



**Contra
Costa
County**

To: Board of Supervisors
From: John Kopchik, Director, Conservation & Development Department
Date: February 12, 2019

Subject: Review and Approval of the Request for Proposal and Selection Process for Limited Commercial Cannabis Permits

RECOMMENDATION(S):

APPROVE the Request for Proposal (RFP) and selection process for the limited commercial cannabis permits uses and DIRECT the Department of Conservation and Development to release the RFP.

FISCAL IMPACT:

Staff costs to develop selection process are included in the Department's budget and paid for out of the Land Development Fund. The cost of reviewing commercial cannabis applications will be paid by applicants.

BACKGROUND:

The County's Cannabis Zoning Ordinance, (Chapters 88-28 and 84-86 of the County Code) (the "Zoning Ordinance") sets numeric limits on the number of land use permits that may be issued for three categories of commercial cannabis activities: storefront retailer (four), commercial cultivation (ten) and cannabis manufacturing in agricultural zoning districts

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **02/12/2019** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

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: February 12, 2019

Contact: Ruben
Hernandez, 925-674-7785

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

By: , Deputy

cc:

(two). The Zoning Ordinance also provides for Board review and approval of the solicitation process to be used to request and evaluate proposals for these three permit categories and determine which proposals to invite to apply for a land use permit.

BACKGROUND: (CONT'D)

On December 18, 2018, the Department of Conservation and Development (DCD) presented to the Board a draft version of the Request for Proposal (RFP) packet to be used for selecting land use permit applicants for the numerically limited number of commercial cannabis permits to be issued in accordance with the recently adopted County Cannabis Ordinance.

At that meeting, DCD staff indicated that additional detail needed to be added to the RFP, specifically in relation to guidance to applicants, including but not limited to additional guidance regarding operating plans and security plans for the proposed commercial cannabis uses. Staff also informed the Board that they had been in contact with HdL Consultants, the consultant used to provide consulting services to the County for preparation of the County's cannabis tax measure (and who have assisted numerous jurisdictions with selection processes) and that staff was planning to seek detailed input on the RFP from HdL and reflect that in the next draft. The Board heard public comment from a number of individuals who offered a range of perspectives. Board members asked questions and provided guidance on the RFP and the selection process, including a request that the idea of including preferences in the scoring for locally-owned businesses be explored.

Attached please find a revised Draft RFP for Board consideration. Staff has received input from HdL Consultants and revised the document to incorporate their advice, with a particular emphasis on trying to provide clear guidance on what information is requested.

Staff has incorporated a “locally-owned business” metric into the “Community/Economic Benefit” portion of the RFP scoring table. "Locally-owned business" is proposed to be defined as a business with a majority of ownership shares held by Contra Costa residents (anywhere in the County). The basis for including a “locally-owned” metric into the scoring criteria is that by providing some preference to locally owned businesses, the following could be achieved:

1. Support business owners and property owners in Contra Costa County, including farmers, who want to establish commercial cannabis enterprises in Contra Costa County;
2. Promote the investment of profits earned by local-owned businesses into the purchases of local goods and services with the County;
3. Encourage innovation investment into the commercial cannabis industry by locally-owned businesses;
4. Foster the locally-owned supply chain for all areas of the burgeoning commercial cannabis industry;
5. By encouraging local residents to invest into Contra Costa County, promote Contra Costa County as a business-friendly destination for resources and investment.

CONSEQUENCE OF NEGATIVE ACTION:

If the Board does not accept the commercial cannabis RFP and selection process presented today, issuance of the RFP will be delayed which will delay the land use permitting process for the specified limited commercial cannabis uses.

CLERK'S ADDENDUM

Speakers: Nate Landau, resident of Walnut Creek; Ashley Bargaquast, Tully & Weiss Attorneys at Law; Patrick Irion, resident of Pleasant Hill; Oscar Burrola, Jr., resident of Brentwood; Israel Martinez, resident of Brentwood; Matt Light.

ATTACHMENTS

Draft RFP