



November 3, 2023

City Hall
130 Cremona Dr.
Goleta, CA

RE: First Reading – Cannabis Business License Ordinance Amendments and Cannabis Business Tax Updates

Dear Mayor and Councilmembers,

Sublime Delivery writes in support of the proposed Cannabis Business License Ordinance Amendments, which provide consistency with state regulations and relief from burdensome requirements currently imposed.

We proudly operate a delivery, distribution, and manufacturing facility under a microbusiness license with the City. The amendments presented by staff will allow us to compete with similar businesses in other jurisdictions, expand labor force, and make common-sense business decisions.

Specifically, we support the amendments for the following reasons:

- **Simplify pathway for ownership changes:** Ownership changes are common across all sectors of business. However, under the current ordinance, operators are forced to submit a new application regardless of the proposed change. The amendments establish a common sense pathway for operators to submit ownership changes that allows for the City to evaluate new owners' merits and mirror the state's regulations.
- **Expand labor force:** The current code requires Live Scans and Social Security Cards for all employees, which is more than the state and other local jurisdictions require and impacts the available labor force. The proposed background checks are more cost effective and manageable than Live Scans while maintaining the same level of safety assurance. Removing the Social Security Card requirement and updating the background check language provides cost and employment benefits to the cannabis industry in Goleta
- **Remove costly redundancy:** Requiring an additional \$1 million per occurrence does not benefit the City or the operators that are already required by the state to maintain comprehensive general liability insurance of \$1 million per occurrence and \$2 million per aggregate. The amendments remove the redundant insurance requirement and provide necessary cost savings to the operators.

- **Equal competitive opportunity:** The proposed hours of operation update will provide almost 50% more opportunities for sales. Additionally, updating the limit on inventory allows operators to maintain adequate stock at their discretion instead of constraining their sales to the estimated sell-through rate for a week. This empowers operators in Goleta to compete with similar businesses in other jurisdictions that already match the state's operating hours and aren't constrained by inventory limits.

We urge you to make staff's recommendations to adopt the Cannabis Business License Ordinance Amendments and waive further reading.

Thank you for your time and consideration,



Whitney Collie
Vice President Compliance
Sublime Delivery