



Date: January 6, 2017

To: Mayor and Members of the City Council

From: Patrick H. West, City Manager *PW*

Subject: **Medical Marijuana Dispensary Application Process**

Application materials for medical marijuana dispensary business licenses are now available online. Dispensary applicants may access the materials on the Marijuana Business License website at:

<http://www.longbeach.gov/marijuana>

The application period for dispensary licenses will open on January 23rd, and close on February 22nd for “non-priority” applicants and on July 24th for “priority” applicants. City staff will begin processing applications immediately upon receipt. Long Beach Municipal Codes (LBMC) Chapter 5.90, now in effect, requires that City staff review and approve priority applications first. Priority applicants are previous Long Beach marijuana business lottery winners from September 2010 who received temporary exemption under LBMC 5.89.055. There are a total of 24 businesses that potentially qualify for priority status. After staff has issued dispensary licenses to priority applicants, any remaining available licenses will be issued to successful non-priority applicants.

LBMC Chapter 5.90 permits the City to issue anywhere between 26 to 32 medical marijuana dispensary business licenses. However, Chapter 5.90 states that “the City Manager shall issue the maximum number of [dispensary] licenses... unless otherwise directed by the City Council.” Should the City Council wish to limit the number of dispensary licenses, staff recommends that this decision be made before the opening of the application period. This will allow staff to communicate this decision to businesses before the applications are submitted. Therefore, the deadline for restricting dispensary licenses to 26 is February 22nd, when staff may begin scoring and approving non-priority dispensary applications.

No further action is required by the City Council if its intent is to issue the maximum number of dispensary licenses, or 32 licenses in total.

The application period for all other medical marijuana business types (i.e., cultivation, manufacturing, testing, distribution) is still to be determined. City staff is working diligently to open the application process for all other business types, and will communicate the timeline for non-dispensary applications to the City Council and the public as soon as possible. However, due to the aggressive timeline established by LBMC Chapter 5.90 for review and issuance of dispensary business licenses, City staff is focused on finalizing the dispensary application process before accepting applications for other business types.

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Questions from applicants on the application process can be referred to the marijuana license email address, as follows:

marijuanalicense@longbeach.gov

Applicants may also call the Medical Marijuana Business Application Hotline at (562)570-5150.

Should you have any questions, please call Ajay Kolluri, Assistant to the City Manager, at (562) 570-6406.

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