

Upcoming Economic Development Events

April 9, 2019



2019
**LONG BEACH REGIONAL
ECONOMIC FORUM**

Long Beach is enjoying a strong economy and unprecedented growth in real estate development. But can the region support that growth in a time of economic uncertainty?

Join us for a special edition of the Long Beach Regional Economic Forum to hear from experts on real estate markets and economic development, alongside civic and industry leaders.

AGENDA

8:00-11:30am | April 18, 2019

Breakfast & Networking

National & Regional Economic Update

Long Beach Economic Development Blueprint Update

Real Estate Development Update & Discussion

Office Market Update & Discussion

BREAKFAST AVAILABLE THROUGHOUT THE EVENT

Long Beach Regional Economic Forum

- Date: Thursday, April 18, 2019
- Time: 8:00 a.m. – 11:30 a.m.
- Location: Long Beach Convention Center, Promenade Ballroom

BLUEPRINT

THE CITY OF LONG BEACH
ECONOMIC DEVELOPMENT
COMMISSION INVITES YOU
TO ATTEND

AN UPDATE ON THE ECONOMIC DEVELOPMENT BLUEPRINT

Date: Tuesday, April 30, 2019

Time: 4:00 p.m. to 6:00 p.m.

Location: City Council Chambers

City Hall

333 W. Ocean Blvd

Long Beach, CA 90802

The City of Long Beach City Council adopted the Economic Development Blueprint in April 2017. This special meeting will include updates from City staff and community partners on programs, partnerships, and initiatives that have been implemented as a result of the Blueprint.

Residents and organizations interested in economic development and economic inclusion are encouraged to attend.

If oral language interpretation for non-English speaking persons is desired or if a special accommodation is desired, please make your request by phone to the Economic Development Department at 562-570-6705, 72 hours prior to the meeting.



CITY OF
LONG BEACH

Economic Development Blueprint Community Update

- Date: Tuesday, April 30, 2019
- Time: 4:00 p.m. – 6:00 p.m.
- Location: City Council Chambers



Cannabis Licensing Update

Presented to the Economic Development and Finance Committee
Tuesday, April 9, 2019



Background on Cannabis Laws

- ***Nov. 2016 – Medical Cannabis Ordinance (MM)***
- ***Aug. 2018 – Adult-Use Cannabis Ordinance***
- ***License Types Available***
 - ***Retail***
 - ***Cultivation***
 - ***Manufacturing***
 - ***Distribution***
 - ***Laboratory Testing***

Cannabis Tax Rates

➤ *Nov. 2016 – Cannabis Tax Rates (MA)*

City of Long Beach Cannabis Business License Tax Rates				
Business Type	Medical/Adult- Use	Current	Maximum	Minimum⁽¹⁾
Dispensary	Medical	6%	8%	0%
	Adult-Use	8%	12%	0%
Cultivator	Both	\$12/sq ft	\$15/sq ft	\$0/sq ft
Manufacturer	Both	6%	8%	0%
Testing Laboratory	Both	6%	8%	0%
Distributor	Both	6%	8%	0%

(1) Pursuant to Measure MA, Cannabis businesses are required to pay a minimum flat tax of \$1,000 per year.

Cannabis Tax Revenues

GENERAL FUND - CANNABIS REVENUES				
<u>Bus. Type</u>	<u>Tax</u>		<u>FY18</u>	<u>FY19</u>
			<u>Actual</u>	<u>Estimated</u>
Dispensary	<i>Gross Receipts</i>	\$	626,130	\$ 2,329,341
Cultivation	<i>Square Foot</i>	\$	517,404	\$ 442,565
Lab Testing	<i>Gross Receipts</i>	\$	80,506	\$ 175,288
Manufacturing	<i>Gross Receipts</i>	\$	500	\$ 17,500
Distribution	<i>Gross Receipts</i>	\$	-	\$ 4,750
TAX SUBTOTAL		\$	1,224,540	\$ 2,969,444
Fees & Penalties		\$	399,000	\$ 1,195,000
TOTAL REVENUES		\$	1,623,540	\$ 4,164,444

Cannabis Applications/Licenses

➤ **821 Applications Received**

- *66 Licenses Issued*
- *534 Applicants Pending*
- *216 Applications Closed or Ineligible*

➤ **244 Proposed Cannabis Facilities**

- *Co-location + vertical integration limits number of facilities relative to applications/licenses*

Cannabis Facilities

Summary of Proposed Cannabis Facilities (as of March 21, 2019)	
Facility Status	No. of Facilities
Issued License	33
Under Construction	54
Building Plan Review	67
Pending Plan Submittal	75
Application Review	15
TOTAL	244

Cannabis Tax Comparison

CANNABIS TAX RATES BY JURISDICTION											
City	Pop.	Retail		Cultivation		Manufact.		Distribution		Lab Testing	
		M	A	M	A	M	A	M	A	M	A
Los Angeles /Orange County Comparables											
Long Beach	478,561	6%	8%	\$12/sq ft		6%		6%		6%	
Los Angeles	4,054,400	5%	10%	2%		2%		1%		1%	
Santa Ana	338,247	6%	8%	6%		6%		6%		5%	
Other California Comparables											
San Diego	1,419,845	0%	5%	0%	5%	0%	5%	0%	5%	0%	5%
San Jose	1,051,316	10%		10%		10%		10%		10%	
San Francisco	883,963	0%	2.5-5%	1-1.5%		1-1.5%		1-1.5%		1-1.5%	
Sacramento	501,344	4%		4%		4%		4%		4%	
Oakland	428,827	5%	10%	5%	10%	5%	10%	5%	10%	5%	10%

Questions?
