

Limitation on the Number of Cannabis Dispensaries

Cannabis Dispensaries.

1. Initial Maximum Amount of Cannabis Dispensary Permits. Upon the effective date of this provision, the City Council may issue a maximum of up to one (1) cannabis business permit to a qualified cannabis dispensary at any one given time. The permit shall be issued in accordance with the application and permit approval process contained in this Chapter 12F and resolutions adopted pursuant to this Chapter. The cannabis dispensary must obtain a cannabis regulatory permit from the City before commencing operations, must be in compliance with all applicable state and federal laws pertaining to its operation, including obtaining all necessary licenses from the state, and shall comply with all applicable operational and zoning requirements set forth in the City of Colusa Municipal Code. Nothing in this Chapter creates a mandate that the City Council must issue one or more cannabis business permit to a cannabis dispensary if the City Council determines that there are no qualified applicants, the proposed locations for cannabis businesses are incompatible with neighboring land uses, or if the City Council determines that the issuance of a cannabis dispensary would have a negative effect on the health, safety, or welfare of the citizens or businesses of the City of Colusa, or for any other reason allowed by law.
 - (a) City Council Review and Increased Maximum Number of Cannabis Dispensaries to be Issued. Eighteen (18) months after the first cannabis business permit for a dispensary is issued, the City Manager shall deliver a report to the City Council during a regular meeting which examines the positive and negative impacts that the cannabis dispensary has had on the community during the preceding twelve (12) months. The report shall include, among other things, an analysis of how the cannabis dispensary has complied with state and local regulations, any positive or negative community and law enforcement impacts, and any revenue generated. If after hearing the report the City Council makes a determination that there are no significant consequences of allowing cannabis dispensaries to operate in the City, the City Council at its sole discretion may vote to expand the number of authorized cannabis dispensary permits to be issued up to a maximum of two (2). If the City Council takes no action, or finds that the impacts are unacceptable, then the maximum number and type of cannabis dispensaries authorized shall continue to be limited to one (1) as provided in subdivision (a) above.
2. All Other Cannabis Businesses. The Planning Commission may issue permits to other qualified cannabis business owners or operators to operate cannabis cultivation, manufacturing, distribution, transporting, or testing laboratory businesses within the City of Colusa through the application and permit approval process contained in this Chapter 12F, Zone Article 21, and resolutions adopted pursuant to this Chapter. All cannabis businesses must obtain a cannabis regulatory permit from the City before commencing operations, must be in compliance with all applicable state and federal laws pertaining to its operation, including obtaining all necessary licenses from the state, and shall comply with all applicable operational and zoning requirements set forth in the City of Colusa Municipal Code. Nothing in this Chapter creates a mandate that the Planning Commission or the City Council must issue one or more cannabis business permit to a cannabis cultivator, manufacturer, distributor, transporter, or testing laboratory if the Planning Commission or the City Council determines that there are no qualified applicants, the proposed locations for cannabis businesses are incompatible with neighboring land uses, or if the Planning Commission or the City Council determines that the issuance of a cannabis business permit would have a negative effect on the health, safety, or welfare of the citizens or businesses of the City of Colusa, or for any other reason allowed by law.

Application for Cannabis Business Permit: Renewal Applications; and Effect of Revocation or Suspension of State License.

A. Initial Application Procedure.

1. The City Council shall adopt by resolution the procedures which will govern the application process, and the manner in which the decision will ultimately be made regarding the issuance of any cannabis business permit(s). The resolution shall authorize the City Manager or his or her designee to prepare the necessary forms, adopt any necessary rules, regulations and processes, solicit applications, conduct initial evaluations of the applicants, and to ultimately provide a final recommendation to the City Council of the top three (3) applicants for consideration.
2. At the time of filing, each applicant shall pay an application fee established by resolution of the City Council, to cover all costs incurred by the City in the application process.
3. After the initial review the City Manager or his designee will make a recommendation to the City Council, and the City Council shall make a final determination in accordance with the selection procedure set forth in the Resolution adopted by the City Council.

B. The City's Reservation of Rights:

The City reserves the right to reject any or all applications. The City may also modify, postpone, or cancel any request for applications, or the entire program under this Chapter, at any time without liability, obligation, or commitment to any party, firm, or organization. Persons submitting applications assume the risk that all or any part of the program, or any particular category of permit potentially authorized under this Chapter, may be cancelled at any time prior to permit issuance. The City further reserves the right to request and obtain additional information from any candidate submitting an application. In addition to any other justification provided a failure to comply with other requirements in this Chapter, an application RISKS BEING REJECTED for any of the following reasons:

1. Proposal received after designated time and date.
2. Proposal not containing the required elements, exhibits, nor organized in the required format.
3. Proposal considered not fully responsive to this request for permit application.
4. Proposal contains excess or extraneous material not called for in the request for permit application.

C. Expiration of Cannabis Business Permits. A cannabis business permit issued pursuant to this Chapter shall expire twelve (12) months after the date of its issuance. cannabis business permits may be renewed as provided in subsection D below.

D. Revocation of Permits. Cannabis business permits may be revoked for any violation of any law and/or any rule, regulation and/or standard adopted pursuant to this Chapter 12F or Article 21

E. Renewal Applications.

1. An application for renewal of a cannabis business permit shall be filed at least sixty (60) calendar days prior to the expiration date of the current permit.
 2. The renewal application shall contain all the information required for new applications.
 3. The applicant shall pay a fee in an amount to be set by the City Council to cover the costs of processing the renewal permit application, together with any costs incurred by the City to administer the program created under this Chapter.
 4. An application for renewal of a cannabis business permit shall be rejected if any of the following exists:
 - a. The application is filed less than sixty (60) days before its expiration.
 - b. The cannabis business permit is suspended or revoked at the time of the application.
 - c. The cannabis business has failed to conform to the requirements of this Chapter, or of any regulations adopted pursuant to this Chapter as existing at the time the original permit was issued, including separation of the location from sensitive uses.
 - d. The permittee fails or is unable to renew its State of California license.
 - e. If the City or state has determined, based on substantial evidence, that the permittee or applicant is in violation of the requirements of this Chapter, or the City's Municipal Code as existing at the time the original permit was issued, including separation of the location from sensitive uses, or of the state rules and regulations, and the City or state has determined that the violation is grounds for termination or revocation of the cannabis business permit.
 5. The City Manager or his designee is authorized to make all decisions concerning the issuance of a renewal permit. In making the decision, the City Manager or his designee is authorized to impose additional conditions to a renewal permit, if it is determined to be necessary to ensure compliance with state or local laws and regulations or to preserve the public health, safety or welfare. Appeals from the decision of the City Manager or his designee shall be handled pursuant to Section 9.22.060 entitled "Appeals."
 6. If a renewal application is rejected, a person may file a new application pursuant to this Chapter no sooner than one (1) year from the date of the rejection.
- F. Effect of state license suspension, revocation, or termination. Suspension of a license issued by the State of California, or by any of its departments or divisions, shall immediately suspend the ability of a cannabis business to operate within the City, until the State of California, or its respective department or division, reinstates or reissues the State license. Should the State of California, or any of its departments or divisions, revoke or terminate the license of a cannabis business, such revocation or termination shall also revoke or terminate the ability of a cannabis business to operate within the City of Colusa

Application Resolution:

APPLICATION PROCEDURE

FOR MEDICAL CANNABIS BUSINESS PERMIT (OTHER THAN DISPENSARIES)

The application process for a permit to operate a Cannabis Business (other than dispensaries) including cannabis cultivation, manufacturing, distribution and testing laboratories (“MCB”) in the City of Colusa is now open. Applications will be processed on a first come, first served basis, and will be accepted on a rolling basis. Applications will be available at the Colusa City Hall, 425 Webster Street, Colusa, CA 95932, or my request to City Manager (citymanager@cityofcolusa.com)

BEFORE YOU APPLY:

- Review the information to learn about the application process and which documents you will need.
- Review the application in its entirety to ensure that it is complete and accurate.
- City of Colusa Municipal Code Chapter 12F which contains the City regulations on Cannabis Businesses.
- Local Zoning Ordinance Chapters 21 and 33.
- State Background Check Form and Live Scan Form.
- State laws governing cannabis, including the Medicinal and Adult-Use Cannabis Regulation and Safety Act.
- The California Department of Justice Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use and Senate Bill 420 (Medical Marijuana Program Act).

GENERAL INFORMATION:

1. Application Process: The selection process shall consist of the following steps:

- Staff determination of application completeness.
- Background checks verification.
- Staff review and public noticing.
- Planning Commission Meeting for determination of permit.

For more information, see Evaluation and Selection Process below.

2. Criminal History Check: Each individual applying to be a principal of the cannabis business (“Principal”) must undergo a criminal history check. Until City receives clearance to receive federal background check results, applicants must submit to a state background check and then once the City receives federal clearance, applicants must also complete the Live Scan background check process. The Planning Commission is authorized to issue a cannabis regulatory permits after an applicant passes the stat background check, but before the applicant completes the Live Scan process, provided that the permit issued is contingent on the applicants’ passing the Live Scan background check. Should an applicant with a permit fail the Live Scan background check, the permit will immediately and automatically be revoked and the operating must cease operations immediately upon being notified by the City that the applicant failed the background check.

The Live Scan process involves submitting fingerprints to the DOJ/FBI, which will review for criminal offender record information (CORI). CORI reports will be provided to the Nevada City Police Department for the sole purpose of determining eligibility for operating a Medical Cannabis Dispensary. See CMC Section 21 for background check requirements. The City may deny a permit application if the applicant has been convicted of a crime listed in California Business and Professions Code section 19323.

3. Zoning Verification Letter: Applicants will be required to identify by Assessor’s Parcel Number (APN), and address (where available), the property they intend to use for their proposed MCB. Applicants must also obtain and pay all applicable fees for obtaining a “Zoning Verification Letter” for that property from the City of Colusa Planning Department. The purpose of the Zoning Verification Letter is to ensure that the property the applicant is applying for meets local requirements or has submitted a completed application to the City Planning Department for a qualifying rezone. The fee for the Zoning Verification Letter is included in the application fee. Please note that the issuance of a “Zoning Verification Letter” does not constitute written evidence of any kind of permission being given by the City of Colusa, and it does not convey any right to operate a cannabis business in the City. Final decisions on the issuance of permits will be made by the Planning Commission following the approved application procedure process. The issuance of a Zoning Verification letter is not a “permit” within the meaning of the Permit Streamlining Act, nor does it constitute an entitlement of any kind under the City’s Zoning or Building Code. A regulatory permit for the purpose of regulating a cannabis business does not constitute a permit that runs with the land on which the cannabis business is established. Request for Zoning Verification Letters require a written request to the Planning Department and will not be completed over the counter.

4. Application: Applicants must hand deliver two (2) complete comprehensive and signed copies of the City of Colusa Cannabis Regulatory Permit Application Form, and all attachments, if any, and payment of **\$5,000.00** for the initial application fee (Payment must be made by a certified check, cashier's check or money order made payable to the City of Colusa. Application Fees are non-refundable.

A complete application will consist of the following information:

a. City of Colusa Cannabis Regulatory Permit Application Form;

2. Proof of completion of background check application (either state background check or Live Scan submittal and payment for each of the Principals, whichever is applicable);
3. Zoning Verification Letter; and
4. All of the information about the cannabis business which is described in the application and Evaluation Process section below in this procedure.
5. Payment of the application fee.

5. Public Meeting: Completed application, once principals pass background checks and staff has had adequate time to review and make a recommendation, will schedule each application for a public meeting in front of the Planning Commission that will be held at the City of Colusa Council Chambers located at 425 Webster Street, Colusa, California. Notice of this meeting will be provided by the City to any affected parcels located within 300 feet of the proposed location for each of the top three (3) applicants in each category, in accordance with CMC Section 12F/Article 21. The cost of providing this notification must be paid by the applicants before the Planning Commission hearing to consider the application takes place. Applicants are notified that, they will be required to separately purchase the radius map and labels for the public meeting. Labels and radius map are required at least twenty-four (24) days prior to the date of the public meeting. Staff will prepare and mail out the notice. Applicants will be required to pay \$15 per mailing and \$100 for preparation of the notice.

EVALUATION AND SELECTION PROCESS:

Step 1: Determination of Eligibility and Application

Each Principal must undergo a criminal history check by obtaining a background check through either the state background check process and Live Scan process or only the Live Scan process depending on whether the FBI has granted City access to federal background check results by the time the application is submitted. The City will deny a permit application if the applicant has been convicted of a crime listed in California Business and Professions Code section 19323.

Applications must be complete to be considered. Complete application will contain the following information:

1. Proposed location of business and Zoning Verification Letter;
2. Business and Parking Plan;
3. Environmental Benefits (energy/water efficient practices, disposal methods;
4. Labor & Employment;
5. Local Enterprise;

6. Neighborhood Compatibility Plan;
7. Community Benefits;
8. Qualifications of Principals; and
9. Safety and Security Plan.

Step 2: Staff and Planning Commission Review

Once the principals pass the background check, City staff including the Police Chief, Fire Chief, Building Official, City Engineer, City Manager, City Planner and an attorney from the City Attorney's Office will review the application in order to make a recommendation to the Planning Commission about whether the application should be approved. The Planning Commission will also be given the application to allow adequate time for their review.

Step 3: Notice & Planning Commission Meeting to Consider Application

Once staff and the Planning Commission have completed their review of the application, planning staff will schedule the application for consideration at a Planning Commission meeting and will notify property owners within 300 feet of the proposed business location, as required by Chapter 12F/Article 21 of the Colusa Municipal Code.

The Planning Commission will hold a public meeting at a regular Planning Commission meeting as scheduled by the planning department, and will make a determination as to whether to approve, deny, or continue the application. If the Planning Commission approves the application for a cannabis regulatory permit, it will be contingent on the applicant obtaining all other land use entitlements necessary to begin operations, including any required environmental review.

The City's Reservation of Rights

The City reserves the right to reject any and/or all proposals, with or without any cause or reason. The City 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 City reserves the right to request and obtain additional information from any candidate submitting a proposal. Furthermore, a proposal RISKS BEING REJECTED for any of the following reasons:

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