



# CITY OF COMMERCE

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## Commercial Cannabis Business FAQ

While this document may not be exhaustive, it is intended to provide general guidance for all Cannabis Permit Applicants. The provisions below are expressly written in the City of Commerce Municipal Code, California Building Code, National Fire Fighter Protection Agency manual or interpretations thereof.

### When will the City's application for Commercial Cannabis Business be available?

The City's anticipated release date for the Commercial Cannabis Business permit is October 5, 2018. Detailed information regarding the application and application process will be provided to prospective applicants who register for the Prospective Operators Workshop, scheduled for October 11, 2018. Following the workshop, the application process information and all relevant questions addressed during the workshop will be uploaded to the City's website. Please continue to check the City's website for additional information.

### When are applications due?

The City will begin accepting applications BY APPOINTMENT ONLY, on October 15, 2018. No appointment requests for application submission will be made prior to October 15, 2018. Application submittal is by appointment only. Appointment times may fill prior to deadline. Please be sure to request an appointment time on or before October 22 to ensure availability.

### How can I register for the Prospective Operators Workshop?

To register for the workshop, please visit <https://commerceoperatorworkshop.eventbrite.com>. Space is limited so please be sure to register by 12:00PM, October 10<sup>th</sup>, to ensure participation. Registration is available October 3 -10<sup>th</sup>.

### Which Commercial Cannabis Activities are allowed in the City of Commerce?

The City's cannabis ordinance allows for cultivation, manufacturing, distribution (1<sup>st</sup> and 3<sup>rd</sup> party), non-storefront retail delivery (closed to the public), microbusiness [retail

component being non-storefront retail delivery (closed to the public)], and testing, and ancillary delivery services to said classifications as allowed by the state. **Retail Storefronts (dispensaries/shops) are strictly and expressly prohibited.**

All retail deliveries within the City must be made by an operator with a fully compliant, state-licensed facility, who holds a valid non-storefront retail (delivery) permit, granted by the City of Commerce. Home delivery services from outside of the City limits are strictly prohibited.

### Where is the “green zone”?

The City has not adopted a new zoning district or overlay for commercial cannabis businesses. However, the state and City “sensitive” use setbacks apply. For more information regarding operating a commercial cannabis business in California, visit <https://cannabis.ca.gov/faqs/> .

### What is the cost for a Commercial Cannabis Business permit?

The Commercial Cannabis Business Permit application process has multiple phases. The fees below summarize the estimated cost for each phase of the process. The fee resolution and schedule can be found [here](#). For more information regarding cost reimbursement, please review the City’s Reimbursement Agreement Form.

Application Phase	Cost
Application Screening	\$13,025 per activity type (non-refundable)
Development Agreement	\$16,520 deposit*
Commercial Cannabis Permit	\$16,845 deposit*

\*Actual fee based on total processing costs. A Reimbursement Agreement must be submitted and signed by the applicant and land owner. Upon permit approval, each applicant will be required to pay impact fees and building permit fees calculated based on project specific information.

### Are fees refundable if my application is not approved?

No. Application screening fees are non-refundable. However, deposits made for processing will be refunded, as stipulated in the reimbursement, if an applicant withdraws a project application. Please be sure to review the terms of the reimbursement form for more information regarding City deposits.

### What is the screening/fencing requirement for Cannabis facilities?

Screening shall be compatible with the character of the area and sensitive to abutting residential uses. Fencing such as rolled razor wire is prohibited in commercial zones and allowed ONLY with Planning Department approval in other zoning districts. The perimeter of the site should be designed to provide adequate security for both the site and abutting uses. Site specific screening will be reviewed and evaluated during the application screening process.

## What is the minimal parking requirement for Cannabis facilities?

All parking shall comply with Commerce Municipal Code (CMC). For more information regarding development standards, please see the [CMC](#)

## What are the landscaping requirements?

The City will implement landscaping requirements encouraging drought-tolerant landscaping and native plants and trees. All proposed landscaping shall be provided on the site plan. All landscaping must be in compliance with the Commerce [Landscape Ordinance](#) and [Landscape Guidelines](#).

## Can modular buildings be used on-site?

Modular buildings can be used inside of existing structures, provided they are designed for internal use and meet all applicable building and fire code standards. Permanent modular buildings may be used on-site assuming all development and design standards of the zoning code are met (including but not limited to, setbacks, landscaping, building height, etc.) and all applicable building and fire code regulations are satisfied.

**Any new building or structure, any addition to an existing building or structure, and installation or construction of any site improvements** shall be designed to create a unified functional and comprehensive site plan. The improvements shall have an integrated architectural theme that is compatible with and will complement and enhance the subject and surrounding properties, as determined by the Planning Department.

## Are external AC units allowed?

Yes, external air conditioning units are allowed on-site. Units must be placed adjacent to the building or structure for which it serves and cannot block fire lanes, circulation or other pathways.

## How do I get the occupancy determination for my property?

A summary of the quantity, location and type of hazardous materials located within a given “control area” is required to make the correct occupancy classifications (see Occupancy Classification Chart below). In general, manufacturing sites are classified as F1. However, any exceedance of the F1 quantity standards will result in occupancy change from F1 to H-2 or H-3. Buildings and structures containing materials that pose a detonation hazard or immediate danger to life or health shall be classified as a Group-H, in accordance with NFPA 101, Life Safety Code (occupancy classifications).

The occupancy determination and certification will be provided by the Fire Department once the project application, plans and fees have been submitted to the City and routed to the Fire Department for review and approval.



## Building Occupancy Compliance Chart

Material <small>*(solvents most commonly used for cannabis extraction methods)</small>	CLASS	MAX QUANT EXCEEDED	LIQUID GASOLINE (pounds)	GAS CUBIC FEET AT (NTP)	LIQUID GASOLINE (pounds)	GAS CUBIC FEET AT (NTP)	LIQUID GASOLINE (pounds)
*Propane	Gaseous Liquefied	H-2	NA (150)d,e	1,000d,e NA	NA (150)d,e	1,000d,e NA	NA
*Butane	Gaseous Liquefied	H-2	NA (150)d,e	1,000d,e NA	NA (150)d,e	1,000d,e NA	NA
*Ethanol	1A 1B&1C	H-2 OR H-3	30d,e 120d,e	NA	30d 120d	NA	10d 30d
*Hexane	1A 1B&1C	H-2 OR H-3	30d,e 120d,e	NA	30d 120d	NA	10d 30d

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## What is a mixed occupancy?

Occupancy classification is based on the use of a room or space. It is common for a building to be classified as having more than one occupancy (mixed occupancy) when rooms within the facility have varying occupancy types. For more information in occupancy, see NFPA 101, life safety code (occupancy classifications).

## How frequently are inspections conducted by the City?

At a minimum, cannabis compliance inspections are conducted within six months of planning approval and semi-annually, thereafter. However, please note that the City has the right to enter the premises unannounced, at its sole discretion, for the life of the permit.

Building inspections are conducted throughout construction and the final building inspection is conducted after construction is completed. Once building plans have been approved by the designated building inspector/plan checker, you will be notified. At that time, you may schedule your first building inspection.

## Do existing facilities need to comply with ADA requirements if the facility will be operated in an existing permitted building?

While ADA compliance is a Federal standard, all applicable requirements stipulated in the California Title 24 requirements will be evaluated during the plan check process.

## What is the limit for hazardous materials stored on-site?

Many chemicals have multiple hazard classifications. Consequently, you may need to consult several storage guideline sections to determine how to store a hazardous chemical safely. If, storage in quantities greater than 500gallons for Liquids, 500lbs for Solids, or 200cubic feet for Gases, an emergency plan will be required.

## Do I need fire sprinklers in my facility?

Typically, yes. Most buildings will need to be sprinklered. However, as a general rule, the LA County Fire Department, requires sprinklers in the following instances:

1. Buildings more than 55 feet in height must have automatic sprinkler systems throughout the building.
2. Any new building with a fire area (any area subject to potential fire hazard) exceeding 5,000 square feet, old buildings that have been remodeled or renovated, or any single tenant expansion requiring a new certificate of occupancy that increases the fire area beyond 12,000 must have fire sprinkler systems installed throughout the building. See (NFPA 13 Standard for the installation of Sprinkler Systems)

## Do I need a fire permit?

Yes, all commercial/industrial facilities require a fire permit. The LA County Fire Department will review your submitted planning and building plans for approval. The fire fee must be paid directly to LACFD and the permit will be issued at that time. All permits will be issued AFTER planning and building approval. Please submit all plans, directly to the City Planning Department for fire distribution.

## How many extinguishers do I need on-site?

Extinguishers are inspected annually by an independent fire protection company that ensure a minimum of two extinguishers per floor with a combined rating of at least 26A and the travel distance shall not exceed 100 feet. See (OSHA 1910.157 Portable Fire Extinguishers).

## Do I need a Fire Alarm System?

Yes. An alarm system in a new business occupancy is required to provide occupant notification automatically via audible and visible signals. For more information on Fire Alarm System, see NFPA 72: National Fire Alarm and Signaling Code.

## Do I need a Facility Emergency Plan?

Yes. Use the standards provided by OSHA to prepare your facility's emergency plan. This action plan must be kept in the workplace and available to employees for review. See OSHA standards. [29 CFR 1910.38(a)].

For more information, please email the Commercial Cannabis Permit staff at [ccp@ci.commerce.ca.us](mailto:ccp@ci.commerce.ca.us).