



# CITY OF HAYWARD

Hayward City Hall  
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## Cover Memo

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**DATE:** January 15, 2019

**TO:** Mayor and City Council

**FROM:** City Manager

### **SUBJECT**

Update on Commercial Cannabis Permit Process and Future Rounds and Appropriation of Funds for Commercial Cannabis Permit Program Second Tier Review

### **RECOMMENDATION**

That the Council provides feedback and guidance on the following policy options and appropriates \$70,000 from the General Fund fund balance to cover the costs associated with follow up activities:

Required Buffer for Retail Dispensaries.

Option 1: Reduce or Eliminate the Over-Concentration Buffer

Option 2: Add Flexibility to the Over-Concentration Buffer

Option 3: Process Applications on First-Come, First-Served Basis

Option 4: Maintain the Over-Concentration Buffer

Second Round of Commercial Cannabis Permits

Option 1: Expand Interview Score Thresholds.

Option 2: Remove Interview Thresholds for Cannabis Delivery Businesses

Option 3: Develop Round Two Request for Proposals (RFP) for FY19/20

Option 4: Delay Commencement of Second Round RFP for 6 or 12-Months

On October 30, 2017, the City Council adopted Ordinance 17-13 adding Article 14 to Chapter 6 of the Hayward Municipal Code, which established the request for proposals process by which the City will select commercial cannabis businesses.

In June and July of 2018, the City Council approved Commercial Cannabis Permits for 15 businesses and allowed applicants up to six months to identify a proposed location and to submit applications for land use entitlements.

Over the past six months, staff has received countless phone calls and emails from applicants and potential applicants for Commercial Cannabis Permits who are looking to reapply to establish a cannabis

business in Hayward. While a second Request for Proposals (RFP) process for cannabis businesses may be desired, staff is proposing several options to address the previously approved applicants and meet the mounting demand of applicants wanting to come to Hayward along with the Council's desire to see more supply-chain (non-retail) based cannabis companies within the City.

Additionally, this report presents several policy options regarding the required 1000-foot over-concentration buffers for retail dispensaries, which has arisen since Council adopted the land use regulations and approved these retail operators in 2018.

## **ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Proposed Retail Dispensary Locations
Attachment IV	Second Tier Applications