

STANISLAUS COUNTY APPLICATION PROCEDURE FOR COMMERCIAL CANNABIS BUSINESSES (Only Eligible Registrants May Apply)

The application process for Commercial Cannabis Businesses ("CCB") in the County of Stanislaus is only available to those applicants that have submitted an eligible Interest Application in October 2017. Application forms will be e-mailed out to all eligible registrants on January 18, 2018. For questions regarding the application process please review the information and FAQ's the County Stanislaus available on of webpage: www.stancounty.com/cannabis. An informational workshop for eligible registrants is scheduled for January 24, 2018, 3-5 p.m. at 1010 10th Street, Board Chambers, located in the basement.

This document outlines the application process, required materials, and other information necessary to operate a CCB in Stanislaus County unincorporated area. To be considered, all applicants must be registered and submit an application form and attachments beginning **Tuesday, February 27, 2018 9:00 a.m. through Thursday, March 1, 2018, 3:00 p.m. (by appointment only)** at the Planning Department located at 1010 10th Street, Modesto, Suite 3400, with applicable fees.

BEFORE YOU APPLY:

- □ You must be an eligible registrant. Registration interests were submitted in October.
- □ Review the information regarding the application process and documents you will need.
- □ Review the application in its entirety to ensure that it is complete and accurate.
- □ Review the information regarding the commercial cannabis business permit application on the County webpage: <u>www.stancounty.com/cannabis</u> which includes the following information:
 - Local regulations governing County of Stanislaus CCB's: County of Stanislaus County Code ("SCC") Chapter 6.78
 - Background Live Scan form and appointment scheduling link
 - December 5, 2017 staff report to the Board of Supervisors
 - Zoning Ordinance Amendment and Zoning Chart
 - Frequently Asked Questions, as available

Application Process: The selection process shall consist of the following Phases:

- Phase 1: Registration Interest, \$4,359 non-refundable deposit COMPLETED
- Phase 2: Cannabis Application, \$8,500 minimum processing fee/deposit (apply \$4,359 deposit), and \$1,012 per person criminal background and live scan minimum fee/deposit.
- Phase 3: Initial application evaluation, third party review. Must score a minimum of 80% and pass background screening to continue.
- Phase 4: Final applicant ranking. Completed through a county interview process.
- Phase 5a: Discretionary Land Use Entitlement Application, applicable department fees apply. Required Entitlements & California Environmental Quality Act (CEQA) review. Public Hearing.
- Phase 5b: Development Agreement that includes a Public Benefit contribution. Board of Supervisors Approval and Execution of Development Agreement
- Phase 6: Regulatory Permit Fee, \$5,000 each, renewed annually

- 1. **Registration:** Every applicant wishing to operate a commercial cannabis business in the unincorporated area of Stanislaus County must have submitted a registration form as part of Phase 1. Only those who are active registrants may submit a CCB application.
- 2. Criminal History Check: As part of Phase 3 of the Application Process each Owner and Property Owner must undergo a criminal background check demonstrating that there is not "good cause" for denial. The background check fee is \$1,012 per person payable to the Sheriff's Department at time of Live Scan appointment. The application for the Live Scan and appointment link is available on the County website. Owners and Property Owners who do not meet criminal history eligibility requirements will be disqualified.
- 3. Application: Applicants must hand deliver five (5) completed and signed copies of the Stanislaus County Commercial Cannabis Business Application and all attachments, along with a flash drive which contains one completed and signed copy of the application in a pdf format, and payment of the application fee (see Phase 2) by <u>3:00 PM on Thursday, March 1, 2018.</u> Late applications will not be considered. Payments made by a certified check, cashier's check, or money order are made payable to the County of Stanislaus. Application and background fees are non-refundable. A complete application will consist of the following information:
 - a. The Stanislaus County Commercial Cannabis Business Application and attachments
 - Attachments include, but not limited to the following: Proof of Property Ownership or Lease Agreement, Property Site Plan, Business Plan, Neighborhood Compatibility Plan, Safety and Security Plan, Air Quality/Odor Control Plan, Labor and Employment Plan (see Description of Evaluation Criteria).
 - b. Live Scan form for each Owner and Property Owner
- 4. Amendments to the Application: Applicants will not be allowed to make amendments to their application or to supplement their application, except as otherwise specifically permitted in these procedures or as authorized in writing by the County Chief Executive Officer or his designee. During Phase 2, applicants will be notified if any of the Owners are ineligible and/or if their application is incomplete and will not move forward in the application process. However, in some cases the County may move forward in the application process to other phases should it anticipate that the Live Scan or background check may be delayed expediting the application process in a timely manner. In this case Applicants wishing to move forward in the process acknowledge by signing the application that they agree to these terms and should they be disqualified because of a background or a Live Scan disqualification they will not be eligible for a refund of any fees collected resulting from the modification of this procedure.
- 5. Payment of Application Fees: The individual designated as the CCB primary contact on the application will be notified by e-mail of their status in the application process. As part of Phase 5 all eligible Applicants as determined by the Ordinance or by resolution shall apply for the required entitlements (conditional use permit/rezone, and development agreement) to be reviewed by the Planning Commission and forwarded to the Board of Supervisors for approval. Additional fees for land use entitlement applications are to be paid in this phase per existing department fees ordinance. Refer to http://www.stancounty.com/planning/documents/planning-fees.pdf for additional details. Upon approval of the required entitlements and Development Agreement, a permit fee of \$5,000 will be due before issuance of the CCB permit. Deadlines for these payments will be included in the e-mail notification to the primary contact person.

EVALUATION. SELECTION AND PERMITTING PROCESS

The evaluation and selection process shall consist of the following six phases:

- Phase 1: Registration-Request for Commercial Cannabis Business Permit (CCB)
 - Every applicant wishing to operate a commercial cannabis business in the unincorporated area of Stanislaus County must have submitted a registration form before October 20, 2017 in order to be eligible and continue in the application process.
- Phase 2: Determination of Eligibility and Application
 - Each Owner and Property Owner must undergo a criminal history check demonstrating compliance with the Board of Supervisors adopted eligibility requirements.
 - Applications must be complete to be considered. Applications will be considered complete only if they include all the information required for Phases 1, 2, 3 and 4.
 - Proposed location of business.
 - Execute an agreement indemnifying the County from liability.

• Phase 3: Initial Ranking (1,500 Points)

Applications will be evaluated based on the following criteria:

- Proposed Location of business (200 Points)
- Business Plan (400 Points)
- Neighborhood Compatibility Plan (300 Points)
- Safety and Security Plan (300 Points)
- Air Quality Plan (100 Points)
- Labor and Employment Plan (200 Points)
- Those applicants who scored a minimum of 80% in Phase 3 will move on to Phase 4.
- Phase 4: Second Ranking (2,500 Points)
 - All applications that score at least 80% in Phase 3, will be interviewed and evaluated by the Selection Committee based on the criteria listed below.
 - As part of the interview process in Phase 4 each applicant may be required to have their proposed site inspected by the assigned County designee(s) to ascertain current conditions of the facility.
 - The second ranking will be scored based on the following criteria:
 - Final Location (proof of ownership or a signed and notarized statement from the Property Owner (200 Points)
 - Business Plan (300 Points)
 - Community Benefits (300 Points)
 - Enhanced Product Safety (200 Points)
 - Environmental Benefits (200 Points)
 - Labor & Employment (200 Points)
 - Local Enterprise (200 Points)
 - Neighborhood Compatibility Plan (200 Points)
 - Qualifications of Principals (300)
 - Safety and Security Plan (200 Points)
 - Air Quality Plan (200 Points)

- After all the applicants from Phase 4 scores have been tabulated they will be combined with Phase 3 to establish a ranking of the 61 eligible permits. All the applicants who continued to maintain a score of at least 80% or as determined by resolution will move onto Phase 5 of the selection process.
- Phase 5: Entitlements Conditional Use Permit (or Rezone if applicable), Development Agreement, CEQA, Public Hearings
 - Applicant shall apply for a conditional use permit (or rezone if applicable) and development agreement.
 - Applicants will move onto Phase 6 of the process after the Planning Commission and County Board of Supervisors have approved the required entitlements and Development Agreements.

During Phase 5, as part of the entitlement review process, the applicant shall participate in a public hearing before the Planning Commission and County Board of Supervisors which will be held in the County of Stanislaus Supervisors Chambers on a date and time to be determined by County staff. Notice of the public hearing shall be noticed in the same manner pursuant to Chapter 21.08.020(D)(1). Notice of the public hearing shall be sent to all property owners and tenants located within six hundred (600) feet of the proposed business location and a minimum of two parcels in all directions, when located in an urban area, or 1,320 feet and two parcels out in all directions when located in a rural area.

At the Public Hearing, the community will be allowed to present concerns and/or support and provide additional considerations for potential permit conditions that may be implemented by staff, the Planning Commission and the County Board of Supervisors. All required entitlement permits (i.e. Conditional Use Permit/Rezone, Development Agreement) shall be adopted and/or approved by the Planning Commission and County Board of Supervisors prior to moving on to Phase 6.

• Phase 6: Issuance of Stanislaus County Commercial Cannabis Business Permit Phase 6 Steps to be followed:

- 1. Compliance with requirements of entitlement approvals.
- Apply for and receive permits for all construction including electrical, plumbing, fire, planning permits or reviews, and any other permits, licenses, or reviews as may be necessary by the relevant departments or governmental entities in charge of said permits. (i.e. Stanislaus Building Division, Stanislaus Sheriff's Department, Stanislaus Consolidated Fire District, Environmental Resources Department, etc.).
- 3. County Chief Executive Officer's issuance of CCB permit.
- 4. County notifies State of local permit compliance.
- 5. Proof of State of California permit within 120 days of County CCB permit issuance.

The County's Reservation of Right's

The County reserves the right to reject any and/or all proposals, with or without any cause or reason. The County may also, modify, postpone, or cancel the request for permit applications without liability, obligation, or commitment to any party, firm, or organization. In addition, the County reserves the right to request and obtain additional information from any candidate submitting a proposal. Late proposals WILL BE REJECTED. Furthermore, a proposal RISKS BEING REJECTED for any of the following reasons:

- 1. The application or documents submitted are incomplete, filed late, or not responsive to the requirements of this application procedure.
- 2. The issuance of the permit or operation of the commercial cannabis business at the proposed location is inconsistent with State law, Title 21, Chapter 6.78, or other applicable County of Stanislaus County Codes.

CONTACT:

If you have any questions please refer to our website at <u>http://www.stancounty.com/cannabis/</u> or e-mail cannabis@stancounty.com.