

Cannabis FAQ Document  
This document will be updated weekly

**Q: Does Canyon Lake have a Cannabis Tax?**

A: No

**Q: Regarding community benefits, is the city's expectation that community benefits will be paid directly to the city itself or to the non-profits that are selected for support?**

A: Under Chapter 4.20, commercial cannabis business applicants, in consideration of the rights and benefits conferred by the City under the commercial cannabis permit, will be evaluated on the public benefits provided to residents of the City of Canyon Lake. It is anticipated that one method applicants will choose to meet this criteria will be in the form of payment of a Community Benefits fee, equivalent to a percentage of revenue or a fixed amount, or combination thereof, which shall be utilized by the City for the provision of public services that benefit the residents of the City.

**Q: Second, is there any licensing or development fee associated with the permit each year?**

A: It is anticipated that the City Council will establish an annual regulatory fee that will fully reimburse the City for the expense of regulating the cannabis industry in the City, in addition to any other fees that are generally applicable to businesses operating in the City (for example, annual fire inspections, business licenses, etc.).

**Q: A question regarding the Safety Plan, specifically, Section C, Item 2. The safety plan needs to describe all fire prevention and suppression measures which leads me to this question: are fire sprinklers mandatory on the premises and mandatory on the Safety Plan?**

A: Applicants need to research their specific building/address. This detail is the reason the Safety Plan is supposed to be developed by a professional consultant. The consultant is responsible for obtaining this detail before developing the Plan. For scoring purposes, applicants need to acknowledge sprinkler systems in some manner. They either:

1. Need sprinklers and in that case they explain the system;
2. Don't need sprinklers and in that case they state the system is not required; or
3. They are unsure and in that case they explain their efforts to find out (This explanation may result in slightly lower points awarded).

Fire Code Regarding

Sprinklers: [https://codelibrary.amlegal.com/codes/canyonlakeca/latest/canyonlake\\_ca/0-0-0-22057](https://codelibrary.amlegal.com/codes/canyonlakeca/latest/canyonlake_ca/0-0-0-22057)

**Q: Section F.7 of the Guidelines contains information that is duplicative of other sections. For example, 7.b requires zoning and locational compliance pursuant to CLMC section 4.20.250 and Title 9. This is duplicative of Section G.1. Section 7.C requires well-traveled paths to schools and how the business will proactively protect youths. This is duplicative of Section F.1. Section 7.D requires a description of steps the business will take to alleviate community concerns. This is duplicative of F.2. Section 7.G requires photographs of the existing site and buildings. This is duplicative of G.2.**

**In cases where Section F.7 asks for duplicative information, do you want applicant's to provide a response that mirrors the earlier sections? Should Applicant's reference the earlier sections and incorporate a response by reference? Should applicant's ignore the duplicative prompt all together?**

A: In addition to HdL's evaluation and scoring of the entire application, multiple City departments will be expected to examine various sections independently. Therefore, applicants are directed to provide a

complete and thorough response to each evaluation criteria (Sections A – G), even if it mirrors an earlier response. Points will be deducted for each evaluation criteria lacking a complete response.

**Q: Who or where do we direct the request for the ZVL letter to?**

A: You will want to send the request to our City Planner, Jim Morrisey, you can send the request via email as well.

**Q: The HDL background check asks for the State Business License Number. Is this referencing the entity number from the Secretary of State, Seller's Permit number from CDTFA, or something else entirely?**

A: Awaiting answer from consultant

**Q: Specifically, what are the parking calculations that you are looking for and where is it located in the City Code?**

A: Awaiting answer from City Planner

**Q: Under Cannabis Business information the background check it is asking for the State Business License Number. Is this the seller permit from California Dept of Tax and Fee Administration or the State Entity # or the Franchise tax id??**

A: That specific field requires the State Department of Cannabis Control license number which, they will not have. That field was not supposed to be mandatory. It has now been changed it to be optional. Applicants can either skip it or enter "N/A".

**Q: Which credit bureaus will be used for the application?**

A: Credit checks are not a part of this background check. Applicants would need to sign a specific authorization for us to complete a full credit check which would involve all three major credit bureaus.

**Q: Is an appointment required for the submission of the application?**

A: You can bring it in any time during business hours before the deadline. No appointment is required.