



MEMORANDUM

November 2, 2017

TO: Board of Supervisors' Transportation/Planning Committee

FROM: Medical Cannabis Interdepartmental Work Group

MEETING DATE: November 6, 2017

SUBJECT: Cannabis Cultivation Pilot Update

BACKGROUND

The Medical Cannabis Cultivation Ordinances 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. Staff had a pre-application meeting with one of the existing dispensary operators on September 29, 2017; however, no cultivation applications have been received as of this writing.

Request for Proposals for Cultivation Sites

On October 6, 2017, staff released 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. Applications are due on November 6, 2017. The RFP includes a description of the application evaluation and selection process, the selection committee who will review and score the applications, and make recommendations to the Community Development Director regarding applicants to be granted permits; and the criteria and method to be used to score the applications. For the most part, the evaluation criteria are based on requirements in Section 6.106.080 of the cultivation ordinance. Applicants may also receive additional points by proposing a community benefit program to support local community organizations providing services such as job training, cannabis youth education, or substance abuse assistance. Up to ten percent may be added to an applicant's final score for demonstrating an historic and/or a long-term commitment to improving the local agricultural community. A link to the RFP is available on the [county website](#).

Permits will be granted to the applications ranked highest in the competitive selection process. At two applicant information sessions, one held in East County on October 18th and one held in West County on October 19th, County staff presented detailed information about the application and selection processes; and applicants asked questions about the requirements. All questions asked at the information meetings were addressed in an RFP Addendum which was posted on the [county website](#) on October 27th. 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).

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. Staff will provide an update on the application selection process at your December Committee meeting.