



## MEMORANDUM

September 28, 2017

TO: Board of Supervisors' Transportation/Planning Committee

FROM: Medical Cannabis Interdepartmental Work Group

MEETING DATE: October 2, 2017

SUBJECT: Cannabis Cultivation Pilot Update

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### **BACKGROUND**

At the September 12, 2017 Board Planning meeting, the Board of Supervisors held the second readings of the Medical Cannabis Cultivation Ordinances which added Chapter 6.106 to the County General Ordinance Code and amended Sections 17.04.010, 17.52.585, and 17.54.130 of Title 17 of the General Ordinance Code to implement a Pilot Program authorizing and regulating the cultivation of medical cannabis in the Unincorporated Area of the County. The Pilot Program allows a maximum of six cultivation sites. Up to two permitted dispensaries in good standing are eligible for ministerial cultivation permits. The Pilot Program also allows for the approval of up to four cultivation permits subject to a selection process detailed in Sections 6.106.070 to 6.106.110 of Chapter 6.106. All permittees are required to apply for a Conditional Use Permit ("CUP") for cannabis cultivation pursuant to Title 17, Section 17.52.585 of the Alameda County General Ordinance Code ("Zoning Ordinance").

### **DISCUSSION/SUMMARY**

#### **Cultivation permit process for existing dispensaries**

Sections 6.106.050 and 6.106.060 of the cultivation ordinance allow up to two permitted dispensaries in good standing to apply for ministerial cultivation permits, avoiding the selection process required for other cultivation permit applicants. On July 17, 2017, staff provided the two existing dispensary operators with draft application forms and a list of the materials required by the ordinance to be submitted to apply for their cultivation permits, and asked the operators to contact staff to schedule a pre-application meeting to review their plans. Staff has since finalized all of the forms (Please see attached). One of the dispensary operators has submitted a site plan and operations plan, and will meet with County staff on September 29,

2017. Staff will process their cultivation permit and conditional use permit as quickly as possible after receiving their complete applications.

### **Request for Proposals for Cultivation Sites**

Staff is in the process of preparing a Request for Proposals (RFP) to solicit applications for the remaining four available cultivation permits, pursuant to Section 6.106.070 of the cultivation ordinance. The RFP includes a description of the application evaluation and selection process, the selection committee who will review and score the applications, and the criteria and method to be used to score the applications. Permits will be granted to the applications ranked highest in the competitive selection process. Two applicant information meetings will be held prior to the application due date to provide County staff with an opportunity to present more detail about the RFP and selection process; and to provide an opportunity for applicants to ask specific questions about the permitting process and requirements, and request RFP clarification. All questions asked at the information meetings will be addressed in an RFP Addendum which will be posted on the County website following the information meetings. The RFP is scheduled to be distributed on October 2, 2017. With an aggressive schedule in place, the selection process will be completed and the four cultivation permits will be granted before the end of the year. The applicants who receive cultivation permits will then need to apply for Conditional Use Permits (CUP). Staff will provide an update on the status of the RFP at your Committee meeting.

### **NEXT STEPS**

Staff will continue to work with the two existing dispensary operators to assist them in completing their cultivation permit and CUP applications. In addition, staff will continue the application selection process for the four remaining cultivation permits with the goal of granting the permits before the end of the year.

### **Attachments**

- Permit Application, Medical Cannabis Cultivation Operator Permit (MCCOP)
- Medical Cannabis Cultivation Pilot Program: Standard and Special Requirements for Conditional Use Applications



**PERMIT APPLICATION**

**Medical Cannabis Cultivation Operator Permit (MCCOP)**

<b>A.</b>	<b>Proposed medical cannabis cultivation site</b>		
	If you need more space for site and Landowner details, please provide on a separate sheet marked "Attachment A".		
<b>Site</b>	Street address:		
	Suite/ Apt:		
	City:		
	State:		
	Zip code:		
<b>Assessor's Parcel Number(s) (APN)</b>			
<b>Landowner 1</b>	Name:		
	Primary contact person: (if the Landowner is a business)		
	Street address:		
	Suite/ Apt:		
	City:		
	State:		
	Zip code:		
	Preferred phone number:		
	Email address:		



	<b>Landowner 2 (if applicable)</b>	Name:	
		Primary contact person: (if the Landowner is a business)	
		Street address:	
		Suite/ Apt:	
		City:	
		State:	
		Zip code:	
		Preferred phone number:	
		Email address:	
<b>B.</b>	<b>Applicant</b>		
	If you need more space for Applicant details, please provide on a separate sheet marked "Attachment B".		
	<b>Applicant</b> (Business or individual)		
	<b>Applicant type</b> (Please check one only)	<input type="checkbox"/> business;                      or <input type="checkbox"/> individual.	
	<b>Primary Contact Person</b> (If the Applicant is a business)		
	<b>Address for Service</b> (Please check one only)	<input type="checkbox"/> Applicant;                      or <input type="checkbox"/> Primary Contact Person.	
		Street address:	
		Suite/ Apt:	
		City:	
		State:	
		Zip code:	



<b>Personal details</b> (Of Applicant, or; Primary Contact Person if Applicant is a business)	Date of birth:	
	Social security number:	
	Street address: (If different from above)	
	Suite/ Apt:	
	State:	
	Zip code:	
	Phone:	
	Email address:	
<b>Preferred method of service</b> (Please check one only)	<input type="checkbox"/> email; <input type="checkbox"/> mail; <input type="checkbox"/> email and mail.	
<b>C. Existing dispensary</b> To apply for a permit using this form, the Applicant must operate a permitted cannabis dispensary in unincorporated Alameda County. Please provide details of the Applicant's existing permitted dispensary. If you need more space for existing dispensary details, please provide on a separate sheet marked "Attachment C".		
<b>Permit number</b>		
<b>Date permit granted</b>	..... / ..... / ..... MM / DD / YY	
<b>Permit holder</b> (Business or individual named on the existing dispensary permit)		
<b>Existing dispensary site</b>	Street address:	
	Suite/ Apt:	
	City:	
	State:	
	Zip code:	
<b>Assessor's parcel number (APN)</b>		



<b>D.</b>	<b>Owner(s) of the proposed medical cannabis cultivation operation</b>																	
	The Applicant is required to provide details of each person with an ownership interest of 10% or more in the proposed cultivation operation. If there are more than two owners, please provide additional owner details on a separate sheet marked "Attachment D".																	
	<b>Owner 1</b>	<table border="1"> <tr><td data-bbox="654 331 883 401">Name:</td><td data-bbox="883 331 1432 401"></td></tr> <tr><td data-bbox="654 401 883 516">Street address:</td><td data-bbox="883 401 1432 516"></td></tr> <tr><td data-bbox="654 516 883 585">Suite/ Apt:</td><td data-bbox="883 516 1432 585"></td></tr> <tr><td data-bbox="654 585 883 655">City:</td><td data-bbox="883 585 1432 655"></td></tr> <tr><td data-bbox="654 655 883 724">State:</td><td data-bbox="883 655 1432 724"></td></tr> <tr><td data-bbox="654 724 883 793">Zip code:</td><td data-bbox="883 724 1432 793"></td></tr> <tr><td data-bbox="654 793 883 863">Phone:</td><td data-bbox="883 793 1432 863"></td></tr> <tr><td data-bbox="654 863 883 919">Email address:</td><td data-bbox="883 863 1432 919"></td></tr> </table>	Name:		Street address:		Suite/ Apt:		City:		State:		Zip code:		Phone:		Email address:	
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	<b>Owner 2 (if applicable)</b>	<table border="1"> <tr><td data-bbox="654 919 883 989">Name:</td><td data-bbox="883 919 1432 989"></td></tr> <tr><td data-bbox="654 989 883 1104">Street address:</td><td data-bbox="883 989 1432 1104"></td></tr> <tr><td data-bbox="654 1104 883 1173">Suite/ Apt:</td><td data-bbox="883 1104 1432 1173"></td></tr> <tr><td data-bbox="654 1173 883 1243">City:</td><td data-bbox="883 1173 1432 1243"></td></tr> <tr><td data-bbox="654 1243 883 1312">State:</td><td data-bbox="883 1243 1432 1312"></td></tr> <tr><td data-bbox="654 1312 883 1381">Zip code:</td><td data-bbox="883 1312 1432 1381"></td></tr> <tr><td data-bbox="654 1381 883 1451">Phone:</td><td data-bbox="883 1381 1432 1451"></td></tr> <tr><td data-bbox="654 1451 883 1501">Email address:</td><td data-bbox="883 1451 1432 1501"></td></tr> </table>	Name:		Street address:		Suite/ Apt:		City:		State:		Zip code:		Phone:		Email address:	
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<b>E.</b>	<b>Applicant's signature and acceptance</b>	
	<p>I declare, under penalty of perjury, that:</p> <ol style="list-style-type: none"> <li>1. I am the Applicant or have legal authority to sign on behalf of the Applicant;</li> <li>2. The Applicant has the ability to comply with laws regulating businesses in the state of California and shall maintain compliance with all relevant laws during the term of the permit;</li> <li>3. The Applicant operates a permitted dispensary;</li> <li>4. The Applicant's existing permitted cannabis dispensary permit has not been suspended or revoked and there are no pending proceedings for the suspension or revocation of the cannabis dispensary permit;</li> <li>5. The Applicant and any person with an ownership interest of more than ten (10) percent in the proposed cultivation operation has not been convicted of a felony within the past three years; and</li> <li>6. The Applicant and Primary Contact Person listed in the application are at least eighteen (18) years of age.</li> </ol> <p>I certify, under penalty of perjury, that:</p> <ol style="list-style-type: none"> <li>1. All the information contained in this application is true and correct; and</li> <li>2. The Applicant accepts the operating conditions and standard conditions established by the director of the Community Development Agency for cannabis cultivation sites.</li> </ol> <p>I authorize the County, its agents and employees, to seek verification of the information contained in the application.</p> <p>I agree to hold harmless and indemnify the County from all costs and expenses including attorney's fees that the County may incur.</p>	
	Name:	
	Signature:	
	Date:	..... / ..... / ..... (MM / DD / YY)



<b>F.</b>	<p><b>Landowner(s) consent to use property for medical cannabis cultivation</b></p> <p>If the site has more than one landowner, the signature of each landowner is required. Provide additional declarations of consent and signatures on a separate sheet marked "Attachment F".</p>	
<p>I declare, under penalty of perjury, that:</p> <ol style="list-style-type: none"> <li>I am the owner of the land identified in Section A of this permit application; and</li> <li>I consent to the proposed use of the land by the Applicant for the purpose of a medical cannabis cultivation operation.</li> </ol>		
Name (Landowner 1):		
Signature:		
Date:		..... / ..... / ..... (MM / DD / YY)
<p>I declare, under penalty of perjury, that:</p> <ol style="list-style-type: none"> <li>I am the owner of the land identified in Section A of this permit application; and</li> <li>I consent to the proposed use of the land by the Applicant for the purpose of a medical cannabis cultivation operation.</li> </ol>		
Name (Landowner 2, if applicable):		
Signature:		
Date:		..... / ..... / ..... (MM / DD / YY)





**Medical Cannabis Cultivation Pilot Program:  
Standard and Special Requirements for Conditional Use Applications**

**Required for All Conditional Use Permits**

- Standard Application
- Filing Fee for application review by the Planning Department: Check for \$4,000 payable to “Treasurer, County of Alameda”
- Approvals for Conditional Use Permit are based on meeting the following findings. Please describe how your projects meets these findings:
  1. The use is required by public need.
  2. The use will be properly related to other land uses, transportation and service facilities in the vicinity.
  3. The use, if permitted, under all the circumstances and conditions of the particular case, will not materially affect adversely the health or safety of persons residing or working in the vicinity, or be materially detrimental to the public welfare of injurious to property or improvements in the neighborhood.
  4. The use will not be contrary to the character or performance standards established for the District in which it is to be located.

**Special Application Requirements for Cannabis Cultivation**

Approvals for Conditional Use Permit for cannabis cultivation are based on meeting the following additional findings. Please describe your project in sufficient detail and/or provide sufficient supporting documentation to demonstrate how your project would meet these findings:

1. The applicant has demonstrated an ability to provide effective security for the Cannabis Cultivation site and to provide a safe environment for people working at the site.
2. Theft and diversion of Cannabis cultivated on the premises is prevented.
3. Artificial light shall not escape structures used for Cannabis Cultivation (e.g. greenhouses) at a level that is visible from neighboring properties between sunset and sunrise. Lighting that is visible from the exterior of the Cannabis Cultivation area is prohibited, except such lighting as is reasonably utilized for the security of the premises.
4. Any direct or sky-reflected glare or heat shall not be perceptible at any point outside of the Cannabis Cultivation site.
5. Noise or vibration, other than that related to transportation activities and temporary construction work, shall not be discernible without instruments at any lot line of the site.
6. Odorous gases or odorous matter shall not be emitted in quantities such as to be perceptible outside of the Cannabis Cultivation site.

7. The discharge into any public sewer, private sewage disposal system or stream or into the ground shall not occur except in accordance with the standards approved by the State Department of Health, of any materials of such nature or temperature as to contaminate any water supply, interfere with bacterial processes and sewage treatment, or in any way cause the emission of dangerous or offensive elements.
8. Any dust, dirt or particulate matter shall not be discharged into the air from any activity or from any products stored on the site.
9. The areas of the site to be actively used for Cannabis Cultivation activities are set back as follows:
  - a) At least fifty (50) feet from any property line shared with an adjacent property with different ownership, unless waived in writing by the adjacent owner;
  - b) At least three hundred (300) feet from any residence on an adjacent property with different ownership, unless waived in writing by the adjacent owner; and
  - c) At least one thousand (1000) feet from any school for pre-K to 12th grade students, licensed child or day care facility, public park or playground, drug or alcohol recovery facility or public recreation center.

### **Additional Requirements**

The applicant shall:

- At all times comply with the Alameda County Performance Standards and Standard Conditions for Pilot Program Cultivation Sites or be subject to revocation of the Conditional Use Permit;
- Demonstrate how the application responds to and achieves compliance, as applicable, with the mitigation measures contained in the Initial Study/ Mitigated Negative Declaration adopted by the County in relation to the County's Medical Cannabis Ordinance Amendments; and
- Prepare any necessary site specific environmental review.