



# INFORMATION AND PROCEDURE BULLETIN

LIC-4003-IPB

September 22, 2020

## TEMPORARY APPROVAL PROCEDURE

Los Angeles Municipal Code (“LAMC”) Section 104.01(a)(47) defines Temporary Approval as a DCR-issued temporary license that authorizes an Applicant to engage for a limited period of time in Commercial Cannabis Activity as would be permitted under the privileges of a non-temporary license of the same type. An Applicant with Temporary Approval is required to follow all applicable Rules and Regulations as would be required if the Applicant held a non-temporary License of the same type.

This bulletin, in conjunction with the Temporary Approval Workflow ([LIC-4003-WF](#)), provides general information and the procedures and requirements for an Applicant to obtain a Temporary Approval to engage in Commercial Cannabis Activity in the City of Los Angeles<sup>1</sup>. In order to begin the Temporary Approval Process, an Applicant must first go through the Pre-Application Review Process ([LIC-4002-IPB](#), [LIC-4002-WF](#)) and obtain a determination of eligibility from DCR.

### Overview of Responsibilities

#### Applicant Responsibilities:

- After receiving a determination of eligibility from DCR, upload the Temporary Approval application information and, if applicable, follow the procedures in the Social Equity Program - Entity Verification Information and Procedure Bulletin.
- Pay the Temporary Approval Application Fee.
- Pay additional fees, if any, for DCR to review documents that must be re-submitted.
- Obtain authorization from the applicable [State licensing authority](#) to conduct the Commercial Cannabis Activity(ies).
- Prepare for and schedule the Initial Inspection with DCR.
- Prepare for the LAFD Inspection.
- Resolve any deficiencies which may be discovered during an inspection, and/or schedule a follow-up inspection.
- Pay the Standard Inspection Fee if an additional inspection is necessary by DCR.

#### DCR Actions:

- Issue invoice for the Temporary Approval Application Fee and any other fees associated with additional document review or additional inspection fees, if applicable.
- Review application for completeness and communicate any deficiencies to the Applicant for resubmittal.
- Perform the Initial Inspection and communicate any deficiencies to the Applicant in writing.
- Communicate with LAFD regarding inspection.
- Verify local authorization with the applicable State licensing authority.
- Grant or deny Temporary Approval authorization.

<sup>1</sup> This document is intended to serve as an informational guide only. It does not replace or supersede the Los Angeles Municipal Code and does not constitute legal advice. This document is subject to change and may not constitute the most up-to-date or complete information. Applicants are encouraged to conduct their own due diligence and research to ensure that they are in compliance with all legal requirements.

**Forms Associated with the Temporary Approval Process:**

- [Financial Information Form](#) (BCC Form)
- Indemnification Agreement ([LIC-4005-FORM](#))
- Labor Peace Agreement ([LIC-4006-FORM](#))
- Landowner Attestation ([LIC-4007-FORM](#))
- Ownership and Financial Interest Holder Form ([LIC-4008-FORM](#))\*
- Radius Map Attestation ([LIC-4009-FORM](#))\*
- [Statement of Intended Use](#) (LAFD Form)
- [Security Plan](#) (BCC Form)
- Temporary Approval Attestation ([LIC-4010-FORM](#))
- Social Equity Program - Owner Compliance Attestation ([LIC-4011-FORM](#))

**Documents Required:**

- Business Formation and Organization Documents
- Equity Share Documents\*\*
- Business Premises Diagram\*
- Business Tax Registration Certificate (BTRC)
- Certificate of Occupancy
- Dated Radius Map\*
- Executed Lease Agreement or Property Deed
- Site Plan\*

\*These documents are required during the Pre-Application Review Process and do not need to be re-submitted during the Temporary Approval Process unless the Applicant wishes to revise or update the document, subject to any applicable modification fee.

\*\*Applicants and Licensees subject to Section 104.20 shall also provide all information, business records and agreements necessary to demonstrate that the Social Equity Individual Applicant owns the minimum Equity Share required under Section 104.20(a)(2).

**Summary:**

The Department of Cannabis Regulation may, at its discretion, issue a Temporary Approval to engage in Commercial Cannabis Activity under LAMC Sec. 104.06(d), at a Business Premises location provided that the Applicant<sup>2</sup>:

1. Successfully completes Pre-Application Review per LAMC Sec. 104.03(a) (See [Information and Procedure Bulletin No. LIC-4002-IPB](#)).
2. Submits all required information via Accela. This includes documents, forms, attestations and information.
3. Pays the Temporary Approval Application Fee for each Commercial Cannabis Activity.
4. Receives authorization to engage in the same Commercial Cannabis Activities from the State.
5. Passes the Initial Inspection for the Business Premises.
6. Passes an inspection conducted by the Los Angeles Fire Department Cannabis Unit to ensure that there are no fire or life safety inspection at the Business Premises.

---

<sup>2</sup> These requirements do not apply to Temporary Approvals issued under the authority of Sections 104.07 and 104.08.

**Instructions for the Temporary Approval Process:**

1. **Pre-Application Review.** The Applicant successfully completes the Pre-Application Review Process and receives a determination of eligibility from DCR.
2. **Log Into Accela and Upload the Required Information.** The Applicant logs into his/her Accela account to upload the required forms and documents. As noted above, some of the information was required during the Pre-Application Review process and does not need to be uploaded again unless the information contained in those documents needs to be updated.
  - a. **Social Equity Program - Entity Verification.** If applicable, Applicant follows the instructions in the Social Equity Program - Entity Verification Information and Procedure Bulletin ([LIC-4005-IPB](#))
3. **Invoice** DCR will prepare and issue an invoice for the Temporary Approval Application Fee that must be paid within 10 days of the date of issuance. When the invoice is generated, the Applicant will receive a notification from [dcrlicensing@lacity.org](mailto:dcrlicensing@lacity.org). The invoice will be located in the “Documents” section of the Accela record. Payments must be submitted to the Office of Finance. Please visit the Office of Finance [website](#) for information related to business hours, locations, and payment methods.
4. **DCR Review.** DCR reviews the application for completeness and communicates any deficiencies to the Applicant. If an Applicant uploads additional required information for review, an invoice for the additional review and/or modification fee will be issued by DCR.
  - a. **Certificate of Occupancy.** It is strongly recommended that the Applicant verify the occupancy/use of the Business Premises with the Department of Building and Safety (LADBS) early in the process. If LADBS determines that a permit is required to change the use of the Business Premises, the process may take several months to complete.
  - b. **LAFD Permit.** Cultivation and Manufacturing Commercial Cannabis Activities may require a permit from the Los Angeles Fire Department, please contact the Fire Development Services Unit <https://www.lafd.org/cannabis> assess whether a permit is required
5. **DCR Confirmation of Local Authorization.** When DCR verifies that all the information is complete as required by this bulletin, it will contact the appropriate State agency(ies) to verify that local compliance is underway. For purposes of determining whether an applicant has local authorization, State licensing authorities provide the following options:
  - In Compliance: The local jurisdiction has determined that the applicant is compliant with local ordinances and regulations and that the applicant is authorized to engage in the requested Commercial Cannabis Activity.
  - Local Compliance Underway: The local jurisdiction is working with the applicant entity and the local authority authorizes the applicant entity to continue through the state licensing processes.

- Not in Compliance: The local jurisdiction has determined that the applicant entity is not in compliance with local ordinances and regulations.
6. **DCR Confirmation of Local Authorization.** DCR will reply “Local Compliance Underway” when it determines that TA documents is complete
  7. **Prepare for Initial Inspection.** The Applicant reviews the Initial Inspection Worksheet ([LIC-4002-WS](#)) in preparation of the Initial Inspection and corrects any deficiencies before DCR inspects the Business Premises.
  8. **Schedule Initial Inspection.** The Applicant requests an Initial Inspection by emailing [dcrlicensing@lacity.org](mailto:dcrlicensing@lacity.org) with the subject line “Request for Initial Inspection - [Application Number]”.
  9. **DCR Initial Inspection.** DCR will contact the Applicant to schedule a date and time for the inspection. DCR will conduct the Initial inspection checking compliance with the items included in the aforementioned “Initial Inspection Worksheet.” The Initial Inspection result will either be a Pass or Fail. If passed, the Applicant will continue with the Temporary Approval process, with the LAFD Inspection as the next step. If an additional inspection is required, please see the following step. Please note that due COVID-19, DCR will be conducting inspections virtually until further notice. Please review the [Virtual Inspection Technology Requirements, Scheduling a Virtual Inspection and Inspection Process](#) for the necessary tools and information related to conducting a virtual Initial Inspection.
  10. **Additional Inspection.** If DCR finds any deficiencies during the Initial Inspection which can not be immediately corrected, it will be documented and a copy of the inspection report will be uploaded to the Applicant’s Accela record within 2 business days of the inspection date. DCR will also prepare and issue an invoice for the additional inspection that must be paid within 10 days of the date of issuance. When the invoice is generated, the Applicant will receive a notification from [dcrlicensing@lacity.org](mailto:dcrlicensing@lacity.org). The invoice will be located in the “Documents” section of the Accela record. Payments must be submitted to the Office of Finance. Please visit the Office of Finance [website](#) for information related to business hours, locations, and payment methods.
  11. **LAFD Inspection.** After the Applicant passes the Initial Inspection, information regarding the Business Premises location is referred to LAFD. LAFD contacts the Applicant to schedule a date for inspection.
  12. **Temporary Approval.** DCR will issue a Temporary Approval provided that the requirements are met.

**Applicable Code Sections:**

LAMC Section 104.06:

(a) **Application – Pre-Application Review.** Prior to filing an application pursuant to Subsection (b), an applicant shall pay a Pre-Application Review Fee pursuant to Section 104.19 for DCR to conduct a preliminary review of the application, and verify eligibility of Primary Personnel subject to a background review pursuant to Subdivisions 1 and 2 and compliance of the Business Premises location pursuant to Subdivision 3. If the application is deemed eligible for further processing, the Applicant shall pay a Temporary Approval Application Fee pursuant to Section 104.19 within 10 days of receiving an eligibility determination for further processing. An EMDD seeking a License under Section 104.07 shall pay the EMDD Temporary Approval Application Fee pursuant to Section 104.19(a). An Applicant seeking a License under Section 104.08 shall pay the Section 104.08 Temporary Approval Application Fee pursuant to Section 104.19(a). DCR may request additional information or documents from the Applicant at any time during the pre-application review, subject to payment of any fees under Section 104.19(h). If the Applicant fails to provide the additional information or documents in the time allotted by DCR, the application shall be deemed abandoned. Except for a Social Equity Individual Applicant who is an Owner on an application subject to processing under Section 104.06.1, an individual Applicant, Owner or Primary Personnel who is disqualified under Subdivision 1 or 2 may be permitted to amend the application to cure those defects, subject to the payment of any applicable modification fee in Section 104.19. An Applicant whose Business Premises location is deemed ineligible under Subdivision 3 shall not be permitted to amend their application but may submit a new application subject to the payment of any applicable fee in Section 104.19.

(b) **Application – Filing and Fees.** DCR shall consider the application filed following a determination of eligibility pursuant to Subsection (a) and the payment of the applicable Temporary Approval Application Fee for each Commercial Cannabis Activity pursuant to Section 104.19(a). The Temporary Approval Application Fee shall be due within 10 days from the date of invoice issuance. If the fees are not paid within the allotted time, the application shall be deemed abandoned. An Applicant shall submit all required information and documents pursuant to the Rules and Regulations. All Applicants are required to pay the Annual License Application Fee for each activity requested in the application pursuant to Section 104.19(a).

(d) **Temporary Approval.** DCR may, at its discretion, issue a Temporary Approval to engage in Commercial Cannabis Activity at a Business Premises location provided that the Applicant pays the Temporary Approval Application Fee for each Commercial Cannabis Activity, pursuant to Section 104.19, and the following requirements are met: (1) the Applicant receives authorization from the State; (2) the Business Premises location passes an Initial Inspection; (3) there are no fire or life safety violations at the Business Premises; (4) the Applicant submits the required attestations, as determined by DCR; and (5) the Applicant indemnifies the City on a form provided by DCR. These requirements do not apply to Temporary Approvals issued under the authority of Sections 104.07 and 104.08. Applicants and Licensees subject to Section 104.20 shall also provide all business records and agreements necessary to demonstrate that the Social Equity Individual Applicant owns the minimum Equity Share required under Section 104.20(a)(2). Issuance of

a Temporary Approval does not create a vested right in the holder to either an extension of the Temporary Approval, or to the issuance of a subsequent non-temporary License. Temporary Approval authorizes the Applicant to conduct Commercial Cannabis Activities, but does not waive or otherwise circumvent other City requirements or necessary permits from the City or other public agencies, including, but not limited, to a Certificate of Occupancy, health permit from the County of Los Angeles, or authorization from the State. If at any time during the processing of an Application it is discovered that an Application has been improperly prepared or required information has not been submitted in accordance with the Rules and Regulations, upon notification to the Applicant, processing shall be suspended and shall not continue until the Application has been corrected or the required information provided.

1. DCR may immediately suspend a Temporary Approval without a hearing based upon written findings that an Applicant's use of or conduct at the Business Premises poses an imminent threat to life or public safety. DCR's written findings shall conform with Section. 104.13(c). After suspension, the Applicant may request an administrative hearing pursuant to Section 104.14.

Questions regarding these procedures may be referred to [dcrlicensing@licity.org](mailto:dcrlicensing@licity.org).

