Background

- February 9, 2010 – Joint City Council/Planning Commission Study Session
- April 8, 2010 – Planning Commission recommends Amendments to Development Code
- May 11, 2010 – Council Study Session
Items for consideration

- Conditional Use Permit
- Operator’s Permit
- Selection Process
- Fees

Components of Proposed Title 16 Ordinance

- Use Permit Requirements
- Zoning Restrictions
- Separation Standards
- Security Standards
- Operational Standards
Use Permit Requirement/ Separation Standards

- Initially allow 3 Dispensaries (1 per 100,000 in population), limit to 1 per City Council District
- Commission Use Permits allowed within the following zoning districts:
  - Commercial, General (CG)
  - Commercial, Large-Scale (CL)
  - Industrial, General (IG)
  - Industrial, Limited (IL)

Use Permit Requirement/ Separation Standards

- Separation standards (map shown on following slide)
  - A Medical Cannabis Dispensary may not be operated:
    - within 300 feet of a residentially used property or religious institution;
    - within 500 feet of a transitional housing facility;
    - within 1,000 feet of another Dispensary, school (K-12), park, library, child care facility, community center that is attended by minors, adult related use, on-sale bar with general alcohol (Type 48)
Security Standards

- Security Standards include
  - Controlled entry, video surveillance, security guard, and alarm system
  - Community relations staff on-site to answer questions
  - Inspections by Stockton Community Development, Fire, and Police Departments
Operational Standards

- Operations Standards include:
  - Health and Safety measures for edibles
  - Not allowing cultivation on-site, but allowing the retail sale of clones without cultivation
  - Not allowing medical personnel on-site for recommendations
  - Limiting minors on-site

Components of Proposed Title 5 Ordinance

- Operator’s Permit
- Employee Work Permit
Operator’s Permit

- Annual Permit issued to the Operator
- Police Department conducts a background check on the owners, officers, and employees

Grounds for Denial

- Conviction of a felony or other serious crime
- Association with organized crime
- Making false statements on the application
- Conducting a nuisance-type operation
Annual Renewal

- Annual Fee
- Investigation and monitoring of operation and any changes during the year
- Background check of new employees

Suspension or Revocation

- Suspension for any violation of conditions
- Appeal process
### Employee Work Permit

- Police Department background check
- Grounds for denial
- Appeal process

### Audits

- Annual accounting done by outside agency of business’s financial records
- Gross revenues evaluated to determine business license tax
- Review of records to determine compliance with State law – Compassionate Use Act and Medical Marijuana Program Act
Selection Process

- Initial Applications
- Top 3 selected
- Top 3 obtain Operator’s Permit
- Top 3 obtain Conditional Use Permit
- No. 4 goes through the process if any of the Top 3 fall out

Application Phase

- 60-day application period
- Application submittal shall include:
  - Organization document
  - Proof of Capitalization
  - Proof of Ownership or Lease
  - Projected Income and Expenses
  - Security Plan
  - Facility Plan
  - Business Plan
  - Operations Plan
  - Inventory Plan
  - Quality Control Plan
  - Staffing Plan
  - Test
Scoring Phase

- Independent Reviewer
- Points awarded
- Ranked
- Top 3 continue
- 12 months to complete Operator's Permit and Use Permit

Fees

- Initial Application
- Annual Operator’s Permit, includes background checks on owner, operator, all employees, annual audit by outside agency, ongoing investigations, review of reports
- Use Permit
Recommended Actions

- Ordinance allowing the establishment of medical cannabis dispensaries in specified zoning districts with the approval of a Planning Commission Use Permit
- Ordinance regulating the operation and employee permit requirements
- Resolution amending the 2010-2011 Fee schedule to incorporate new fees related to the permit to operate, employee permit, renewal fees, and cost recovery
- Resolution implementing the Administrative Guidelines to establish the procedures for the dispensary selection process