

HAYWARD CITY COUNCIL

RESOLUTION NO. 17-

Introduced by Council Member \_\_\_\_\_

RESOLUTION DIRECTING THE CITY MANAGER TO CALL FOR APPLICATIONS ON AN ONGOING BIENNIAL BASIS FOR COMMERCIAL CANNABIS PERMITS, APPROVAL OF APPLICATION REQUEST FOR PROPOSAL AND PROCESS

WHEREAS, In 2015 the state enacted a comprehensive regulatory framework (AB 243, AB 266, SB 643) for the licensing and enforcement of cultivation, manufacturing, retail sale, transportation, storage, delivery and testing of medicinal cannabis in California. The legislation was collectively known as the Medical Cannabis Regulation and Safety Act (MCRSA); and,

WHEREAS, On November 8, 2016, the voters of the state adopted Proposition 64, the Adult Use of Marijuana Act (AUMA), which legalized adult cannabis use, possession and cultivation for non-medicinal purposes and created a regulatory framework for non-medicinal cannabis businesses; and,

WHEREAS, The intent of MCRSA and AUMA was to establish a comprehensive regulatory system for cultivation, production and sale of cannabis and cannabis products, thereby weakening the illicit market for cannabis; and,

WHEREAS, On November 8, 2016, the voters of the City of Hayward approved Measure EE authorizing the City Council to enact an ordinance imposing a general tax of up to 15% of gross sales of medicinal cannabis and adult use cannabis; and,

WHEREAS, On June 15, 2017 the state legislature enacted Senate Bill 94, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) which consolidated provisions of MCRSA into the regulatory framework of the AUMA, thereby creating a unified regulatory scheme for medicinal and adult use cannabis; and,

WHEREAS, Under MAUCRSA, beginning on January 1, 2018 the state will issue licenses for businesses to engage in cultivation, manufacturing, testing, distribution and retail sale of cannabis and cannabis products; and,

WHEREAS, MAUCRSA specifically authorizes local jurisdictions to adopt and enforce local ordinances to regulate cannabis businesses licensed pursuant to state law, including local zoning and land use requirements, business license requirements, and requirements related to reducing exposure to second hand smoke, or to completely prohibit the establishment or operation of one or more types of businesses licensed pursuant to MAUCRSA; and,

WHEREAS, It is the intent of the City Council to authorize and regulate specific types of cannabis businesses licensed pursuant to state law; and,

WHEREAS, the City Council of the City of Hayward adopted Ordinance 17-13 at their October 30<sup>th</sup>, 2017 meeting; and,

WHEREAS, said ordinance added Article 14 to Chapter 6 of the Hayward Municipal Code which details the regulatory framework for issuance of commercial cannabis business permits and imposes specific minimum performance standards on those businesses.

WHEREAS, SEC. 6-14.11(b) of the Hayward Municipal Code requires that the City Council may, by resolution, direct the City Manager to Call for applications from any parties interested in obtaining a commercial cannabis permit; and,

WHEREAS, SEC. 6-14.12(a) of the Hayward Municipal Code charges the City Manager with establishing procedures for accepting and evaluating applications submitted pursuant to said article and that such evaluation process shall include a method for scoring and ranking each application; and,

WHEREAS, the Request for Proposals detailed in the accompanying staff report is in conformance with the requirements of Article 14 to Chapter 6 of the Hayward Municipal Code.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds and determines as follows:

NOW, THEREFORE, BE IT RESOLVED, the City Council directs the City Manager to call for applications for commercial cannabis permits detailed in the accompanying staff report and in accordance with Section 6 of Chapter 14 of the Hayward Municipal Code on an ongoing biannual basis; and to take all administrative actions necessary under Section 6 of Chapter 14 of the Hayward Municipal Code.

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IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2017

ADOPTED BY THE FOLLOWING VOTE:

AYES:           COUNCIL MEMBERS:  
                  MAYOR:

NOES:           COUNCIL MEMBERS:

ABSTAIN:       COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
          City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward