



Letter of Intent and Acknowledgements

City of Covina  
125 E. College Street  
Covina, CA 91723

**RE: Letter of Intent – Request for Proposals: Adult Use Cannabis Retail or Adult Use Cannabis Microbusiness Operator**

I, the undersigned, attest that I am a duly authorized representative of the proposed cannabis business identified below, and hereby acknowledge that all items listed 1-14 inclusive below, at minimum, will be applicable to the proposed cannabis business, should it be selected to move forward in the RFP process and in the future, operate within the City of Covina. I acknowledge that I undertake this process with the knowledge that I do so at my sole risk and that there are no guarantees for any particular outcome and that the City of Covina can halt this process at any time, with or without for cause or notice.

Name of Business: \_\_\_\_\_  
Address of Proposed Business: \_\_\_\_\_  
Assessor Parcel Number(s): \_\_\_\_\_  
Business Address of Owner: \_\_\_\_\_  
Owner Phone Number: \_\_\_\_\_  
Applicant E-Mail: \_\_\_\_\_

I understand that I will be expected to receive all City notices at the Business Address and also consent to receiving notices and communications from the City at the phone number and email address listed above, at the City's discretion.

I am interested in starting an adult use cannabis \_\_\_\_\_ business operation within the City of Covina. Further, I attest that I own, or have secured an agreement for the proposed business location listed above, or am in the process of securing the site, for a minimum of two (2) years, and that said location is eligible for cannabis business operations per City regulations (the location meets Zoning designation requirements found in Title 17).

If selected to move forward and submit for a CUP I will apply for this permit within 60 days of the receipt of the letter of authorization from the City of Covina. I understand that failure to apply for the CUP within that time period may automatically forfeit my opportunity to apply, at the discretion of the City Manager. I

further understand that failing to meet any of the requirements of the RFP or applicable City regulations shall lead to automatic revocation of my opportunity to obtain a cannabis business license.

**Acknowledgements\*:**

1. All owners and/or employees are subject to a criminal background check, subject to the rules and regulations established by Covina Municipal Code Section 5.80.060 ([codepublishing.com/CA/Covina/](http://codepublishing.com/CA/Covina/)).
2. It is understood that a Development Agreement with the City is required prior to issuance of a cannabis business permit per Covina Municipal Code Section 5.80.110. ([codepublishing.com/CA/Covina/](http://codepublishing.com/CA/Covina/)). Such agreement will include payment to the City of Covina of a community benefit fee of five (5) percent of gross receipts for products sold at the proposed cannabis business location.
3. Prior to the commencement of any cannabis retail, or cannabis microbusiness operations within the City as the result of this RFP, the physical site conditions, improvements, and all related representations and requirements are subject to review and concurrence by the City Manager and/or his designee and the Police Chief and/or his designee.
4. Each cannabis business permit issued pursuant to this RFP shall expire twelve (12) months from the date of issuance. A cannabis business permit may be renewed as provided for in Covina Municipal Code Section 5.80.150.
5. If a cannabis business permit is awarded, the application for renewal of a cannabis business permit shall be submitted at least sixty (60) calendar days prior to the expiration date of the current permit per Covina Municipal Code Section 5.80.150.
6. It is understood that the issuance of a cannabis permit does not constitute a land use entitlement and does not waive other requirements that are required to open a commercial cannabis business establishment in the City of Covina. Such land use entitlements must be applied for separately, including payment of related fees (including but not limited to land use approvals, site plan review approvals, plan check and permits, City business license and State license).
7. A Cannabis Business Permit is non-transferable per Covina Municipal Code Section 5.80.190.
8. If an application is denied due to a disqualifying factor such as failing a background check or not complying with any local or state regulatory requirement in which legal or administrative action has been taken, a new application may not be filed by the applicant for one (1) year from the date of the denial. This section shall not apply to an applicant not being awarded a permit resulting from a limited number of permits being issued by the City.
9. Suspension of a license issued by the State of California, or by any of its departments or divisions, shall immediately suspend the ability of a cannabis business to operate within the City until the State of California or its respective department or division reinstates or reissues the State license.
10. If an operating cannabis business in the City of Covina has its State License suspended, the Business must close its commercial operations immediately and is required to notify the City Manager in writing of the suspension within 48 hours of receipt.
11. For applicants with 10 or more employees, the applicant shall attest that the applicant will enter into a Labor & Peace Agreement and will abide by the terms of the agreement, and the applicant shall provide a copy thereof to the City per Covina Municipal Code Section 5.80.100 G.
12. Any and all provisions of the City of Covina Municipal Code not specifically identified above, and all other applicable State of California laws, rules, and regulations must be strictly adhered to during

the operational life of the business or the cannabis business license and permit are subject to revocation.

13. All cannabis businesses will be subject to two (2) on-site inspections each calendar year to insure compliance with Conditions of Approval and stipulations of the Operations & Management Plan.

14. The City reserves the right to reject all proposals with or without cause and participation in this RFP process is at the sole risk of the participants.

**Signed & Acknowledged:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Print Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_

\*All proposed owners must complete and sign their own Letter of Intent and Acknowledgement

Confidential Draft