Commercial Regional Center (CRC), Mixed Use Neighborhood (MU-N), Mixed Use Village (MU-V), and Mixed-Use Urban (MU-U) Zones. Please note there are distance requirements to sensitive uses.
  - [Table 19.150.020 A of the City's Zoning Code provides additional zoning information.](#)

13. Will there be an equity program?

- Yes, there will be an equity program. This program is currently under development and more information will be available as it becomes available.

14. Where do I go for information?

- All questions must be submitted to the City by email to [Cannabis@RiversideCA.gov](mailto:Cannabis@RiversideCA.gov) and should be answered within two days of receipt in the order received when the application period begins, via the City's Cannabis webpage FAQs. Any verbal communications will not be considered or responded to.
- No communication regarding the Storefront Retail CCB Permit should be directed to any elected or appointed City official or City staff, except for the City's Cannabis Project Manager.
- To learn more about the City of Riverside's Retail Commercial Cannabis Business Permit procedure guidelines, please see our [guidelines document](#).
- Additionally, applicants can subscribe to the [e-notification list](#) for updates through the City's Cannabis webpage.
- Check out our Resources tab for any supplemental information regarding the City of Riverside's cannabis program.

15. Is there a "green zone" within the City of Riverside for cannabis storefront retail?

- The City does not have a designated Cannabis Zone; instead, the City has authorized the establishment of several types of Commercial Cannabis Businesses (CCBs) in existing Zones. Retail/Storefront CCBs are only permitted in Commercial Zones where other Retail uses are permitted (such as the CG – Commercial General or CR – Commercial Retail Zones). Cannabis Manufacturing/Distribution Facilities and Cannabis Testing Laboratories will be permitted in Industrial Zones (such as I – General Industrial or BMP) similar to other industrial land uses. An online Zoning Map can be found [here](#).

16. Will transfers of ownership be permitted, and if so, what will the restrictions be, if any?

- Please refer to Ordinance Section 5.77.270 Transfer of Cannabis Business Permit

17. In the 50 pages allotted for the business plan, are graphics allowed? For example, if we want to show an image of our team participating in philanthropic giving for the community benefits section is that allowed? Can our pages have the text in columns, or does it need to be traditional formatting?

- Graphics and alternative formatting are allowed in the 50 pages allotted for the business plan. The only specific guidelines are stated in Section 12 of the Storefront Retail Commercial Cannabis Application Form.

18. Item 7 on the retail application sets forth insurance standards for applicants, do applicants need these policies for the application process or is this info for if/when an applicant is selected then they provide this?
- The application requires the applicant to acknowledge and agree to provide and maintain the required certificates and endorsements to the City's insurance portal: <https://riversideca.gov/coiportal>. This will be required of all selected applicants.
19. Are pictures acceptable in the narrative? Is there a specific font?
- Pictures are acceptable in the narrative as part of the 50-page submission. No specific font is required, but the selected font must be 12 point.
20. Can the Application payment be made by the individual owner or does the payment need to be made by the Applicant Entity?
- The payment may be made by the individual owner and a copy of payment receipt must be submitted in the application. Certified/Cashier's check or money orders will be the only acceptable form of payment.
21. Is there a city business license, use, or sales tax that will apply to cannabis retail businesses?
- Please refer to Ordinance 7628 Section 5.77.360 B
- All cannabis businesses authorized to operate under this chapter shall pay all sales, use, business and other applicable taxes, and all license, permit, registration, and other fees required under federal, state, and local law. Each cannabis business shall cooperate with the City with respect to any request to audit the cannabis business' books and records for the purpose of verifying compliance with this section, including but not limited to a verification of the amount of taxes or fees required to be paid during any period.
22. May a single company submit multiple applications or is it limited to one application per company?
- Yes. The Guidelines, criteria, and RMC do not limit the number of permit applications any one owner can submit or permits they can hold. Accordingly, a corporation and/or its subsidiaries can submit multiple applications.
23. How do applicants pay the fee in advance of application submission?
- Each applicant must pay application fees to cover the costs incurred by the City in the application process. Riverside Municipal Code Chapter 5.77.130.F, pursuant to Resolution 24048 and Resolution 24053, requires applicants to submit an initial Application Review fee. Fees are to be paid at the City of Riverside's Treasury Department, located on the first floor of

City Hall prior to application submittal. City Hall is located at 3900 Main Street, Riverside, CA 92522, and is open from 8:00AM to 5:00PM, Monday through Friday. All city business shall occur during these business hours. Applicants are required to pay the Phase 1 application review fee with a money order or cashier's/certified check. Applicants will receive a receipt of payment to upload with their respective application submittal. Payment can be made anytime during normal business hours, excluding holidays. All Storefront Retail CCB Permit applicants shall submit a City Treasury Department receipt of payment for the initial Phase 1 Application Review fee with their Storefront Retail CCB Permit application. Applicants that proceed past Phase 1 will be required to submit an additional Site Review fee to proceed to Phase 2 review. Applications that fail to pay and upload the Phase 1 Application Review receipt by the filing deadline will be deemed ineligible. The flat fee for Phase 1 is as follows: Phase 1: Application Review fee – \$13,842

24. How do I find the zoning and setbacks requirements for said ordinance?
- Zoning and setback requirements are not required for Phase 1 applications. Information regarding zoning and setback requirements will be added to the Cannabis portal when Phase 2 of the application becomes available. Zoning information is available through the Planning and Building Dept.
25. Will applicants lose points for not offering delivery sales?
- No, applicants do not lose points for not offering delivery sales. Section C.6 of the evaluation criteria addresses record keeping related to "delivery manifests", but "delivery sales" are not a weighted criteria.
26. What does the City consider minority groups or other underrepresented groups?
- [SB 535 Disadvantaged Communities](#) addresses what the state considers "disadvantaged" or "underrepresented." Applicants receive points if their proposal demonstrates at least three mechanisms that address the issues of social equity. (Ex: Partnership with Riverside County Black Chamber of Commerce, Latino Business Action Network, etc.)
27. Are pages that only contain images (e.g. design renderings) included in the 50-page limit?
- Yes, design renderings and related images count towards the 50-page limit.
28. Does the City view LPA as a collective bargaining agreement?
- No. Whether or not a collective bargaining agreement is in place, applicants must attest to complying with the Labor Peace Agreements [mandated by the State](#).

29. Could you please clarify what does the City mean by a card check process under commitment to the Collective Bargaining section? "
- Card check", also called "majority sign-up", is a method for employees to organize into a labor union in which a majority of employees in a bargaining unit sign authorization forms, or "cards", stating they wish to be represented by the union.
30. Website states that all files should follow the naming convention. It looks like we will be uploading multiple files. Do all files need to be named the exact same way, regardless of what document is being uploaded?
- Applicants will be uploading one complete PDF file, following the naming convention.
  - Application Files are to be the business name, underscore (\_), and the phone number of the listed primary contact. (Ex: RiversideCannabisShop\_951-320-8024)
31. Will applicants be allowed to submit any additional materials/attachments for the Committee to review in addition to a Business Proposal?
- Yes, as long as it is under the 50-page limit. Any application over the 50-page limit will be rejected.
32. What is the maximum size of the files that can be uploaded? Not in pages, in megabytes.
- There is no size limit to the file being uploaded. With that said, please try to compress to lower file size below 100MB as a courtesy.
33. "Applicant demonstrates that they have entered into a collective bargaining agreement at another location under their ownership". Will points/full points only be awarded to other cannabis locations, if they entered into a collective bargaining agreement? What if a non-cannabis business under their ownership has entered into a collective bargaining agreement?
- Applicants will be awarded full points if they can demonstrate that they have entered into a collective bargaining agreement as the owner of another business, non-cannabis businesses included.
34. Is proof of insurability, such as an LOI from an insurance company, required in the application? If so, where should this be included?
- Proof of insurance is not required for Phase 1 of the application process. However, an attestation that applicant has or will be able to obtain and maintain the required insurance is required in the Phase 1 application. Please refer to City of Riverside Storefront Retail Commercial Cannabis Business Permit Procedure Guidelines and Application Review Criteria Section III Application Submittal Process.

35. What documentation is the City seeking for "Financial information for Section 9, "Cannabis Experience and Background", required by the State of California?"

- Pursuant to [California Code of Regulations title 4 § 15004](#),
  - (a) An applicant for a commercial cannabis license or a licensee shall disclose all financial interest holders. A financial interest holder of the commercial cannabis business includes all of the following, except as provided in subsection (b):
    - (1) A person with an aggregate ownership interest of less than 20 percent.
    - (2) A person providing a loan to the commercial cannabis business.
    - (3) A person entitled to receive 10 percent or more of the profits of the commercial cannabis business, including:
      - (A) An employee who has entered into a profit share plan with the commercial cannabis business.
      - (B) A landlord who has entered into a lease agreement with the commercial cannabis business for a share of the profits.
      - (C) A consultant who is providing services to the commercial cannabis business for a share of the profits.
      - (D) A person acting as an agent, such as an accountant or attorney, for the commercial cannabis business for a share of the profits.
      - (E) A broker who is engaging in activities for the commercial cannabis business for a share of the profits.
      - (F) A salesperson who earns a commission.
      - (G) A person who has entered into an intellectual property licensing agreement for a share of the profits.
  - (b) Financial interest holders do not include any of the following:
    - (1) A bank or financial institution whose interest constitutes a loan;
    - (2) Persons whose only financial interest in the commercial cannabis business is through an interest in a diversified mutual fund, blind trust, or similar instrument;
    - (3) Persons whose only financial interest is a security interest, lien, or encumbrance on property that will be used by the commercial cannabis business; and
    - (4) Persons who hold a share of stock that is less than 10 percent of the total shares in a publicly traded or privately held company.

36. Are security personnel with patrol required during hours when establishment is closed? Also, what is an alternative security that the City Manager might authorize?

- Riverside Municipal Code section 5.77.350.A.9 provides the following regarding Security Measures: "Security personnel shall be on-site 24 hours a day or alternative security as authorized by the City Manager and must have a security patrol when closed. Security personnel must be licensed

by the State of California Bureau of Security and Investigative Services personnel and shall be subject to the prior review and approval of the City Manager, with such approval not to be unreasonably withheld." All applicants shall submit responses based upon their business operations and best practices. Any alternatives can be submitted and will be considered as part of the review process.

37. If an owner in the application owns commercial real estate in the City, would that qualify them to satisfy the local ownership criteria in Section A.5?
- Section A.5 of the City of Riverside Storefront Retail Cannabis Merit-Based Evaluation Criteria provides the following: "Local Ownership - Proposal demonstrates that a current resident or business owner within the City owns at least fifty-one percent (51%) of the cannabis business and describes the involvement of the ownership team in day-to-day operation of the business." "Owner" is further defined in Riverside Municipal Code section 5.77.060.S. All applicants shall provide a response based on their assessment of the criteria and the Riverside Municipal Code. This information will be reviewed as part of the review process.
38. Will Articles of Organization suffice as "Formation Documents" for an LLC
- Section III.B.1.a.i.c of the City of Riverside Storefront Retail Commercial Cannabis Business Permit Procedure Guidelines And Application Review Criteria provides the following: "Business Entity Status. If any applicant or owner is a business entity or any other form of entity, the entity's legal status, formation documents (articles of incorporation, operating agreements, partnership agreements, and fictitious business name statements), and proof of registration with, or a certificate of good standing from, the California Secretary of State, as applicable." All applicants shall submit proof of business establishment as outlined in the criteria, including any operating agreements. This information will be reviewed as part of the review process.
39. According to the Guidelines Section III, Paragraph A: "Notice of the application period dates for the submittal of applications for Storefront Retail CCB Permits shall be posted on the City's website no less than fourteen (14) calendar days prior to the start of the application period." As we have clients interested in applying to the City of Riverside, I have been checking the website everyday since November 1, 2023. The website posting were unavailable any earlier than November 7, 2023, in different contravention of the published Guidelines. Because of the lateness of the posting, will the application period start also be delayed by six days to comply with the City's Guidelines?
- The website was live on November 1, 2023. Please ensure you clear all browsing data to ensure that you're viewing the most up to date website.



No delays have been determined and no extensions have been established at this time.

40. Is there any update to FAQ #6 regarding an equity program?

- No update at this time.

41. D.10 of the cannabis application criteria ("D.10 Driver Security and Safety Procedures – Quality and detail of distribution driver security and safety procedures/plan, including driver education related to potential hazards and risks.") relates to distribution, which is a different cannabis business license type than retail. Why would the retail store be responsible for this? How does the City wish for cannabis retail applicants to provide a security plan related to another business's practices, when most cannabis retail companies receive shipments of product from many different distributors?

- Section 5.77.100 of the Riverside Municipal Code authorizes three cannabis business license types authorized to operate in the City of Riverside: (1) Cannabis storefront retail; (2) Cannabis manufacturing/distribution and (3) Cannabis testing laboratory. Section 5.77.130 of the Riverside Municipal Code provides that "By resolution, the City Council shall adopt procedure guidelines and review criteria for the City's evaluation of cannabis business permit applications and subsequent issuance." The City Council adopted Resolution No. 24048 to establish the procedures and requirements for Storefront Retail Commercial Cannabis Permits only. All applicants shall submit responses based upon their business operations and best practices. Any alternatives can be submitted and will be considered as part of the review process.

42. On page 7 of the Riverside cannabis application, it asks for the owner's mailing address, phone number and date of birth. This appears to be duplicative from the form on page 3 regarding applicant/ownership information. Is page 7 requesting personal information about the owner or information about their current cannabis business experience?

- Section 9 of the Application, entitled "Cannabis Experience and Background", (page 7) requests information about each owners', officers', or managers' commercial cannabis experience since 2017, including contact information. This section is not duplicative of the information requested on page 3 of the application.

43. Regarding the requirement on page 7 of the application form to "include copies of permits, licenses, or other written forms of permission by a state, county, or municipal government entity identifying claimed experience." Is this requiring applicants to attach licenses/permits for former cannabis businesses which are not currently operational? What proof from "municipal government entities" should applicants provide, for cities which do not issue cannabis permits to licensed operator?

- Applicants should provide all relevant licenses and permit information that is responsive to the request.
44. Section B.3 of the Merit-Based criteria states "Financial Plan - Proposal includes a financial plan/budget that demonstrates sufficient financial capacity to capitalize, start up, and sustain business operations, with more points awarded for including a valid pro forma financial statement for at least 3 years of operation." Due to the uncertainty pertaining to the real estate aspect of the business, my thought would be to provide pro formas projecting gross revenue that then boils down to net revenue based on industry norms. True pro formas would be nearly impossible to formulate given the uncertainty of the cost of real estate and number of employees at a hypothetically obtained retail storefront in the City of Riverside. Please let me know if such a pro forma would be acceptable and, if not, what might be an effective way of addressing the aforementioned uncertainties.
- All applicants shall submit responses based upon their business operations and best practices. Any alternatives can be submitted and will be considered as part of the review process.
45. For criteria A.4, will the City award full points for past ownership/management of a non-cannabis retail business that was located in the City of Riverside, but no longer operates? Or instead, are applicants required to own an operational non-cannabis retail business in City limits to receive points?
- Points are awarded to current or former business owners of permitted, non-cannabis retail businesses within City limits. If the business is no longer in operation, include the dates of operation and a copy of the most recent business permit.
46. Because the City does not wish for applicants to provide a specific location in the evaluation criteria, what kind of materials does an applicant need to submit to receive full points for Section B.2? How can the City evaluate design without a specific location?
- Applicant should submit a mock-up of their proposed design in a generic location. This criteria is for evaluators to see the level of depth and conceptual detail in the proposal and weigh accordingly. (See FAQ #11 and #12 for more information on location requirements.)
47. Does the City accept electronic signatures on the forms/documents?
- Yes
48. Typically, DBAs require a location and in this case the application occurs prior to the designation of a location, consequently, can an applicant indicate their DBA in other locations or their intent to DBA rather than the actual DBA as a result of not having an address or location yet of the physical premises?
- Applicant should list their intended DBA on the application form.

49. Please provide the City's definition of "permitted or licensed non-cannabis retail business" in the context of Criteria A.4. What kind of businesses are considered "retail?" Further, do applicants need to provide proof of a business permit in order to satisfy Criteria A.4?
- Refer to Ordinance No. 7626, Section 5.77.060, Definitions X: "Retailer" or "Storefront Retailer" shall have the same meaning as that contained in Section 26070(a)(1) of the California Business and Professional Code.
50. Item 7 on the retail application sets forth insurance standards for applicants, do applicants need these policies for the application process or is this info for if/when an applicant is selected then they provide this?
- Refer to City of Riverside Storefront Retail Commercial Cannabis Business Permit Procedure Guidelines and Application Review Criteria Application Submittal Process Insurance Compliance, which states: "Insurance Compliance. Consistent with the requirements of RMC § 5.77.330, attestation that applicant has or will be able to obtain and maintain the following amounts and types of insurance: (1) Commercial General Liability with a minimal limit of \$2,000,000 per occurrence/\$4,000,000 aggregate. Such insurance policy shall name the City and its directors, officials, officers, employees, agents, and volunteers as additional insureds by endorsement with respect to the operation of the commercial cannabis business and compliance with Chapter 5.77, the state cannabis laws or any other applicable law. (2) Commercial/Business Automobile Liability with a coverage for "any auto" and a minimal limit of \$1,000,000 per accident for bodily and property damage. (3) Workers' Compensation with limits as required by the Labor Code of the State of California.
51. Can we use color images in our proposal?
- Yes
52. I have owned and operated a window tinting shop in the city of riverside. Is that considered for (A.4 Other Business Ownership Experience - Proposal demonstrates Owner's experience and successful management of a permitted or licensed non-cannabis retail business within the City of Riverside.) as experience?
- Yes
53. We'd like to be able to include screenshots of Google Reviews, Digital Assets, and sample marketing campaigns we've used in existing facilities. However, some of the images may include font that would be considered below 12-point font.

- The Business Proposal must be in 12-point font text that does not exceed a total of 50 single-sided pages. Color images are allowed and will go toward the maximum 50-page count for the section.
54. Is it required to provide the proof of residency for a local owner? If yes, what documents does the city accept for that and are they included in the 50 page limit?
- Proof of residency is required. This is expected to be part of the 50 page limit.
55. Is there a specific form to provide required state financial information or in what format should it be?
- No specific form or format is indicated in the Guidelines. However, the information provided is expected to be part of the 50 page limit.
56. Application states "Owner's experience and successful management of a permitted or licensed non-cannabis retail business within the City of Riverside". - Does success management mean that Owner could be employed by a retail business as a manager or does he have to own and manage the retail business?
- Applicants shall provide information to respond to the successful management criteria.
57. Regarding the requirement on page 7 of the application form to "include copies of permits, licenses, or other written forms of permission by a state, county, or municipal government entity identifying claimed experience." Is this requiring applicants to attach licenses/permits for former cannabis businesses which are not currently operational?
- Yes, if available and applicable.
58. What proof from "municipal government entities" should applicants provide for cities which do not issue cannabis permits to licensed operators?
- Applicants should provide responsive documentation to address this application requirement.
59. Are owners of the license permitted to shift equity percentages between one another upon receiving the operating permit, and if so, what information is required to do so? Is there a specific time that this is permitted to occur, like at the time of renewal, or can equity be reassigned to existing owners at any time after the permit is issued?
- Please refer to Section 5.77.270 A of the Ordinance-Transfer of Cannabis Business Permit. "The owner of a Cannabis Business Permit shall not transfer ownership or control of the permit to another person or entity unless and until the transferee obtains an amendment to the permit from the City Manager stating that the transferee is now the permittee.