



CITY OF SANTA FE

Memorandum

Date: August 24, 2026

To: Finance Committee of the Governing Body

From: Jason Sena, Enforcement Division Manager

Via: Brian Moya, City Manager
Andrea Phillips, Deputy City Manager
Heather Lamboy, AICP Planning and Land Use Director
Maggie Moore, Assistant Planning and Land Use Director
Natalie Cauley, Assistant City Attorney

RE: Request for Issuance of a Cease-and-Desist Order to revoke Retail Cannabis Business License # 241777 from Betty Nugz Cannabis, located at 1228 Parkway Drive, Suite D, Green Light Multifactor LLC, Francisco Romero, Owner, (505) 394-1599. Code Enforcement Case# 2026-006062, Violations of Santa Fe City Code Section 18-1.4(A) and Section 14-5.3(G)(4)(V).

EXECUTIVE SUMMARY:

The Enforcement Division is responsible for ensuring compliance with Santa Fe City Code (SFCC) Chapter 18 Licensing, which requires that a person conducting business in the city secure a business license, and portions of Chapter 14 which regulate cannabis businesses. Through its review and approval procedures for cannabis businesses, the Enforcement Division requires proof of compliance with applicable state regulations and zoning verification letters, to ensure they are operating in permitted zone districts and in compliance with density and proximity requirements of the city's code.

Zoning verification letters are issued by the Planning Division of the Planning and Land Use Department at the request of business owners and submitted with business license applications as required. For cannabis businesses the zoning verification letter verifies whether the business can or cannot operate at a specific address based on the zone district, proximity to other cannabis businesses, child daycare centers, schools, and religious institutions.

In January of 2026, the Business Licensing Division received a complaint from a licensed cannabis manufacturer questioning why Betty Nugz Cannabis was permitted to conduct retail cannabis sales

at 1228 Parkway Drive, Suite D, while other similarly situated businesses were prohibited from doing so. In response, the Enforcement Division investigated the business license and operations of Betty Nugz Cannabis.

The investigation found that Francisco Romero, owner of Greenlight Multifactor LLC, d.b.a Betty Nugz Cannabis, had obtained a retail cannabis business license #241777, issued on September 8, 2025, for 1228 Parkway Drive, Suite D (Attachment A). A review of the application materials submitted by Mr. Romero, revealed that the retail cannabis license was issued based upon a falsified zoning verification letter (Attachment B).

The unaltered zoning verification letter, issued on August 23, 2024, by the City Land Use Planner Stephanie Perea, stated, "This specific address IS within 300 feet of a daycare, school, or religious institution" and "THEREFORE RETAIL IS NOT AN ALLOWED USE AT THIS ADDRESS." (Attachment C).

The zoning verification letter submitted by Mr. Romero in his business license application was altered to state, "This specific address IS NOT within 300 feet of a daycare, school, or religious institution" and removed the statement prohibiting retail cannabis sales at the address. The investigation concluded that the retail cannabis business license #241777, was issued based on the falsified zoning verification letter submitted by Mr. Romero.

As a result of these findings, the City issued a Notice of Violation (NOV) on July 15, 2026, citing violations of SFCC Section 18-1.4(A) *License application; information required* and SFCC Section 14-5.3(G)(4)(V) *Minimum distance from schools* (Attachment D). The NOV outlined that a retail cannabis business is not permitted at the location and that the owner/applicant provided fraudulent zoning verification information to obtain the existing Retail Cannabis License.

Pursuant to SFCC Section 18-1.7, the owner/applicant was ordered to discontinue all business operations within 15 days after service of the Notice of Violation with required compliance date of 07/30/2026. The NOV further advised that if business operations did not cease within the required timeframe, the owner/applicant would be required to appear before the Finance Committee on Monday, August 24, 2026, at 5:00 p.m., in the City Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico 87501, to show cause why the business should not be ordered to cease operations.

The NOV also informed Mr. Romero of the right to be represented by legal counsel, at the owner's expense, and to present evidence and call witnesses during the Finance Committee hearing. The evidence collected during the city's investigation demonstrates that the retail cannabis business is operating at a location where such use is prohibited and that the Retail Cannabis License was obtained through the submission of fraudulent zoning verification documentation.

The week of August 1st, 2026, the Enforcement Division conducted a reinspection of the business and found Betty Nugz Cannabis was still operating as a retail cannabis business.

BACKGROUND:

This investigation was not the Enforcement Division's first encounter with Mr. Romero's business. In January of 2025, the City of Santa Fe Business Licensing Division received a constituent complaint alleging that Betty Nugz Cannabis, located at 1228 Parkway Drive, Suite D, owned by Greenlight Multifactor LLC, was conducting retail cannabis sales while operating under a business license authorizing only cannabis light manufacturing. In response the Enforcement Division conducted an on-site inspection of the property.

During the inspection, Enforcement staff observed retail cannabis sales. Staff met with Mr. Romero and advised him that retail cannabis sales were not a permitted use at the location because the property is adjacent to a daycare facility - Santa Fe Montessori Childcare Program with business license # 230543, which has been at their location since 2021. As a result, Betty Nugz Cannabis did not meet the zoning requirements for a retail cannabis establishment. Mr. Romero stated that he believed his "deli-style" (when retailer has bulk cannabis flower and customer selects the amount wanted which is then weighed/portioned and packaged for that customer at time of sale) method of selling cannabis was permitted. Staff informed him that his interpretation was incorrect, directed him to immediately cease all retail cannabis sales, and advised that only the approved light manufacturing use could continue at the address. Mr. Romero acknowledged the City's direction and agreed to discontinue the retail cannabis sales. At the time Betty Nugz was licensed for Light Manufacturing only business license #238102 which expired on 09/19/2025 (Attachment E).

Following our investigation, the matter was referred to Victoria Kaniatobe with the New Mexico Regulation and Licensing Department (NMRLD).

ATTACHMENTS:

- A. Business License #241777
- B. Falsified Zoning Verification Letter
- C. Original Zoning Verification Letter
- D. Notice of Violation Case #006062-2026
- E. Business License #238102