Contra Costa County

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: December 15, 2020

Subject: The Artist Tree V Community Benefit

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute a community benefits agreement with The Artist Tree V, LLC, effective upon approval of a use permit, to pay the County amounts based on annual sales and provide specified community benefits in connection with The Artist Tree V's storefront commercial cannabis dispensary, El Sobrante area.

FISCAL IMPACT:

Approval of this agreement will allow the County to receive from The Artist Tree V LLC (TAT) on an annual basis an amount equal to the greater of two percent (2%) of the Dispensary's Gross Sales during the Operating Year, or the fixed amount for the Operating Year set forth in the attached Community Benefit Agreement. However, if the fixed amount is greater than three percent (3%) of Gross Sales during the Operating Year, TAT will pay the County a payment for that Operating Year equal to three percent (3%) of Gross Sales during the Operating Year. These payments may be used by the County to fund services and programs and for other purposes that benefit the community.

☑ APPROVE ☐ OTHER

☑ RECOMMENDATION OF CNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/15/2020** ☑ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 15, 2020

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Laura Cassell, Deputy

Contact: Jennifer Cruz, (925) 674-7790

cc:

BACKGROUND:

On June 26, 2018, the County Board of Supervisors (Board) adopted Zoning Ordinance Chapter 88-28-Cannabis Regulation. Following that Board action, a request for proposals was issued by County staff seeking qualified applicants. Full proposals were received from 21 prospective applicants. Many proposals, including the proposal from TAT, included voluntary commitments to make community benefit payments or perform other voluntary actions to benefit the community. A multi-departmental team of County staff scored and ranked each proposal. On December 10, 2019, the Board of Supervisors reviewed the results of the scoring and selection process and chose TAT along with three other applicants to have an opportunity to establish storefront retail dispensaries within the County.

In response, TAT submitted the required land use permit application (County File #LP20-2016). This application was subsequently approved at the November 16, 2020, Zoning Administrator public hearing. As part of the TAT application submittal, TAT pledged a voluntary annual monetary payment to the County that the County would use to fund actions to benefit the community. Additionally, to the extent permitted by applicable local, state, and federal laws and regulations, and to the extent practicable, TAT has also pledged to hire locally and establish a business-to-business discount program with other businesses that have principal places of business in Contra Costa County. The proposed community benefits agreement memorializes these commitments.

CONSEQUENCE OF NEGATIVE ACTION:

If this agreement is not approved, the County will not receive funding for various services and programs and without such an agreement TAT may not be allowed to operate within the County.

ATTACHMENTS

Community Benefits Agreement