

An aerial photograph of National City, Ohio, taken during the golden hour of sunset. The city skyline is visible in the distance, with a bridge spanning a body of water on the left. The foreground shows a mix of urban buildings, green spaces, and parking lots. The sky is a mix of soft orange and pale blue.

# Hdl<sup>o</sup>

*National City*  
CANNABIS WORKSHOP

# ABOUT HdL

- ✓ Serves:
  - 303 cities
  - 48 counties
  - 108 transaction districts
- ✓ Partnered with over 125 local agencies to develop cannabis policies
- ✓ Team consists of former policymakers, law enforcement and cannabis regulators with State, County and local level experience
- ✓ Reviewed and evaluated over 1,800 cannabis business applications for local agencies
- ✓ HdL staff has experience conducting over 16,000 cannabis compliance reviews in Colorado, California and Nevada

# CANNABIS POLICY DEVELOPMENT

*“Policies designed today will help shape  
how your industry looks tomorrow.”*

-HdL Companies



# WHAT IS BEING PROPOSED:

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- To permit up to 3 commercial cannabis businesses, including:
  - Retailers
  - Cultivation
  - Manufacturing
  - Distribution
  - Microbusinesses
  - Testing facilities
- Each business would be required to pay a Community Benefit Fee
- Provide revenue to the City to address specific community needs
- These benefits would be negotiated with each business



## LOCATIONS:

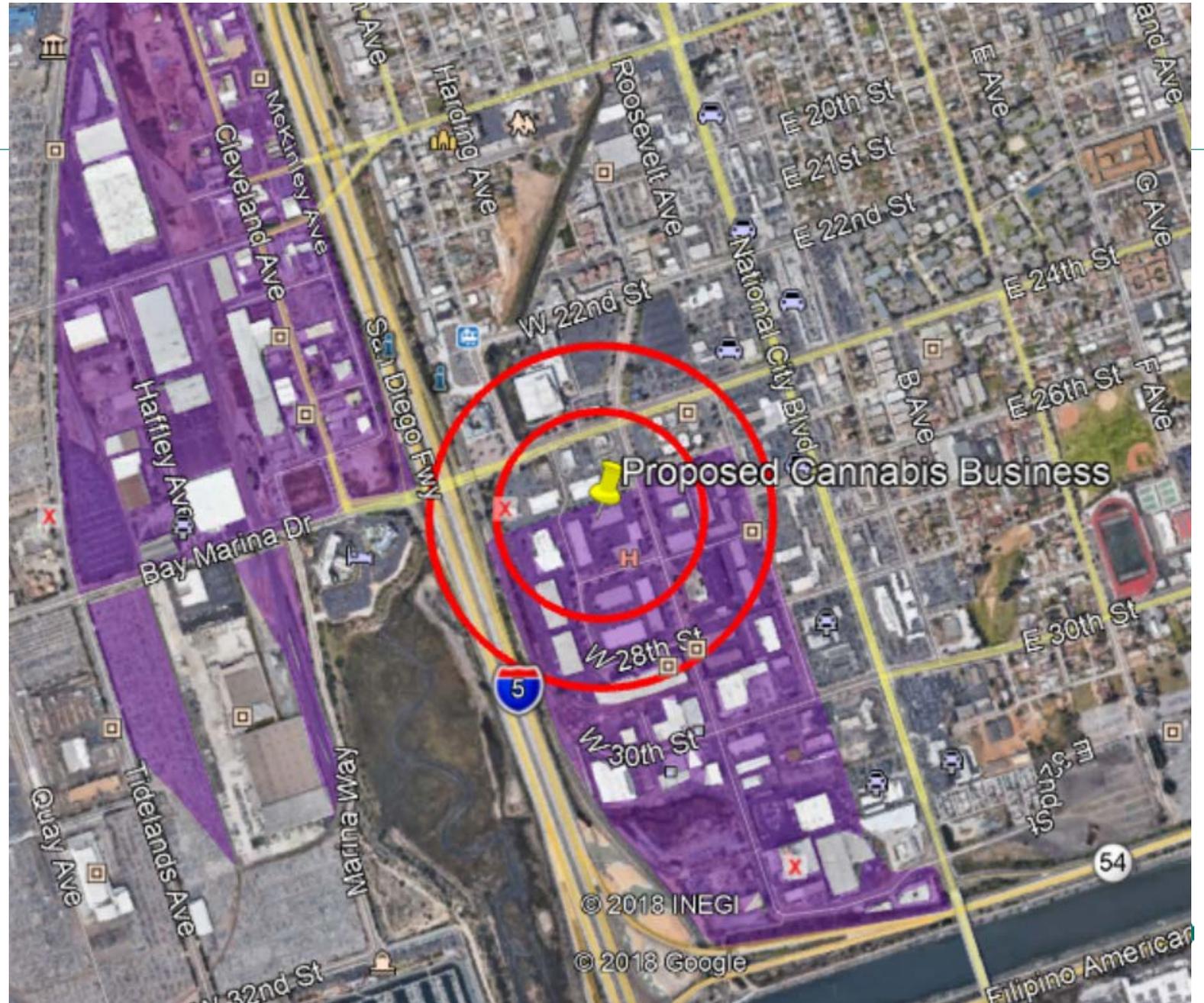
Cannabis businesses would only be allowed in the City's Industrial Zones.





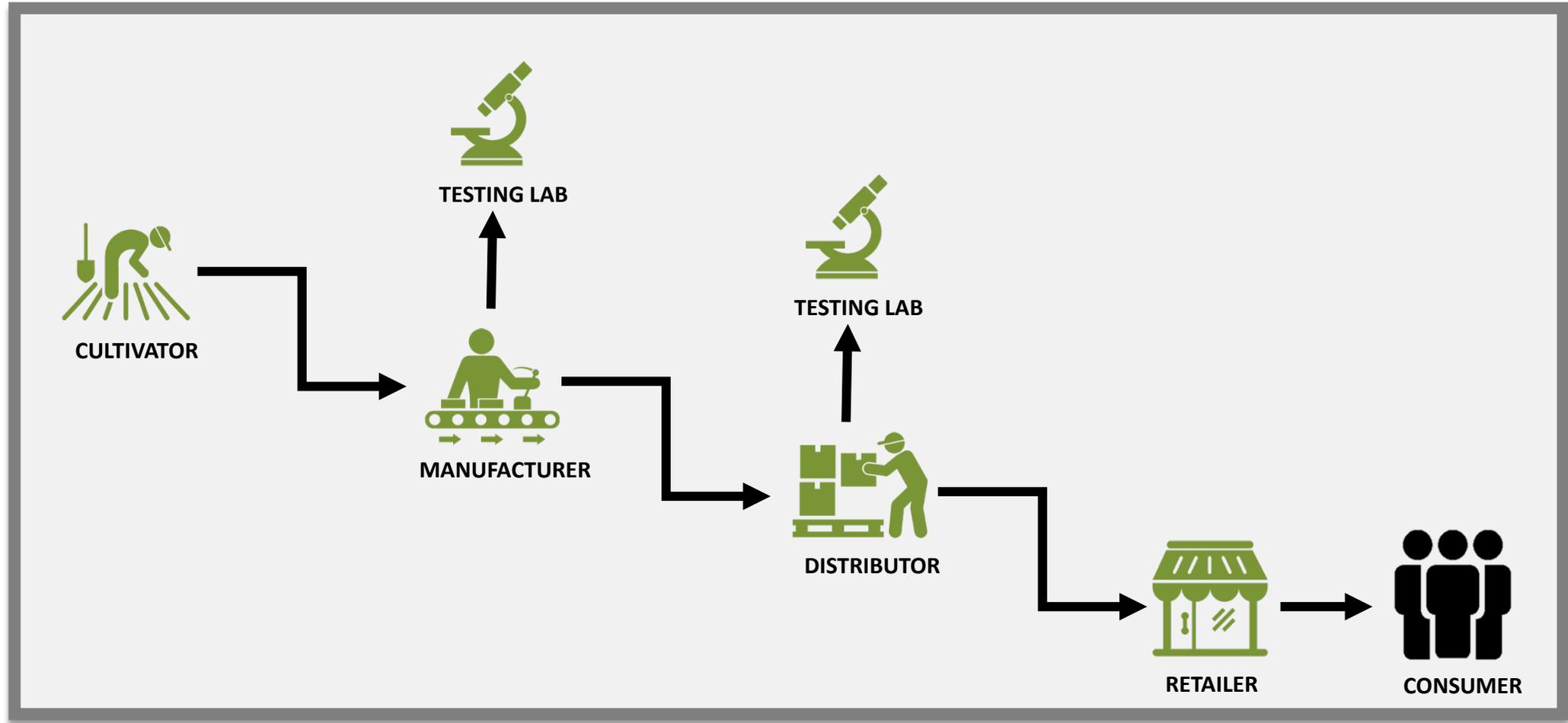
## LOCATIONS:

Would require setbacks from sensitive uses such as schools





# CANNABIS BUSINESS SUPPLY CHAIN





# CANNABIS RETAILERS

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- Cannabis retailers would only be allowed as an accessory use in conjunction with cultivation, manufacturing or distribution
- May be licensed for medicinal use, adult use or both
- Delivery-only retailers must have a physical location, but it is not allowed to be open to the public
- May have a storefront location, delivery service or both
- Inside and outside security measures



# CANNABIS RETAILERS





# CANNABIS RETAILERS





# INDOOR CANNABIS CULTIVATION

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- Must be fully enclosed
- No natural light can come in; no artificial light can seep out
- Commonly located in industrial warehouse-type buildings
- Generally indistinguishable from the outside
- Use air filtration systems to reduce or eliminate odors



# INDOOR CANNABIS CULTIVATION





# INDOOR CANNABIS CULTIVATION





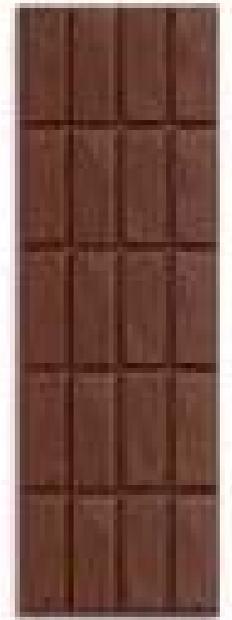
# CANNABIS MANUFACTURERS

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- Can involve a wide range of products:
  - Concentrates
  - Edibles
  - Gummies
  - Drinks (non-alcoholic)
  - Tinctures
  - Topicals
  - Salves
- May include packaging, repackaging and labeling



# CANNABIS MANUFACTURERS





# CANNABIS MANUFACTURERS

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- Concentrated cannabis oil or resin can be extracted using:
  - Volatile solvents like butane
  - Non-volatile solvents like CO2
  - Mechanical, non-solvent methods such as dry sifting
- May make their own concentrates
- May use concentrates purchased from another manufacturer
- May also use non-extraction methods such as infusion



# CANNABIS MANUFACTURERS





# CANNABIS DISTRIBUTORS

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- Transport wholesale cannabis goods between licensed cannabis businesses
- Ensure all cannabis is properly tested, packaged and labeled
- May pre-roll, package and repack, label and relabel cannabis and cannabis products
- May provide storage for retail cannabis products
- Responsible for ensuring that cannabis taxes are collected and remitted to the State.



# CANNABIS TESTING LABORATORIES

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- Test commercial cannabis products to ensure they meet safety standards before being sold to consumers.
- Cannabis and cannabis products must be tested for:
  - THC, CBD and terpenoid content
  - Foreign materials and heavy metals
  - Mold, mildew and microbial impurities
  - Residual pesticides, solvents or processing chemicals
  - Moisture content
- Owners of testing laboratories are prohibited from having any financial interest in any other cannabis business.



# CANNABIS MICROBUSINESS

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- Can engage in a combination of three or more commercial cannabis activities including:
  - Cultivation of no more than than 10,000 square feet
  - Manufacturing
  - Distribution
  - Retail
- Required to comply with all rules for each of the selected business types



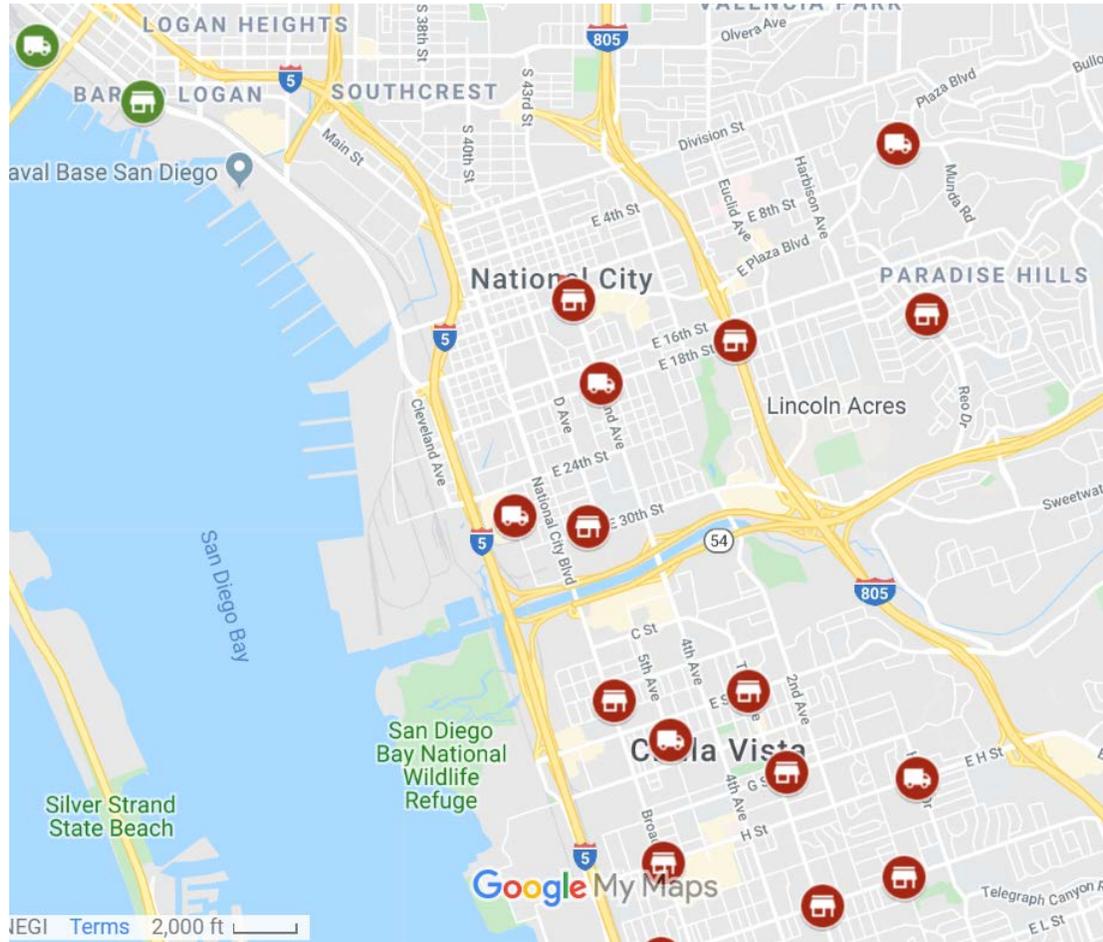
# CANNABIS BUSINESSES IN THE REGION:

- 81 licensed cannabis businesses in the nearby area
- A number of other cities working on regulations

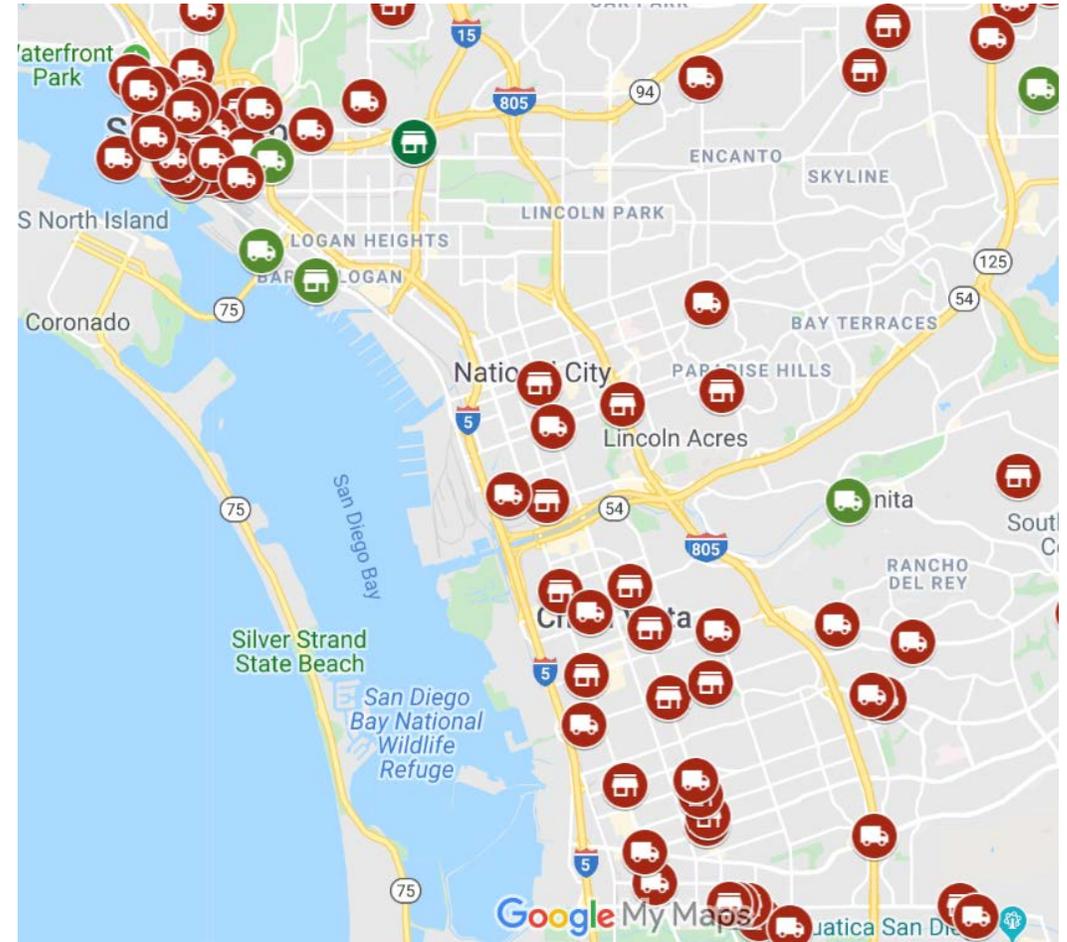
Active Licenses in Nearby Communities							
City/County	Cultivation	Distributor	Manufacturer	Retailer	Microbusiness	Testing Laboratory	Total
La Mesa	0	1	3	10	0	0	14
El Cajon	0	0	0	0	1	0	1
San Diego	2	20	19	17	1	2	61
San Diego County	1	1	0	2	1	0	5
<b>Total</b>	<b>3</b>	<b>22</b>	<b>22</b>	<b>29</b>	<b>3</b>	<b>2</b>	<b>81</b>



# EXISTING UNLICENSED RETAIL DELIVERY SERVICES



National City



Greater Area

# Addressing Public Concerns



# REGULATORY ORDINANCES

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Local ordinances reduce impacts by regulating:

Time

Place

Manner



# POSSIBLE COMMUNITY CONCERNS

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- Public Safety Impacts
- Impacts on Youth
- Noise, Lighting and Odor Impacts
- Environmental Impacts
- Traffic Impacts



# POSSIBLE COMMUNITY CONCERNS

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**Time**

**Place**

**Manner**

## Public Safety Impacts

- Limit hours of operation
- Locations away from residential neighborhoods
- Require surveillance systems
- Require security guards
- Require compliance inspections



# POSSIBLE COMMUNITY CONCERNS

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## Impact on Youth

Time

- Limit hours of operation

Place

- Require 1,000-foot buffer from sensitive uses
  - Schools
  - Youth centers
  - Daycare facilities

Manner

- Regulate signage and appearance
- State prohibits employment, access or advertising to anyone under 21



# POSSIBLE COMMUNITY CONCERNS

Time

Place

Manner

## Noise, Lighting and Odor Impacts

- Limit noise levels after certain hours
- Limit to industrial areas where noise and odor may be acceptable
- Require odor control systems
- Limit cultivation to indoors
- Require exterior lighting standards



# POSSIBLE COMMUNITY CONCERNS

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## Environmental Impacts

Time

Place

Manner

- -
- Limit to industrial areas where similar activities are permitted and mitigated
- Require energy conservation measures
- Require water conservation measures
- Require energy from renewable sources
- State standards for cannabis are comparable to organic standards



# POSSIBLE COMMUNITY CONCERNS

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## Traffic Impacts

Time

Place

Manner

- -
- Limit to locations with appropriate access and parking infrastructure
- Require adequate onsite parking standards
- Require water conservation measures
- Require energy from renewable sources
- State standards for cannabis are comparable to organic standards

# Community Benefit Fees





# DEVELOPMENT AGREEMENTS

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- Each business would be required to enter into a Development Agreement with the City
- Businesses typically only have to pay fees to cover their direct costs to the City
  - Staff time for permitting
  - Staff time for monitoring and enforcement
  - Proportional costs for infrastructure and City services



## COMMUNITY BENEFIT FEES

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- Each business would agree to pay a Community Benefit Fee
- Community Benefit Fees would provide revenue to address indirect costs to the City
  - Drug abuse prevention and treatment
  - Social services
  - Law enforcement
  - Youth programs and education
- Fees and benefits would be negotiated with each business



## COMMUNITY BENEFITS TO BE FUNDED

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- Drug prevention, awareness and treatment programs
- Schools and educational programs
- Public health, safety and law enforcement
- Parks, open space and environmental programs
- Arts, community programs and special events
- Road improvements and bike/pedestrian infrastructure
- Affordable housing or programs for the homeless

THANK YOU!

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