

Adult-Use Cannabis Business Incubation Plan Guidelines

Adult-Use Cannabis Businesses are required to participate in the Cannabis Social Equity Program (“the Equity Program”) as a part of the application process. The goal of the Equity Program is to recognize and address the impact that federal and state cannabis enforcement policies have had on low income communities in Long Beach.

As part of the program, adult-use cannabis business license applicants must submit an Incubation Plan detailing how they intend to support verified Equity Owned Businesses (“Equity Businesses”). For more information on the Equity Program, please visit www.longbeach.gov/cannabisequity.

Incubation Plans and contact information will be made available on the City’s website once a license has been issued. The website will be used for Equity Businesses to review Incubation Plans and connect with Adult-Use Cannabis Businesses directly for support.

When preparing the Incubation Plan, Adult-Use Cannabis Businesses should be aware of the types of barriers that Equity Businesses face when applying for a cannabis business license. These barriers include, but are not limited to:

- Limited access to capital and/or real estate;
- Lack of technical expertise in business plan creation, accounting, regulatory compliance or other specialized fields;
- Inexperience in navigating the City’s permitting process;
- Lack of business connections to sell or purchase cannabis products;
- Limited exposure to new technologies in the cannabis industry.

Specific Instructions for the Incubation Plan:

Each section of the Incubation Plan must be clearly labeled, numbered, and lettered in the same format as the requirements below. DO NOT staple or bind the Incubation Plan. You may submit the Adult-Use Cannabis Business License Application and the Incubation Plan in a three-ring binder or envelope. Both the Adult-Use Cannabis Business License Application and the Incubation Plan must be submitted at the same time.

1) Executive Summary

Incubation Plans must include an executive summary. The executive summary must describe what your business does and how your business will support and provide meaningful assistance to Equity Businesses. The executive summary should also provide a detailed description of how your business intends to measure and track the progress of its Incubation Plan.

2) Contact Information

Applicants must provide their contact information as part of the Incubation Plan. Contact information, at a minimum, shall include:

- The name of the Adult-Use Cannabis Business

- Phone number or email address
- A description of the preferred method that Equity Businesses can reach out and connect with you

3) **Equity Business Support**

Applicants should develop an Incubation Plan that, at a minimum, addresses at least two of the following areas:

- a) *Business Plan Guidance.* Many Equity Businesses are first-time business owners with little experience navigating the City's application and licensing process. Applicants should provide a detailed description of how they intend to provide equity businesses with business plan development during the application process.
- b) *Business Operations Consulting.* Applicants should provide a detailed description of how they intend to assist Equity Business owners in operating and managing commercial cannabis operations. Applicants may assist in particular areas of operation, including, but not limited to, finance, human resources, marketing, sales, management, and production.
- c) *Technical Assistance.* Many Equity Businesses lack the technical expertise in business plan creation, accounting, regulatory compliance, and other specialized fields. Equity Businesses may also lack the resources to hire lawyers and consultants for third-party assistance. Applicants should provide a detailed description on how they intend to support and assist Equity Businesses through the technical aspects of opening and operating a cannabis business.
- d) *Other Support.* Applicants may provide a detailed description of other forms of support that they intend to provide to Equity Businesses. Other forms of support may include financial assistance, training opportunities, dispensary shelf space for Equity Business products, or any other form that is consistent with the intent and spirit of the Equity Program.

For questions regarding the Incubation Plan guidelines and requirements, please contact the Office of Cannabis Oversight at (562)570-5250 or email angie.maina@longbeach.gov.