

South Lake Tahoe pot shop willingly closes doors after being denied for-profit status by state



People wanting Tahoe Wellness Cooperative to remain open picket outside the center on Jan. 7. Photo/LTN

By Kathryn Reed

Tahoe Wellness Cooperative shut its doors on Jan. 7, but the medicinal marijuana shop hopes to reopen tonight or Tuesday morning.

There is a discrepancy as to why exactly the doors were closed because neither the state nor the city of South Lake Tahoe directed the business to do so.

“He decided to close on his own free will,” City Manager Nancy Kerry told *Lake Tahoe News* of TWC owner Cody Bass.

As California started its foray into recreational marijuana on Jan. 1, it also meant changes for existing medicinal marijuana establishments. New businesses and those changing their status must have a permit from the state Bureau of Cannabis Control. Those permits are temporary until June at which time the state will be assessing what is working and what isn't.

The South Lake Tahoe shop said it had its license in hand before 2018 arrived.

However, a letter dated Jan. 5 from the state agency to Bass says, “After review of your application and supporting documentation your application is denied because you do not qualify for a temporary license at this time. You have not been authorized by the local jurisdiction to conduct the commercial cannabis activity for which you have applied.”

The “commercial” aspect is what is the stumbling block. This puts TWC under a different classification from how it has operated for the last seven years as a nonprofit. It would still only be a medicinal dispensary because the city has a temporary moratorium on recreational sales.

“Commercial designation means for-profit and that they could only do business with other licensed entities,” Alex Traverso with the state Bureau of Cannabis Control told *Lake Tahoe News*.

Bass would not speak directly to *LTN*.

Had Bass not sought the commercial designation, he could have been operating as he always has. He did not need a temporary state license to continue what he had been doing.

The city had to tell the state if TWC had a permit to do business. It doesn't, but the city explained by court order

the dispensary is allowed to operate.

(The city and Bass are in a legal dispute about the permit. While a court hearing is slated for next month, that could be a moot point because Bass is in escrow to buy the building near the Bijou Center – which means he'd be his own landlord and would permit the business to continue operating.)

“In order for a state license to be issued, the local government must also agree to permit the business, and the local government was not willing to permit the activity. So we couldn't license Tahoe Wellness,” Traverso said.

On Sunday less than a dozen people were outside TWC protesting. They were placing blame for TWC's closure on everyone but TWC when in fact TWC chose to lock its doors.

The TWC employee who said the dispensary may soon reopen didn't explain why this could happen nor did the person elaborate if TWC would stick with being a nonprofit.

This means for now **NuLeaf in Incline Village** is the only place to get marijuana legally in the Lake Tahoe Basin.