

Cannabis RFP Questions/Responses
12/20/23

Question: Is the parking study going to be required at a later date and not needed for the application?

RESPONSE: The parking study is not required as part of the Proposal. A parking study could be required during the CUP process, if it's determined necessary by the Community Development Director.

Question: In regards to the ZVL (Zone Verification Letter) for cannabis, does "a lease" need to be notarized or just the purchase agreement?

RESPONSE: The RFP will be amended to eliminate the word "notarized" on page 5 (under Section - Phases I/II – Cannabis Zoning Verification) and this change will be posted in Addendum 1.

Question: Will cannabis retailers have the ability to change locations after they are awarded a cannabis permit? If so, are there guidelines in place for what the process would look like?

RESPONSE: No. If the applicant is awarded an NTP by the City Council, they must move forward in the CUP process with the site indicated in the proposal. The Business License and the CUP are not transferrable to another owner, or other location.

Question: We're trying to get a LiveScan done and are having the following issue:

On Covina's form it says "5.80 CMC Cannabis Business Permit" for the authorized applicant type. The place an applicant went to said that is not one of the options. They suggested the "License or Permit" option but that will not allow both DOJ and FBI, only DOJ. They then suggested an applicant to use "Non-Officer Legal" which would allow both DOJ and FBI but an applicant wasn't sure if it was the right way to do it.

RESPONSE: A revised LiveScan Service Form has been uploaded to the City's website at www.covinaca.gov/cannabisprogram. The RFP will be amended to include updated submittal due dates for Proposals and the LiveScan background check(s).

The application deadline to complete the LiveScan background check(s), submitted to the DOJ via LiveScan is on or before January 31, 2024. Applicants are encouraged to retain a date stamped copy of the LiveScan Service form and/or receipt of payment for the LiveScan Service for each applicant. All listed owners are required to complete the LiveScan background check process.

Results of the LiveScan background will be submitted directly to the Covina Police Department and reviewed.

Question: *The terms “parent and/or affiliated companies”, “parent companies and/or affiliates”, and “parent companies or affiliates” are used throughout the Cannabis RFP and the attached Scoring Methodology. What are the City’s actual definitions for the terms “parent company” and “affiliate / affiliated company”?*

RESPONSE: A parent company is a single company that has a controlling interest in another company, giving it control of its operations and finances. Parent companies are formed when they spin-off or carve out subsidiaries, or through an acquisition or merger of other companies. Parent companies must account for their subsidiaries appropriately on their financial statements and for tax purposes.

Affiliated companies relate to ownership, with the owner of a company being a minority shareholder in another company. This arrangement means that the owner (parent company) may own a controlling stake (greater than 50%) of one company and a minor stake (less than 50%) of another. The company that the owner has a smaller minority stake in is the affiliate company. Two or more companies can also be affiliates if owned by the same third party.