

**City of Chula Vista**  
**CANNABIS REGULATIONS**  
*[amended and effective as of September 14, 2022]*

**The following regulations are intended to clarify and facilitate implementation of CVMC Chapter 5.19, Commercial Cannabis (“Chapter 5.19”). To the extent of any conflict between these regulations and Chapter 5.19, the terms of Chapter 5.19 shall govern. Capitalized terms used herein shall have the same definitions provided in Chapter 5.19 except as otherwise expressly provided.**

**§0501 Phase One Application Process (CVMC 5.19.050.A)**

*A. Application Periods*

1. Initial Application Period. The City Manager will designate an initial phase one application period (“Initial Application Period”) and post notice of the Initial Application Period dates on the City’s website no less than fourteen (14) days prior to the start of the Initial Application Period. The Initial Application Period for retail and cultivation licenses will run for five (5) consecutive business days. The Initial Application Period for manufacturing, distribution, and testing laboratory licenses will run for ten (10) consecutive business days.
2. Subsequent Application Periods. After the Initial Application Period, and from time to time thereafter, the City Manager may issue additional notices of Application Periods for specified license types. The terms for each and any subsequent Application Period will be set forth in the corresponding Application Period notice.
3. Extensions. The City Manager, in his/her discretion, may extend the length of the Initial Application Period or a subsequent Application Period on terms he/she specifies. Notice and terms for any such extension will be posted on the City website.
4. Late Applications. Cannabis Business license applications will only be accepted by City during the Initial Application Period and/or subsequent Application Periods, if any. Late applications will be disqualified from consideration.

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5. Notice List. Prospective Cannabis Business license applicants may sign up to receive email notification of any Application Period notices at: [www.chulavistaca.gov/cannabis](http://www.chulavistaca.gov/cannabis).

*B. Application Submittals*

1. Applicants may submit one or multiple applications subject to the limits set forth in Section C, below. To be considered, each applicant must submit their application on City's standardized forms. City's standardized application forms will be available on the City's website and updated from time to time.
2. Resubmittal Applications. Applicants who submitted an application during the Initial Application Period are eligible to pay a reduced Resubmittal Application Fee if all of the following statements are true of the application they resubmit during the May 26, 2020 - June 9, 2020 Application Period:
  - a. The application is for the same license type;
  - b. The application includes the same proposed business site;
  - c. The application removes no more than two total Owners, Officers, and Managers;  
and
  - d. The application maintains at least one of the same Owners.

*C. Limits on License Applications*

1. Retail. Applicants may apply for no more than one retail license per council district and no more than four retail licenses City-wide. A retail license application must indicate whether the applicant is requesting to conduct storefront or non-storefront retail in the specified council district. An applicant may not submit an application for both storefront and non-storefront retail in the same council district; however, an applicant may submit a retail license application for storefront retailer in one council district and either a storefront or a non-storefront retailer in a separate council district.
2. Cultivation. Applicants may apply for no more than two cultivation licenses City-wide. In the event that there are unfilled cultivation licenses after all initial cultivation license

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applications have been processed, the City Manager may, in his/her discretion, permit applicants to apply for more than two cultivation licenses City-wide.

3. Manufacturing, Distribution, Testing Laboratory. There is no limit to the number of applications an applicant may submit for manufacturing, distribution, or testing laboratory licenses.
4. Ownership Interest. For the purposes of this subsection, an “ownership interest” in a cannabis business means an interest in the profits and/or assets of the cannabis business attained in exchange for a loan, a capital contribution, and/or an in-kind contribution of capital or services. Notwithstanding the foregoing, an ownership interest shall not include an interest in the profits of a cannabis business provided as compensation for ongoing management or other services to that business. The following application limitations apply to individuals or entities with an ownership interest in a cannabis business:
  - a. An individual or entity with an ownership interest of 10% or more in a cannabis business may only be associated with one retail license application per council district, and may only be associated with two cultivation license applications City-wide.
  - b. An individual or entity with an ownership interest of less than 10% in a cannabis business may only be associated with two retail license applications per council district, and may only be associated with two cultivation license applications City-wide.

*D. Individuals Identified on Application*

1. An applicant must identify on their application all Owners of the Commercial Cannabis Business (see CVMC 5.19.020 “Owner” definition), Managers (see CVMC 5.19.020 “Manager” definition), and Officers (see CVMC 5.19.020 “Officer” definition).

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2. An applicant must identify on their application all persons who direct or control the Commercial Cannabis Business. Persons who direct or control the Commercial Cannabis Business include but are not limited to:
  - a. An individual who is determining how a portion of the cannabis business is run, including non-plant-touching portions of the Commercial Cannabis Business such as branding or marketing; and
  - b. An individual who is determining what cannabis goods the Commercial Cannabis Business will cultivate, manufacture, distribute, purchase or sell.
  
3. An applicant must identify on their application all persons with a financial interest in the Commercial Cannabis Business. Persons with a financial interest include but are not limited to:
  - a. An individual who manages or directs the Commercial Cannabis Business in exchange for a portion of the profits;
  - b. An individual who will receive a portion of the profits of the Commercial Cannabis Business, including but not limited to:
    - 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 broker who is engaging in activities for the Commercial Cannabis Business for a share of the profits;
    - e. A salesperson who earns a commission.
  - c. A person with an investment in the Commercial Cannabis Business;



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*E. Experience Requirement (CVMC 5.19.050.A.1.e)*

1. In addition to proof of the components listed in CVMC 5.19.050.A.1.e, an applicant must include in their application a description of any and all experience in developing and implementing security plans for the cannabis, pharmaceutical, alcohol, or other business used to meet the qualification requirements of CVMC 5.19.050.A.1.e.
2. Persons seeking to qualify under CVMC 5.19.050.A.1.e.ii.(C) must demonstrate that a substantial portion of the lawful, properly licensed business was conducted in the City of Chula Vista or that the lawful, properly licensed business premises was located in the City of Chula Vista.

*F. Liquid Assets Requirement (CVMC 5.19.050.A.1.f)*

An applicant must demonstrate that it has \$250,000 in Liquid Assets under its control for each license requested. Proof of Liquid Assets must be submitted in the form of current bank statements, brokerage statements and/or other documentation approved by the Finance Director in his/her sole discretion (collectively, the “Qualifying Documentation”). Updated Qualifying Documentation must be submitted as a condition of proceeding to the Phase Two application process.

*G. Business Plan (CVMC 5.19.050.A.1.g)*

Applicants must submit a business plan. In addition to the components listed in CVMC 5.19.050.A.1.g, each business plan must identify all principle owners, all business positions and responsibilities, each person with oversight of day to day activities, and any person charged with making major business decisions. A business plan template can be found at the following link: <http://www.sdivsbdc.org/wp-content/uploads/2015/01/business-plan-template.pdf>; such business plan template is intended to provide general guidance only.

*H. Operating Plan (CVMC 5.19.050.A.1.h)*

A storefront retailer applicant must include the following components in the operating plan submitted pursuant to CVMC 5.19.050.A.1.h :

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1. How they will address issues associated with customer flow on their proposed premises to avoid excessive queuing of customers outside the building and to minimize customers parking off-site;
2. How the cannabis business will participate in community activities intended to support the business community, build neighborhood relationships, and benefit City of Chula Vista programs supporting the community;
3. How the cannabis business will further the goals of the City’s 2017 Climate Action Plan through sustainable, energy and water efficient buildings and by achieving zero waste; and
4. What steps the cannabis business will take, if any, to be compatible with the neighborhood surrounding the proposed premises.

*I. Fingerprint and Background Check (CVMC 5.19.050.A.1.i)*

1. Applicants, Owners of the Commercial Cannabis Business, Managers, Officers, and any additionally required persons must submit:
  - a. a completed Police Controlled License Application (form available at [www.chulavistaca.gov/cannabis](http://www.chulavistaca.gov/cannabis)).
  - b. a completed Application Conviction Supplement (form available at [www.chulavistaca.gov/cannabis](http://www.chulavistaca.gov/cannabis)).
  - c. a signed and dated Statement of Understanding (form available at [www.chulavistaca.gov/cannabis](http://www.chulavistaca.gov/cannabis)).
  - d. one 2” x 2” color photo taken within the last six months
  - e. color copy of government-issued picture I.D. (driver’s license, California I.D., etc)
2. Applicants, Owners of a Commercial Cannabis Business, Managers, and Officers must make and complete a Live Scan appointment within 14 days after the application is submitted. Live Scan may be completed at any authorized California Live Scan location using the Live Scan form approved by the City of Chula Vista for Cannabis Business Licensing and found at: [www.chulavistaca.gov/cannabis](http://www.chulavistaca.gov/cannabis). Each Live Scan form submitted

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must include the application submission number obtained upon submission of the relevant cannabis business application to the City of Chula Vista.

3. Any additional individual required by the Police Chief to make and complete a Live Scan appointment must do so within 15 days of the date that the applicant is notified of such additionally required Live Scan submittal.

*J. Incomplete Applications (CVMC 5.19.050.A.4.b)*

The Finance Director will provide the applicant by email or first class mail addressed to the address listed on the application, with dated written notice of any missing required Phase One application components and/or any additional information requested in accordance with 5.19.050.A.1.m. The Applicant must submit the missing and/or additional information to the Finance Director within 15 days of the notice date.

*K. Sworn Statements Must be Notarized*

The statements required to be made under penalty of perjury by each Applicant, Owner, Officer and Manager pursuant to Code Section 5.19.050.A.1.j must be notarized.

*L. Approval of Phase One Application (CVMC 5.19.050.A.7-8)*

If an applicant's Phase One application has been approved by the Finance Director and Police Chief, the Finance Director will provide the applicant with dated, written notice that the Phase One Application has been deemed qualified. The notice will further identify each of the applicant's supplemental license applications that has been deemed qualified and notify the applicant of any guarantees or authorizations required to proceed through the application process. The applicant will have 180 days from the date of such notice to complete the Phase Two application process.

*M. Storefront Retailer Applicant Notice Posting Requirement; Objection; Pipeline Period*

1. Posting at Proposed Premises. Within 10 days after issuing a dated, written notice that a storefront retailer Phase One application has been deemed qualified, the City shall post a Public Notice of Application at the proposed storefront retailer premises in a location determined by the City to be clearly visible to the public, such as the front door of an



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existing building or at the entrance driveway to the proposed premises. If multiple applications for storefront retailers are deemed qualified for the same premises, the City shall include the names of each deemed qualified storefront retailer on the notice posted at the proposed premises. Posted notices shall describe how to file an objection with the City contesting the location's compliance with state and/or local laws or regulations.

2. Maintenance of Posted Notice at Proposed Premises. The site owner and storefront retailer license applicant shall be responsible for maintenance of the posted notice on the premises. Posted notices shall be maintained on the premises throughout the "Pipeline Period" defined in Section 5, below.
3. Electronic Posting of Qualified Applicants. City shall post on the City's website and maintain in the Office of the City Clerk a list of all Phase One storefront retailer applications that have been deemed qualified and the date of posting at the proposed premises. The City's website shall describe how to file an objection with the City contesting the location's compliance with state and/or local laws or regulations.
4. Objection to Proposed Premise Location. Objections contesting the location's compliance with state and/or local laws or regulations must be filed within thirty (30) calendar days of the date that the Public Notice of Application is posted at the proposed premises, and must clearly state the basis for the objection.
5. Pipeline Project/Period. Once the Development Services Director confirms that the required notice has been posted at the proposed premises, the proposed premises will be considered a pipeline project as of the date that the Phase One application was deemed qualified; the proposed premises will remain a pipeline project until a City license has been issued or the City cannabis license process has been ended by denial of the application ("Pipeline Period"). Pipeline projects will not be subject to the separation requirements in CVMC Section 5.19.060 as to any new businesses or uses that open, occupy, or obtain required land use approvals or permits during the Pipeline Period.

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*N. Merit-Based System – Storefront & Non-Storefront Retailers (CVMC 5.19.050.A.7)*

1. Scoring. All qualified retailer applications will be scored in the following four categories with the maximum points possible in each category as follows:
  - a. Experience/Qualifications of the business owner/team (150 points)
  - b. Liquid Assets (50 points)
  - c. Business Plan (150 points)
  - d. Operating Plan (150 points)

The highest initially scored applications will undergo an additional interview process to further assess each scored category. The maximum aggregate score shall be 500 points.

2. Selection Process. All qualified applications will be ranked from highest to lowest in aggregate score and placed on a list in that order. Selection of applications to proceed to the Phase Two Application Process will be made from this list according to the following process:
  - a. The highest aggregate scored application will be given a Phase Two application slot for the Council District and retailer category identified in their application. Applications that have received a tie aggregate score will be placed in rank order using a random selection process (pick numbers out of a hat, etc.) Subsequent applications will then be selected in the rank order of their aggregate score and placed into their selected Council District and retailer category.
    - i. In the event that a subsequent, ranked applicant's proposed premises is no longer available in the Council District for which the applicant has applied, such applicant will be offered the opportunity to select another site within the same Council District and obtain a signed, notarized statement from the owner(s) of the site per the requirements of the Phase One application process. Such applicant shall have no more than 30 calendar days from the date of notice of opportunity to complete

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site selection in the same Council District and submit the owner(s) notification statement to the Development Services Director.

- b.* The above process will continue until an application results in a Council District reaching the maximum number of licenses allowed by CVMC 5.19. This could be 2 storefront retailers and 1 non-storefront retailer; 1 storefront retailer and 2 non-storefront retailers; or 3 non-storefront retailers.
- c.* Once a Council District has reached the maximum number of retailer license applications allowed, only the remaining qualified applications for the unfilled Council Districts will be used to select for the remaining licenses in those unfilled Council District.
- d.* This selection process will continue for the remaining unfilled Council Districts following steps a. through c. above until the maximum number of licenses for each Council District have been reached, or until qualified applications for unfilled Council Districts are exhausted.
- e.* Should qualified applications for unfilled Council Districts be exhausted, any remaining unselected, qualified applications for filled Council Districts will be placed in rank order based on their aggregate score. The highest ranked remaining qualified application for a filled Council District that matches the retailer category in an unfilled Council District and that does not have another retailer license application that was selected in that unfilled Council District will be offered the opportunity to select a site within the unfilled Council District and obtain a signed, notarized statement from the owner(s) of a site located within that Council District per the requirements of the Phase One application process. Such applicant shall have no more than 30 calendar days from the date of notice of opportunity to complete site selection in the unfilled Council District and submit the owner(s) notification statement to the Development Services Director. Should the applicant decline the opportunity or fail to complete site selection

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and submit the owner notification statement within 30 days, the next ranked remaining qualified application for a filled Council District will be selected and offered the same opportunity. The selection process contained in this subsection will continue for the remaining unfilled Council Districts.

*f.* If a selected qualified retailer applicant withdraws their application or is unable to complete the Phase Two process, the next ranked remaining unselected qualified application will be offered the same process as step e. This will continue until all Council Districts have reached the maximum number of licenses or until qualified applications are exhausted.

3. Notice of Decision. Qualified applicants who have been selected to proceed to the Phase Two application process will be sent a Notice of Decision in accordance with CVMC section 5.19.050.A.6 at the time selection is made. Once the Phase One selection process for all Council Districts is complete, any remaining unselected qualified applicants will be sent a Notice of Decision in accordance with CVMC Section 5.19.050 A.6.

*O. Merit-Based System – Indoor Cultivation (CVMC 5.19.050.A.7)*

1. Scoring. If the City receives more than ten qualified indoor cultivator applications, all applications will be scored in the following four categories with the maximum points possible in each category as follows:

- a.* Experience/Qualifications of the business owner/team (150 points)
- b.* Liquid Assets (50 points)
- c.* Business Plan (150 points)
- d.* Operating Plan (150 points)

The highest initially scored applications will undergo an additional interview process to further assess each scored category. The maximum aggregate score shall be 500 points.

2. Selection. Applicants with the top 10 aggregate scores will be selected to proceed to the Phase Two application process. If a selected applicant withdraws their application or is

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unable to complete the Phase Two process, the applicant with the highest aggregate score from the remaining qualified applications will be offered the opportunity to proceed to the Phase Two process. This process will continue until the City has reached 10 indoor cultivation licenses or until qualified applications are exhausted.

3. Notice of Decision. Qualified applicants who have been selected to proceed to the Phase Two Application Process will be sent a Notice of Decision in accordance with CVMC section 5.19.050.A.6 at the time selection is made. Once the license selection process for all indoor cultivation licenses is complete, any remaining unselected qualified applicants will be sent a Notice of Decision in accordance with CVMC Section 5.19.050 A.6.

*P. Notice of Decision Appeal Rules and Procedures*

1. Appeal of Notice of Decision. Applicants sent a Notice of Decision rejecting their application in accordance with CVMC section 5.19.050.A.6 shall have the right to appeal such decision regarding their application to the City Manager. The request to appeal must use the form provided by City for that purpose and must be received by the City no later than 15 calendar days from the date noted on the Applicant's Notice of Decision. The request to appeal must be accompanied by the appeal fee, must identify each independent reason for rejection contained in the Notice of Decision that the appellant seeks to appeal, and must indicate whether the appellant requests an appeal by hearing or requests an appeal in writing only. The appellant shall bear the burden of proof, by a preponderance of the evidence, to demonstrate that the identified reason(s) for rejection contained in the Notice of Decision were erroneous.
2. Appeal by Hearing. When an appeal by in person or virtual hearing is requested, the hearing shall be conducted as follows:
  - a. The City Manager shall notify the appellant of the date, time, and place for the hearing by email or first-class mail addressed to the address listed on the request to appeal, allowing a minimum of 20 calendar days from the date the notice is mailed before the

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- hearing is to be held. The hearing may be continued from time to time upon stipulation of the parties, or upon request of a party to the City Manager and upon a finding by the City Manager that the requesting party has shown good cause therefor.
- b.* At the time set for hearing, each party shall have the opportunity to testify and introduce evidence concerning the Notice of Decision. Testimony must be by oath or affirmation. The City Manager may exclude from introduction at the time of hearing any documentary evidence not provided to the City Manager and all parties at least five days prior to the hearing.
  - c.* The hearing shall be conducted in an expeditious and orderly manner as determined by the City Manager. The hearing shall not be conducted according to technical rules of procedure and evidence applicable to judicial proceedings. Evidence that might otherwise be excluded under the California Evidence Code may be admissible if it is relevant and of the kind that reasonable persons rely on in making decisions. Irrelevant and unduly repetitious evidence shall be excluded.
  - d.* Failure of an appellant to appear at the hearing shall constitute a forfeiture of the appeal fee and a waiver of the right to appeal except where the City Manager determines there is good cause for such failure to appear. If the appellant is more than 15 minutes late to the hearing, the City Manager may determine that appellant has failed to appear, forfeited the appeal fee, and waived the right to appeal.
  - e.* City reserves the right to convert an in person hearing to a virtual hearing where the City Manager determines there is good cause for such conversion.
3. Appeal in Writing Only. When an appeal in writing is requested, the appeal shall proceed in writing as follows:
- a.* Appellant shall submit in writing, using a form provided by City for that purpose, appellant's evidence and argument concerning the Notice of Decision. Such evidence and argument must be received by the City Clerk within 30 calendar days of the date

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- noted on the Applicant's Notice of Decision. Failure to submit timely evidence or argument shall constitute forfeiture of the appeal fee and waiver of the right to appeal.
- b.* City staff may submit in writing, using a form established by City for that purpose, City's evidence and argument concerning the Notice of Decision. Such evidence and argument must be provided to the City Clerk and mailed to the Applicant within 50 calendar days of the date noted on the Applicant's Notice of Decision.
  - c.* Appellant may submit in writing, using a form provided by City for that purpose, Appellant's final evidence and argument concerning the Notice of Decision. Such evidence and argument must be submitted within 65 calendar days of the date noted on the Applicant's Notice of Decision.
  - d.* City staff may submit in writing, using a form established by City for that purpose, City's final evidence and argument concerning the Notice of Decision. Such evidence and argument must be submitted within 80 calendar days after the date noted on the Applicant's Notice of Decision.
  - e.* All testimony submitted in writing must be by sworn declaration in a form consistent with Code of Civil Procedure section 2015.5.
  - f.* Requests for a continuance must be in writing and supported by good cause. In the event the City Manager grants a request for continuance, all future submittal dates shall be adjusted by the City Manager accordingly.
4. Scope of Review. The City Manager's scope of review for purposes of appeal shall be limited to whether a basis for rejection is erroneous by a preponderance of the evidence.
- a.* If the City Manager makes a determination that an Applicant's score is erroneous and no other basis for rejection of the application exists, the City Manager shall grant the appeal and direct City to reassess the Applicant's score unless the City Manager has determined that reassessment of the Applicant's score could not result in a score that ranks high enough to be given a Phase Two application slot. City must then cause a

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- reassessment of the Applicant’s score to be conducted, and thereafter issue a new Notice of Decision to the applicant; such Notice of Decision shall be final and contain no right to appeal to the City Manager.
- b. If the City Manager makes a determination that the Applicant’s score is not erroneous, but one or more other bases for rejection are erroneous, the City Manager shall grant the appeal and direct City to reassess the application so long as the Applicant’s score ranks high enough to be given a Phase Two application slot. City must then cause a reassessment of the application to be conducted, and thereafter issue a new Notice of Decision to the Applicant; such Notice of Decision shall be final and contain no right to appeal to the City Manager.
- c. If the Applicant’s score is not at issue on appeal, and the City Manager makes a determination that one or more other bases for rejection are erroneous, the City Manager shall grant the appeal and direct City to reassess the application so long as the Applicant’s score ranks high enough to be given a Phase Two application slot. City must then cause a reassessment of the application to be conducted, and thereafter issue a new Notice of Decision to the Applicant; such Notice of Decision shall be final and contain no right to appeal to the City Manager.
5. Notice of Appeal Determination. The City Manager shall provide a dated written notice to the appellant of the City Manager’s appeal determination and the right of the appellant to seek judicial review of the City Manager’s appeal determination.

**§0502 Phase Two Application Process (CVMC 5.19.050.B)**

*A. Application Period (CVMC 5.19.050.A.8)*

1. Submission of Application Materials. An applicant who has successfully completed the Phase One application process must submit Phase Two application materials no later than 30 calendar days after the “deemed qualified” notice is issued. The Development Services



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Director may extend an applicant’s submittal deadline if an applicant requests an extension and such request is supported by good cause. Requests for extension must be submitted in writing to the Development Services Director no later than 30 calendar days after the “deemed qualified” notice is issued and must identify the good cause reasons upon which such request is based.

2. Change of Ownership. During the application process, Applicants may request approval of a change in less than 50% ownership of the applicant’s business. A Deputy City Manager or the Development Services Director may grant approval of a change in less than 50% ownership if such request is supported by good cause. The request may be denied if no good cause exists, if all new proposed Owners do not successfully complete a background check by the Chula Vista Police Department, or if the Police Chief rejects a proposed Owner for any of the reasons listed in CVMC 5.19.050(A)(5). Requests for approval of a change in less than 50% ownership must be submitted in writing to the Development Services Director on a form approved by City, and must clearly identify the change in ownership being proposed.
3. Completion of Phase Two Process. Applicants will have six months from the date of the phase one “deemed qualified” notice to complete the Phase Two application process. Extensions may be granted to accommodate processing of City permit applications for land use approvals necessary to legally establish the Cannabis Business at the site designated in the Phase Two application, or at an alternative site later designated by the Cannabis Business. Extensions will be granted provided the Development Services Director determines that the applicant is diligently pursuing the required land use approvals or that events have occurred beyond the control of the applicant that could not reasonably be foreseen that caused delay in the processing of required land use approvals, including a change from the originally-designated premises location to a new location.

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*B. Premises and Location Information (CVMC 5.19.050.B.1)*

1. Location and Site Plan Information Required. Applicants must submit premises location and site plan(s) information that clearly identifies the location of the premises; front entrances for the business; and the surrounding public streets, sidewalks, adjacent businesses, land uses, and zones. Storefront retailers must identify surrounding public streets, sidewalks, adjacent businesses, land uses, and zones within 1,000 feet of the existing or proposed premises; all other cannabis businesses must identify surrounding public streets, sidewalks, adjacent businesses, land uses, and zones within 200 feet of the existing or proposed premises. Applicants shall also submit a scaled floor plan delineating use areas, such as lobby, storage, breakrooms, restrooms, entrances, exits, etc., with clear, descriptive labels.
2. Licensed Professionals. Plans must be drawn to scale by a registered professional licensed to prepare such plans, such as a Land Surveyor, Civil Engineer, Landscape Architect or Architect.
3. Location information and plans must provide sufficient detail to determine compliance with CVMC Section 5.19.060.
4. Land Use Approvals. If the location for the cannabis business requires any land use approvals such as design review, conditional use permits, etc., the Phase Two submittal materials shall also include complete permit applications for such approvals. The City's submittal requirements for land use approvals can be found at the Development Services Department or on their website at ([www.chulavistaca.gov/departments/development-services](http://www.chulavistaca.gov/departments/development-services)).
5. Site Control Statement. Applicants must also submit a signed and notarized Site Control Statement for each Premises Owner and submit proof of each Premises Owner's ownership and/or interest in the Premises.

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*C. Fingerprint and Background Information (CVMC 5.19.050.B.1.d)*

1. Owners of a Premises and any additional individuals identified by the Police Chief pursuant to CVMC 5.19.050.B.1.d must submit the following documents:
  - a. a completed Police Controlled License Application (form available at [www.chulavistaca.gov/cannabis](http://www.chulavistaca.gov/cannabis)).
  - b. a completed Application Conviction Supplement (form available at [www.chulavistaca.gov/cannabis](http://www.chulavistaca.gov/cannabis)).
  - c. a signed and dated Statement of Understanding (form available at [www.chulavistaca.gov/cannabis](http://www.chulavistaca.gov/cannabis)).
  - d. a completed Live Scan Form (form available at [www.chulavistaca.gov/cannabis](http://www.chulavistaca.gov/cannabis)).
  - e. one 2” x 2” color photo taken within the last six months
  - f. color copy of government-issued picture I.D. (driver’s license, California I.D., etc)
6. Owners of the Premises and any additionally required individuals must make and complete a Live Scan appointment. Live Scan may be completed at any authorized California Live Scan location using the Live Scan form approved by the City of Chula Vista for Cannabis Business Licensing. Each Live Scan form submitted must include the application submission number obtained upon submission of the relevant cannabis business application to the City of Chula Vista.

*D. Proposed Emergency Action and Fire Prevention (CVMC 5.19.050.B.1.e)*

A preliminary emergency action and fire prevention plan must be submitted with the Phase Two application materials. The preliminary emergency action and fire prevention plan must incorporate the applicable provisions contained in Chapter 4, sections 404-407 of the California Fire Code, 2016 edition, including emergency preparedness requirements; fire safety, evacuation and lockdown plans; emergency evacuation drills; employee training and response procedures; and hazard communication requirements.

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*E. Proposed Security Plan (CVMC 5.19.050.B.1.f)*

1. Preliminary Security Plan Information Required. A preliminary security plan must be submitted with the Phase Two application materials. The preliminary security plan shall include, but not be limited to: a description of each employee position that bears responsibility for implementing and overseeing security measures; a description of entry/exit door security measures; a description of the number of security personnel, security personnel working hours, and security personnel responsibilities; a description of the security lighting specifications and placement, including the location/angles of all security lights; a description of the security camera system specifications and placement, including the location/angles of all cameras; a description of any security-related signs that will be posted, including their location and purpose; a description of the electronic identification scanner and verification system specifications and set up to be utilized; and a description of the security system specification and set up.
2. Security Policies Required. The preliminary security plan shall also include the following security policies: physical altercation policy; security exclusion policy; weapon incident policy; employee firearm policy; physical restraint policy; police notification policy; contraband policy; and counterfeit money policy. Each policy must be approved by the Chula Vista Police Department prior to commencement of operation. The plan must demonstrate how employees will be trained on and required to comply with all security policies.
3. The preliminary security plan should be consistent with the security requirements contained in CVMC 5.19.160 and the §1600 regulations specified below.

*F. Incomplete Applications (CVMC 5.19.050.B.5)*

The Development Services Director will serve the Applicant, either personally or by first class mail addressed to the address listed on the application, with dated written notice of any missing required Phase Two application components and/or any additional information requested in

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accordance with 5.19.050.B. The Applicant must submit the missing and/or additional information to the Development Services Director within 15 calendar days of the notice date.

*G. Conditional Approval (CVMC 5.19.050.B.7)*

An applicant may apply for building permits and request final security plan and emergency action and fire prevention plan approval prior to receiving a state license; however, applicants are not required to do so and may submit such permits and requests after receiving their state license. Extensions of the six month conditional approval period may be granted to accommodate processing of City permit applications necessary to legally establish the commercial cannabis business at the site designated in the phase two application or to accommodate processing of the applicant's State cannabis license. Extensions will be granted provided the Development Services Director determines that the applicant is diligently pursuing the required approvals and/or permits, or that events have occurred beyond the control of the applicant that could not reasonably be foreseen that caused delay in the processing of required permit or license approvals. Each applicant is required to provide to the Development Services Director a complete copy of each cannabis license application submitted to the State within 14 calendar days of such State submittal.

**§0600 Location Requirement (CVMC 5.19.060)**

Cannabis Businesses will not be subject to the separation requirements in CVMC Section 5.19.060 as to any new businesses or uses that open, occupy, or obtain required land use approvals or permits after a City license has been issued.

**§0800 Operating Requirements (CVMC 5.19.080)**

*A. Conformance with State and Local Laws and Regulations*

All Cannabis Businesses shall maintain operations in full conformance with state and local laws and regulations.

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*B. Odor control*

1. Odor Control Equipment. All Cannabis Businesses shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the Cannabis Business that is distinctive to its Operation is not detected outside of the Premises, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the Cannabis Business. As such, Cannabis Businesses must install and maintain the following equipment, or any other equipment which the Development Services Director determines is a more effective method or technology:
  - a. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally;
  - b. An air system that creates negative air pressure between the Cannabis Business's interior and exterior, so that the odors generated inside the Cannabis Business are not detectable on the outside of the Cannabis Business.
2. Odor Control Plan. At time of building permit application, applicant to submit an odor control plan prepared by a California licensed mechanical engineer, an environmental engineer, or a similar professional discipline acceptable to the Building Official describing the approach and equipment to be utilized to contain, absorb and neutralize all odors emanating from the property and the field testing methodology to be utilized to determine the effectiveness of the odor containment/absorption/neutralization. The plan shall also include a description of the maintenance activities that will be performed, the frequency with which such activities will be performed, and the role/title(s) of the personnel responsible for maintenance activities. The activities should serve to maintain the odor mitigation system and optimize performance.

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3. Construction Drawings. Submitted construction drawings must detail all construction and equipment required to be installed in accordance with the odor control plan. The odor control system construction drawings must be prepared by a California licensed mechanical engineer, an environmental engineer, or a similar professional discipline acceptable to the Building Official.
4. Written Statement of Inspection by Professional. Prior to final inspection, the mechanical engineer of record, environment engineer of record, or accepted design professional of record that prepared the required Odor Control Plan and the approved mechanical plans, shall submit a written statement to the Building Official that the mechanical engineer, environmental engineer or the accepted designed professional has inspected all installed odor control mechanical equipment and certifies that the installation of that equipment is in accordance with the accepted Odor Control Plan and the approved mechanical plans, and that the equipment is functioning properly.
5. If at any time the Building Official has reason to believe that the Cannabis Business is in violation of any of the Odor Control regulations described in §0800(B), the Building Official may require the Commercial Cannabis Business to submit an evaluation letter or report from an independent third-party testing agency approved by the Building Official affirming compliance.

*C. Cannabis Waste Management*

1. All Cannabis Businesses shall utilize a waste hauler franchised, contracted, or permitted by the City of Chula Vista to collect and process cannabis waste.
2. All cannabis waste shall be unrecognizable and unusable at time of disposal.

*D. Inspections*

1. Initial Inspection. City, through its officials, employees, and/or their designees, will inspect all Cannabis Businesses prior to issuance of a City license to verify that the facilities are constructed and can be operated in accordance with the application submitted and the

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requirements of local and state laws and regulations. The initial inspection shall occur once the Cannabis Business has obtained its State license and is ready for operation, but prior to issuance of a City license. No cannabis or cannabis products will be allowed on the premises until authorized by City.

2. Scheduled Inspections; Re-Inspections. City, through its officials, employees, and/or their designees, may perform scheduled inspections of Cannabis Businesses at a minimum on a quarterly basis during the first year following licensure, and on a biannual basis following the first year of operation. The City may additionally schedule re-inspections to verify correction of violations observed during scheduled inspections.
3. Unscheduled Inspections. In accordance with CVMC 5.19.200, City, through its officials, employees, and/or their designees, may perform additional inspections without prior notice.
4. Plans. A copy of the approved building plans; Fire and Life Safety Technical Report; Emergency Action/Fire Prevention Plan; Security Plan; and floor plan, which includes depictions of limited access areas and security camera placement, must be kept on the licensed premises at all times.
5. Inspection of Records. Upon request, the Cannabis Business licensee or business manager on duty shall retrieve and provide to City officials, employees, or their designees any business records deemed by City to be necessary for the proper administration of applicable laws and regulations, including but not limited to, security camera recordings, cannabis inventory manifests, and copies of invoices and receipts.
6. Manufacturing and Cultivation Inspections. When deemed necessary by City, City may require manufacturing and/or cultivation premises and/or equipment to undergo inspection by a third party approved by City. The licensee is responsible for any related inspection costs.
7. Recording of Inspection. City officials, employees, and/or their designees may record the



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inspection, investigation, or audit.

*E. Fire Regulations*

1. Cannabis Businesses are required to hire a Professional Engineering firm to submit a Technical Fire and Life Safety Report to the Fire Chief for review and approval. The Professional Engineering firm shall be qualified to complete such a report, by specializing in hazardous materials, compressed gases, cannabis operations, and any other applicable specializations. The Technical Report shall be completed, stamped, and signed by a licensed Professional Engineer (State of California).
2. The Professional Engineering firm shall submit the Fire and Life Safety Technical Report directly to the Fire Chief no later than the date that the Cannabis Business submits architectural and engineering permit plans to the Development Services Director.
3. Fire and Life Safety Technical Reports are required regardless of the need for architectural and engineering permit plans. In the event that no architectural and/or engineering permit plans are required for the Cannabis Business, the Fire and Life Safety Technical Report shall be submitted to the Fire Chief for review and approval prior to business occupancy.
4. The Professional Engineering firm that completed the Fire and Life Safety Technical Report shall, prior to business occupancy, perform an inspection of the Cannabis Business premises. This inspection shall be a compliance inspection to ensure the Cannabis Business is compliant with the provision of the Fire and Life Safety Technical Report. The Professional Engineering firm shall submit a letter and/or report to the Fire Chief assessing the Cannabis Business's compliance with the Fire and Life Safety Technical Report.
5. For any change in the Cannabis Business's operation, the Chula Vista Fire Department may require a supplement to the approved Fire and Life Safety Technical Report. If a supplement is required, a compliance inspection and letter, as indicated above, will also be required.

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6. The Chula Vista Fire Department reserves the right to require, at any time, a third-party inspection from a Professional Engineering firm. The Cannabis Business shall pay the cost of such third-party inspection. The third-party inspection shall assess the Cannabis Business's compliance with the approved Fire and Life Safety Technical Report and provide a letter and/or report to the Fire Chief in regard to such assessment.
7. Cannabis facilities that utilize flammable materials (e.g., solids, liquids, gases) in the processing of cannabis materials shall improve the occupiable space with an automatic fire sprinkler system.

**§1600 Security Measures (CVMC 5.19.160)**

*A. Security Personnel*

1. All Security Personnel must register and maintain valid registration status with the state of California's Department of Consumer Affairs at a level equal to or higher than a proprietary private security officer. In the case of proprietary security officers employed by the Cannabis Business, proof of application and registration for all Security Personnel must be maintained by the cannabis business and consist of copies of all relevant documentation including: application forms, receipts for application fees and live scan fees, and actual proof of registration.
2. All Security Personnel shall at all times carry state-issued guard license certifications on their person and make such certifications immediately available to law enforcement personnel on demand.
3. While on duty, all Security Personnel must have a nameplate containing the Security Personnel's full name and the word "SECURITY" printed in bold, capital letters. The nameplate must be exhibited prominently on the clothing, at chest level, and must be visible and easily read at all times. The nameplate must be a minimum of two inches high and four inches wide, with the required information printed in capital letters, at least three fourths

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inches high and in a contrasting color. As an alternative to a nameplate, the Security Personnel's name and the word "SECURITY" may be embroidered on the Security Personnel's outermost garment with the required information meeting the above specifications and located at chest level.

*B. Firearms on Premises*

1. Notice of Firearms on Premises. A Cannabis Business shall complete and submit a Notice of Firearms on Premises (form available at [www.chulavistaca.gov/cannabis](http://www.chulavistaca.gov/cannabis)) to the Special Investigation Supervisor of the Chula Vista Police Department prior to permitting any firearms on the premises that are not in the possession and control of Security Personnel.
2. Update Required. A Cannabis Business shall submit an Updated Notice of Firearms on Premises (form available at [www.chulavistaca.gov/cannabis](http://www.chulavistaca.gov/cannabis)) to the Special Investigation Supervisor of the Chula Vista Police Department within twenty-four (24) hours of any change in the information contained in the previously submitted Notice of Firearms on Premises.
3. Notification of Loss/Theft of Firearm on Premises. In the event that any firearm on the premises is lost or stolen, the Chula Vista Police Department shall be notified by phone at (619) 691-5151 within twenty-four (24) hours of discovery of such loss or theft.

*C. Lighting*

Exterior lighting on the Cannabis Business and parking area lighting for the Cannabis Business must be balanced; cannot result in glare on adjoining properties; must complement the cannabis business security system to ensure that all areas of the Cannabis Business are visible; and must provide increased lighting at all entrances to the Cannabis Business. The lighting required in this subsection must be turned on from dusk to dawn.

*D. Employee Work Permit and Identification Badges*

After obtaining conditional license approval from the City and prior to operation of the Cannabis Business, all employees who will be working at or from the premises of the Cannabis

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Business must apply for and obtain an Employee Work Permit and Identification Badge from the Chula Vista Police Department. All employees of a Cannabis Business shall display the laminated or plastic-coated identification badge issued by the City at all times while acting in the scope of their employment. The identification badge shall, at a minimum, include the Cannabis Business's "doing business as" name and state license number, the employee's first name, an employee number exclusively assigned to that employee for identification purposes, and a color photograph of the employee that clearly shows the full front of the employee's face and that is at least 1 inch in width and 1.5 inches in height. Notwithstanding the forgoing, Delivery Employees lawfully conducting a Delivery for a licensed Cannabis Business located outside the City of Chula Vista shall not be required to obtain or carry an identification badge issued by the Police Chief until six months after commencement of the Initial Application Period.

*E. Electronic Identification Verification System*

All Storefront and Non-Storefront Retail Cannabis Businesses will use an electronic identification scanner and verification system that has the capability of storing identifying information. All patrons entering the establishment shall be required to scan their valid government-issued identification card containing the patron's photograph, date of birth, and physical description; only official government passports with current photographs shall be accepted as a valid form of foreign identification.

*F. Surveillance Camera System (CVMC 5.19.060.A.4.)*

1. All security surveillance cameras must have a minimum camera resolution of 1280 x 720 pixels. Cameras shall record continuously 24 hours per day and at a minimum of 15 frames per second. The storage device on which surveillance recordings are stored shall be secured in a manner to protect the recording from tampering or theft; at least one security camera shall record the access points to the secured storage device area.

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2. The surveillance camera system shall at all times be able to effectively and clearly record images of the areas under surveillance and allow for the clear and certain identification of any person and activities in all areas required to be filmed.
3. Recordings shall clearly and accurately maintain a time and date display; time is to be measured in accordance with the United States National Institute Standards and Technology Standards.
4. Each camera shall be permanently mounted and in a fixed location that allows the camera to record the area being filmed. Each camera recording entrances and/or exits shall be placed in a location that allows the camera to clearly record activity occurring within 20-feet of all points of entry and exit on the Premises from both indoor and outdoor vantage points.
5. The surveillance camera system shall be equipped with a failure notification system that provides notification to the Licensee of any interruption or failure of the video surveillance system or storage device.
6. Surveillance recordings and/or storage devices are subject to inspection by the Chula Vista Police Department, and shall be copied and sent to or otherwise provided to the Chula Vista Police Department in an expeditious manner for viewing upon request.
7. A trained employee with the knowledge and authority to operate the surveillance system should be available at all times to provide timely assistance to law enforcement personnel in the event of a time-sensitive investigation requiring surveillance recordings.

**§2000 Inventory Audit**

The City, through its officials, employees, and/or designees, may perform at its discretion an audit of the physical inventory and inventory as reported in the track-and-trace system of any licensee. Audits of the licensee shall be conducted during standard business hours at another reasonable time, or as otherwise mutually agreed to by the City and the licensee. For the purposes

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of this section standard business hours are 8:00am – 5:00pm (Pacific Standard Time). Prior notice of audit is not required.

**§3000 Tax Payment Process**

All excise taxes are to be paid to the City on a monthly basis within 30 calendar days of the end of the prior month (i.e., June taxes are due to the City by July 30th). While cash is currently the only known payment method, any changes in law at the federal or state level that allow for electronic payment methods will be accepted and supported administratively by the City until the City's rules and regulations are updated to require electronic payment to the City. All payment amounts should tie to the monthly sales records submitted to the State of California through the track and trace program. All tax payments will be audited for compliance with the Chula Vista Municipal Code.