

COMMERCIAL CANNABIS

PROPOSED ORDINANCE
FEB. 6, 2018

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RETROSPECTIVE

- Previous Cannabis Workshops in August & October 2017
- December 2017 Preliminary Draft Ordinance
 - Public Comment & Council Requests
 - Reach out to Cannabis Industry
 - Restrict to Most Qualified Applicants/Eliminate Unlawful Actors
 - Add Labor Peace Agreement requirement
 - Employee Training Requirement
 - Ensure Location Restrictions Allow Intended Number of Businesses
 - Include Product & Advertising Restrictions
 - Add City/State Contact for Complaints
 - Prioritize Community Investment and Public Education
 - Strong Enforcement
 - Consider Federal Law Issues

PROPOSED ORDINANCE

- Collective Work to Date
 - Weekly Meetings, Multi-Departmental Participation
- Authorized License Types
 - Storefront Retailer (no Delivery)
 - Non-Storefront Retailer
 - Cultivator (Indoor only)
 - Manufacturer
 - Distributor
 - Testing Laboratory

NUMBER & LOCATION

- Number of Licenses
 - Storefront & Non-Storefront Retailers
 - Maximum of 3 per Council District, with no more than 2 Storefront Retailers per District
 - Cultivators, Distributors, Manufacturers, and Testing Laboratories
 - No Limit on Number of Licenses
- Location Requirements
 - Storefront Retailers
 - permitted in Commercial Zones or, with a CUP, in Industrial Zones
 - Non-Storefront Retailers, Cultivators, Distributors, Manufacturing, and Testing Laboratories
 - permitted in Industrial Zones

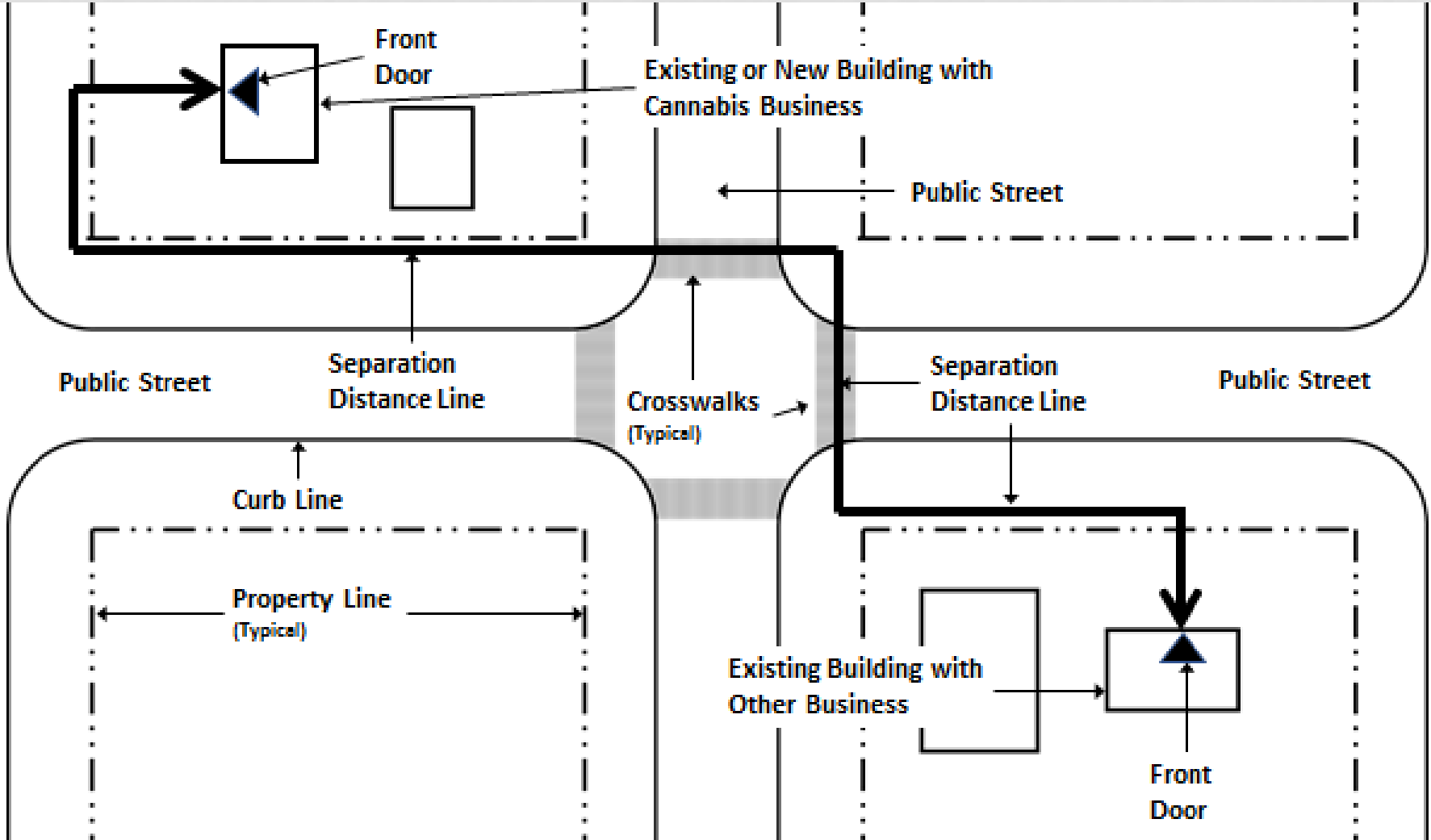
SEPARATION REQUIREMENTS

- Storefront Retailers
 - 1,000' from Day Care Center or Public/Private K-12 School
 - 600' from Treatment Facility, Youth Center, Youth-Oriented Business, or Public/Private Park
 - 150' from existing residential use or proposed exclusive residential zone
- Cultivators, Distributors, Manufacturers, and Testing Laboratories
 - 150' from any zone allowing residential uses

MEASURING SEPARATION REQUIREMENTS

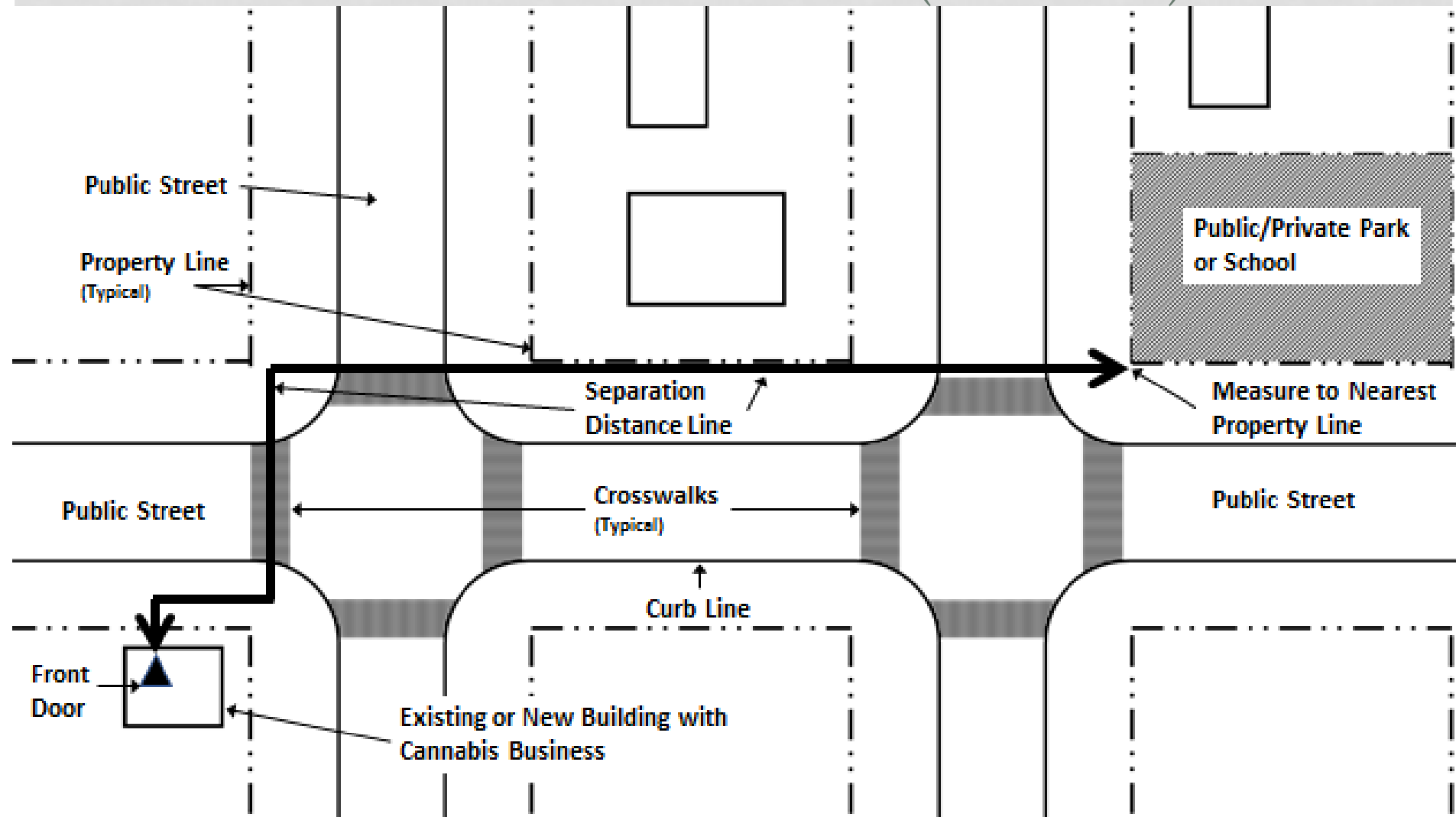
- Measuring Points differ depending on use
 - Commercial Cannabis Business
 - Day Care Center, Youth Center, Youth-Oriented Business, Treatment Facility
 - Public or Private School, Public or Private Park, residential use or residential zone
- Measurement Path
 - Depends on measuring points
 - Examples included

MEASUREMENT PATH DOOR TO DOOR



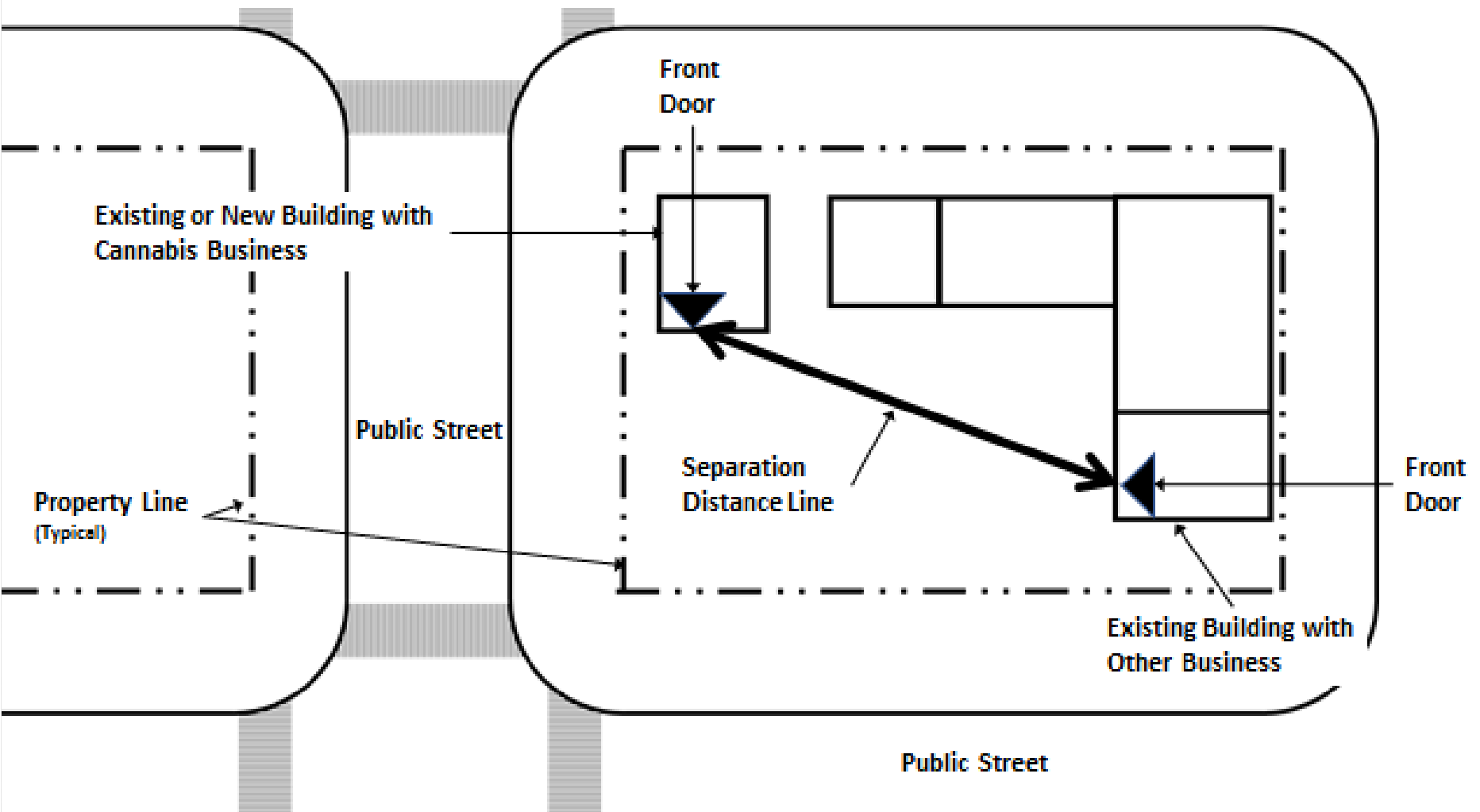
MEASUREMENT PATH

DOOR TO PROPERTY LINE (PREMISES)



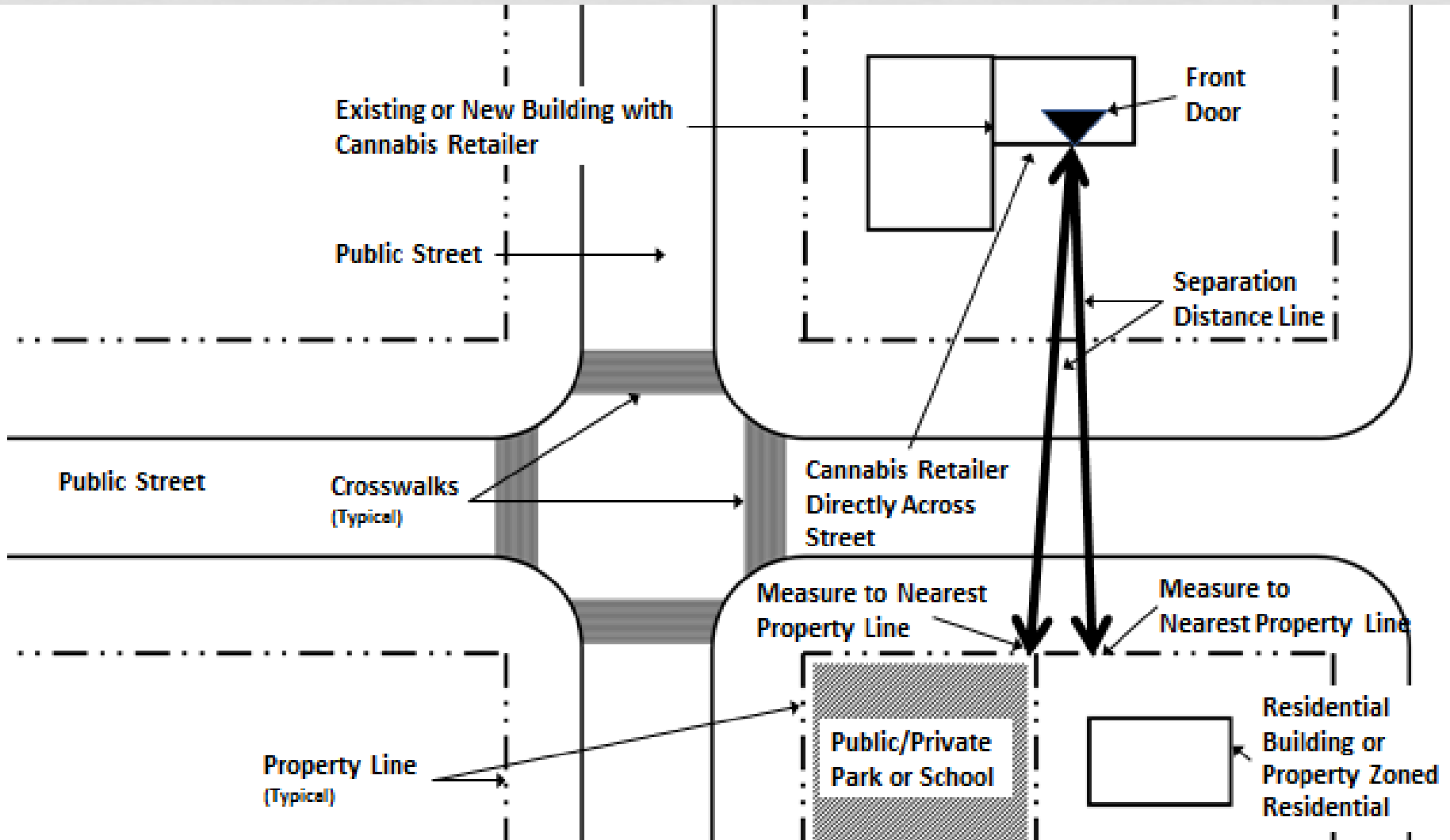
MEASUREMENT PATH

DOOR TO DOOR ON SAME PREMISES



MEASUREMENT PATH

DOOR TO PROPERTY LINE (PREMISES) WHEN ABUTTING



APPLICATION PROCESS

- Three Phases
- Phase One
 - Identify Experience
 - No history of unlawful activity
 - Lawful cannabis or controlled substance business experience
 - Assess Business Plan and Finances
 - Must submit business and operating plans
 - Liquid asset requirement
 - Labor Peace Agreement requirement
 - Criminal Background Check

APPLICATION PROCESS (CONT.)

- Phase Two
 - Choose Location and Obtain Site Permits
 - Security and Emergency Action/Fire Prevention Plans
 - Obtain Employee Work Permits
- Conditional License (Phase Three)
 - Finalize Permits
 - Obtain State License

OPERATIONAL REQUIREMENTS & RESTRICTIONS

- Training Requirement
- Product & Sales restrictions
 - Limit on amount that can be sold per person per day
 - THC mg restrictions on edible products
 - No cannabis-infused beverages
- Advertising/marketing restrictions
 - Apply to all persons, not just Licensees
 - Products that aren't permitted can't be advertised
 - Can't be near sensitive uses
 - Can't be attractive to youth
 - Can't contain false statements/inferences

COMMUNITY RELATIONS & INVESTMENT

- Community Relations Contact
 - Reach out to nearby businesses and residents
 - Provide contact information for reporting problems to business, city, and state
- Community Investment
 - Operator must cooperate
 - Annual budgeting for:
 - Enforcement
 - Education
 - Prevention

ENFORCEMENT

- Civil Enforcement
 - Civil Penalties of up to \$10,000 per day
 - Suspension/Revocation of License
 - Tiered Enforcement
 - Civil Litigation
- Criminal Enforcement
 - Criminal Prosecution Unit
 - Can be funded with tax revenue

TIMELINE/NEXT STEPS

1. Place Ordinance on First Reading
2. Second Reading and Adoption
3. Present Cannabis Tax Measure for City Council Approval
4. Ordinance Implementation
 - Draft and Approve Regulations, Fees, and Forms
 - Accept Applications
 - Issue Licenses – January 2019 Target Date

QUESTIONS



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