



SUPPLEMENTAL APPLICATION PACKAGE

Medicinal Cannabis Delivery Service License

P-41(A)

Community Development

Planning Division

1635 Faraday Avenue

Carlsbad, CA 92008

442-339-2600

The purpose of the supplemental application package is to ensure that the proposed medicinal cannabis delivery service business demonstrates full compliance with regulations outlined in Carlsbad Municipal Code Chapter 8.95 and relevant state laws before obtaining a medicinal cannabis delivery service license and a business license from the city.

The items below represent the *minimum* requirements necessary to initiate a plan check review. Planning Division staff may reject the submittal of a medicinal cannabis delivery service license application if the supplemental package fails to include all the items listed in this form. After the submittal of the medicinal cannabis delivery service license application (P-41) and supplemental package, additional information, corrections, or both may be requested by city staff to complete review of the application. Please contact the Planning Division with any questions.

I. Copy of a Valid Type 9: Non-Storefront Retailer (Delivery Only) license issued by the California Department of Cannabis Control

II. Business Plan

The business plan shall provide a detailed description of the operational and functional operations associated with the medicinal cannabis delivery service business. At a minimum, the business plan shall include the following information, numbered in the format outlined below.

A. Business Overview

1. Summary

Description of the business objectives and services that will be provided.

2. Business-Formation

- a. Proof of corporation status. Provide proof of valid corporation status and doing business as (DBA), which includes the identification of an agent of service.
- b. Tax compliance. A current copy of a city business registration certificate (if the business operated in prior years in the city), state sales tax seller's permit, and the business's most recent year financial statement and tax return.
- c. Insurance. The business must provide proof of insurance as required under the Medicinal Cannabis Delivery Service License Indemnity Agreement.
- d. Financial capacity. Financial information such as bank balances, available loans, and other sources of funding the enterprise.
- e. Disclosure of Ownership and Financial Interest Holders. The applicant must disclose all owners and financial interest holders in the medicinal cannabis delivery service business. This includes all entities in a multi-layer business structure, as well as the chief financial officer, members of the board of directors, partners, trustees, and all persons who have control of a trust, and managing members or non-members managers of the entity. Each entity disclosed as having a financial interest must disclose the identities of persons until only individuals remain.

B. Operational Plan

The operational plan provides a detailed description of the operations and procedures associated with the medicinal cannabis delivery service business and shall include the following sections:

1. Administrative Operations

- a. Consistent with California Code of Regulations, Title 16, Division 42, Section 5002, provide a current register of the names and contact information (including the address and telephone number) of anyone owning or holding an interest in the cannabis delivery business and all officers, managers, employees, agents, and volunteers currently employed or otherwise engaged by the cannabis delivery business (must update as needed). Note that per state law, all employees and delivery drivers must be 21 or older.
- b. The name, telephone number (mobile preferred, if available) of an owner and/or manager to whom emergency notice can be provided at any hour of the day.
- c. Hours of operation and opening/closing procedures.
- d. Cash handling operations.
- e. Description of marketing efforts and campaigns.

2. Inventory control procedures

- a. Evidence of reporting and tracking of product and gross sales using a track-and-trace system, as required California Code of Regulations, Title 16, Division 42, Section 5048. The system must have the capability to produce historical transactional data relevant to the City of Carlsbad for review as requested.
- b. Estimate quantity of medicinal cannabis to be stored onsite at any one time.
- c. Description of quality control procedures describing how cannabis is properly packaged, labeled, and stored.
- d. Proof that all medicinal cannabis and medicinal cannabis products in the custody or control of the medicinal cannabis delivery service business were cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with state and local regulations.
- e. Odor Control Plan. A detailed plan describing how the business will prevent all odors generated from the storage of cannabis from escaping the buildings on the business site, such that the odor cannot be detected by a reasonable person of normal sensitivity outside the building(s). The business shall provide a statement from an air system manufacturer that the system has been designed to achieve the above standard based on the specific building size and layout.

3. Delivery operations

- a. Current list of all delivery vehicles' make, model, year, color, and license plate number (must update as needed).
- b. Delivery availability schedules, which specifies the days and time delivery service will be available within the City of Carlsbad and maximum number of drivers available at any one time during the day.
- c. Description of how delivery orders will be taken (email, phone, website, app, etc.).
- d. Delivery drivers shall not transport cannabis in excess of the limits established by the state.
- e. All cannabis deliveries must be made in a vehicle equipped with GPS tracking.

4. Security operations

- a. A detailed security plan outlining the measures that will be taken to ensure the safety of persons and property on the business site, prevent unauthorized entrance into areas containing medicinal

cannabis or medicinal cannabis products, and deter and prevent theft of medicinal cannabis or medicinal cannabis products. The plan shall include the following minimum information:

- i. Description of security measures that will ensure that all medicinal cannabis and medicinal cannabis products are kept in a manner to prevent diversion, theft, and loss, and will not be stored outdoors.
- ii. Overview of the structural security measures including, but not limited to exterior/interior cameras that comply with California Code of Regulations, Title 16, Division 42, Section 5044, security exits and entrances, and employee access cards.
- iii. Overview of any security personnel including, but not limited to, security guard postings and schedules and the designation of a security representative/liaison to meet with the city upon request regarding any security related measures and/or operational issues.

III. Site Plan

A site plan showing the location and layout of the proposed medicinal cannabis delivery service business, and the following supporting documentation. (Note: Medicinal cannabis delivery service businesses are authorized only in the Planned-Industrial (P-M) zone.) Refer to the Informational-Bulletin “Minimum Requirements for Building Permit Site Plans” ([IB-201](#)) for the minimum information and detail required in the site plan.

1. Proof of legal right to occupy.

Written evidence that the medicinal cannabis delivery service business has the legal right to occupy and use the proposed location, such as a copy of a title, deed, lease, or other written agreement.

2. Parking

Written evidence that the business site has at least one on-site parking space reserved for each delivery vehicle and each on-site administrative personnel on a given day.

3. Business size

Size calculations of all structures associated with the medicinal cannabis delivery service business showing that the cumulative structure size does not exceed 3,000 square feet. If the business has multiple locations in the City of Carlsbad, the cumulative structure size of all locations' structures must not exceed 3,000 square feet.

4. Distance from sensitive receptors

Written evidence that the business is located at least 1,000 feet from the following sensitive receptors. All measurements shall be taken from the closest property line of the medicinal cannabis delivery service business to the closest property line of the sensitive receptor.

- a. Residential zones or private residences
- b. Public or private schools
- c. Daycare centers
- d. Churches
- e. Public parks
- f. Youth centers
- g. Any other medicinal cannabis delivery service business

IV. Floor Plans

Dimensioned floor plans for each level of each building that makes up the business site, including the entrances, exits, walls, and storage areas. The plans shall also include the following information about the site: Current zoning, parking requirements, consistency with development standards for the zone, if new development planned for the site, and any other site development information.

V. Lighting Plan

A detailed lighting plan showing existing and proposed exterior and interior lights that will provide adequate security lighting for the business site.

VI. Indemnity & Consent Agreement

An indemnity and consent agreement prepared by the City of Carlsbad, Form P-41(B), signed by the business owner(s) and record property owner(s), which details insurance requirements and verification of coverage requirements.

Criminal Background Check:

While not an application submittal requirement, a certificate of clearance from the Carlsbad Police Department verifying passage of criminal background check shall be required before a medicinal cannabis delivery service license can be granted. The background check, which will commence following submittal of a complete licensing application, is governed as follows:

1. Pursuant to California Penal Code Sections 11105(b)(11) and 13300(b)(11), which authorize city authorities to access state and local summary criminal history information for employment, licensing, or certification purposes, and authorize access to federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation, every person listed as a property owner or business owner must submit fingerprints and other information deemed necessary by the chief of police or designee(s) for a background investigation by the Carlsbad Police Department.
2. California Penal Code Sections 11105(b)(11) and 13300(b)(11) allows for a requirement or exclusion from employment, licensing, or certification based on specific criminal conduct of the subject of the record. Per Carlsbad Municipal Code Section 8.95.060(D)(1), a medicinal cannabis delivery service license shall not be issued unless the property owner(s) and business owner(s) successfully pass a background check verifying that they have not been convicted of any crimes listed in California Business and Professions Code Section 19323(b)(5). A conviction within the meaning of this section means a plea or verdict of guilty or a conviction or diversion following a plea of nolo contendere.
3. Background check results information will not be disseminated by the city to any unauthorized or private party.