



## **AMENDED**

### **COMMERCIAL CANNABIS BUSINESS APPLICATION PROCEDURE GUIDELINES**

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Information regarding the Commercial Cannabis Business (CCB) application process can be found on the City's website at <https://www.oxnard.org/cannabis-regulations/> and includes the following:

- California state regulations and resources
- Oxnard City Code (OCC) Chapters 11 and 16
- Ordinance Nos. 2960
- Commercial Cannabis Business Application
- Background application and Live Scan form(s)
- Limitations on City's Liability waiver

The application process to operate a CCB in Oxnard will open on **August 12, 2019 and will close at 5:00 p.m. on Thursday, October 10, 2019**. Applications will be available from the Planning Department located at 214 South "C" Street, Oxnard, CA, 93030. Complete applications must be returned to the Planning Department prior to the deadline **by appointment only**. For questions regarding the application process, please review the information on the Oxnard website: <https://www.oxnard.org/cannabis-regulations/>. This application process is adopted pursuant to OCC Chapters 11 and 16.

#### CITY'S RESERVATION OF RIGHTS

The City reserves the right to reject any and/or all applications, with or without cause or reason. The City may modify, postpone, or cancel the request for a CCB license 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 an application. Late or incomplete applications WILL BE REJECTED. Furthermore, an application RISKS BEING REJECTED for the following reasons:

1. It is not responsive to this request for a CCB application.
2. The issuance of the CCB at the proposed location is inconsistent with State law, OCC Section 11.433, or other applicable Oxnard city codes.

#### AMENDMENTS TO THE APPLICATION

Applicants will not be allowed to make amendments to their application or to supplement their application, except as otherwise specifically permitted in these procedures or as authorized in writing by the City.

**PLEASE READ THE GUIDELINES CAREFULLY BEFORE SUBMITTING YOUR APPLICATION.  
FAILURE TO SUBMIT A COMPLETE APPLICATION COULD RESULT IN DISQUALIFICATION.**

The following procedures outline the application evaluation and selection process, required materials, and other information necessary to apply for a permit to operate a CCB in Oxnard.

## **Zoning Verification Letter (ZVL)**

Prior to submitting a CCB application (Phase 1), an Applicant must obtain a Zoning Verification Letter from the Planning Department. To secure this letter, an Applicant should make a written request which should specify the intended use of the building (manufacturing, testing, or distribution), and proposed building location. Information on intended chemical use of the building and occupancy is also encouraged but not required.

An appointment should be made to submit the Applicant's letter requesting a ZVL along with payment of the required fee (\$210.00 as of July 2019). Contact (805) 200-5885 to schedule this appointment. The City's review and issuance of a ZVL takes approximately fifteen (15) calendar days. The City issued ZVL must be included with the CCB application (Phase 1).

The issuance of a ZVL does not constitute written evidence of permission given by City or any of its officials to operate a cannabis business, nor does it establish a "permit" within the meaning of the Permit Streamlining Act, nor does it create an entitlement under the Zoning or Building Code. A regulatory permit for a CCB does not constitute a permit that runs with the land on which the cannabis business is established. Please note that the cannabis business will require a discretionary permit. This is a separate application that will be made only after final evaluation and ranking by the City (Phase 4 below).

## **Live Scan Criminal History Check and Background Check – THIS REQUIREMENT NOW APPLICABLE TO FILING OF PHASE 2 APPLICATION FEES. THIS PROCESS NOT REQUIRED TO SUBMIT FOR PHASE 1.**

Each Owner must undergo a Live Scan and criminal history check demonstrating they do not provide "good cause" for denial per OCC Sections 11.420 and 11.440(k). The Live Scan process involves submitting fingerprints to the DOJ/FBI to review for criminal offender record information (CORI). CORI reports will be provided to City for the sole purpose of determining eligibility for operating a CCB. Owners/Principals who do not meet criminal history eligibility requirements will be disqualified.

Please note the Live Scan process may be delayed due to the pending of the DOJ/FBI authorization. Once the City has received authorization, it will post the Live Scan submittal due date on the City website. The Live Scan must be conducted by the Oxnard Police Department (OPD). Applicants will be required to make an appointment in advance to ensure OPD staff is available. Please contact (805) 385-7652 to schedule an appointment. As of July 2019 the fee for live scan/background check is \$169.18. An additional fee may be imposed for background checks to be performed by the City's consultant. A copy of the receipt provided by the OPD must be included with the CCB application (Phase 1). Due to limited staff resources, you are encouraged to schedule your appointment as early as possible. The City cannot guarantee that it will be able to accommodate applicants who do not submit for Live Scan in time. Failure to pass the Live Scan in a timely manner may result in the application being disqualified. This process will be required to meet the minimum threshold qualifications pursuant to OCC Section 11.417.

The results of the ~~Live Scan along with the~~ City issued ZVL must be included with the CCB application (Phase 1).

## **Phase 1: Application Submittal and Determination of Eligibility**

*Fee: \$2,329.68 (Fixed Fee)*

Applications must be submitted, which constitutes submittal of all application materials and payment of all required fees by 5:00pm on Thursday, October 10, 2019. An appointment should be made to submit the Phase 1 application. The City requires two (2) complete, comprehensive and signed hard copies of the application and one (1) flash drive containing a comprehensive and signed digital copy of the application (PDF format), including all attachments. A copy of the ZVL and OPD fee receipt (as described above) should be submitted. Insufficient number of copies or incomplete copies may impact the score received and/or the application may not be accepted.

Payment should be made by cash, certified check, cashier's check or money order made payable to the City of Oxnard. **The City will not accept credit card payment and application fees are non-refundable.** During Phase 1, applicants will be notified if any of the Owners are ineligible and/or if their application is incomplete and may not move forward in the application process (may not advance to Phases 2-4). Applicants reviewed during Phase 1 who meet established criteria will be notified and will be permitted to advance to Phase 2, including submittal of the required materials and submittal of Phase 2 application fees. LATE APPLICATIONS WILL NOT BE CONSIDERED.

## **Phase 2: Application Evaluation and Initial Ranking (1,800 points)**

*Fee: \$3,067.79 (Fixed Fee)*

**PROOF OF PAYMENT OF LIVE SCAN FEE TO THE OXNARD POLICE DEPARTMENT (SEE PAGE 2).** Applications will be evaluated and ranked based upon the criteria below. See APPENDIX A for a description of the evaluation criteria:

- Location (200 Points)
- Business Plan (200 Points)
- Neighborhood Compatibility Plan (400 Points)
- Safety Plan (400 Points)
- Security Plan (400 Points)
- Oxnard Cannabis Equity Component (200 Points)

Applicants will not be allowed to resubmit information that is determined to be missing or deficient during the Phase 2 review. Those applications which score a minimum of 80% (1,440 points) in Phase 2 will move on to Phase 3 of the application process. Applicants reviewed during Phase 2 who meet established criteria will be notified and will be permitted to advance to Phase 3, including submittal and augmentation of the required materials and submittal of Phase 3 application fees. LATE APPLICATIONS WILL NOT BE CONSIDERED.

## **Phase 3: Interviews and Second Ranking (2,900 Points)**

*Fee: \$2,839.40 (Deposit)*

Those applications that passed Phase 2 will be interviewed and evaluated by the City's Selection Committee. Prior to the scheduling of interviews, applicants may be required to have their proposed site inspected by the assigned City designee to ascertain current conditions of the site/facility.

Applicants will be interviewed and evaluated based on the below criteria. See APPENDIX A for a description of the evaluation criteria.

- Qualifications of Owners (300 Points)
- Location (200 Points)
- Business Plan (200 Points)
- Labor & Employment/Local Enterprise (400 Points)
- Neighborhood Compatibility Plan (200 Points)
- Environmental Impact Mitigation (300 Points)
- Safety Plan (400 points)
- Security Plan (400 Points)
- Community Benefits (300 Points)
- Oxnard Cannabis Equity Component (200 Points)

Phase 3 scores will be tabulated and combined with Phase 2 scores to establish an overall ranking of the applications. All applications that maintain a score of at least 80%, or a percentage determined by resolution, will move on to Phase 4 of the selection process.

## **Phase 4: Authorization to File an Application Seeking a Commercial Cannabis Business Permit**

*Fee: \$7,326.65 (Deposit)*

Only those applicants who have scored at least 80% or a percentage determined by resolution, after Phase 3 will be eligible to apply for consideration of a CCB permit (Phase 4). Prior to making a final decision, the City reserves the right to request and obtain additional information from any candidate who has submitted an application.

The City Manager will review the City Selection Committee's evaluation and approve the final ranking. Award of permits is based upon the total allowed by the OCC. However, the City reserves the right to award a lesser number of permits or to award no permits at all. The top Applicants, who are authorized to apply for a discretionary permit, should be prepared to attend all discretionary permit hearings to represent their request for a Special Use Permit or Development Design Review permit and to respond to questions.

Note: Payment should be made by cash, certified check, cashier's check or money order made payable to the City of Oxnard. The City will not accept credit card payment and application fees are non-refundable. Being awarded a permit does not constitute a land use entitlement and does not waive or remove the requirements of applying for and receiving permits for all construction including: electrical, plumbing, fire, planning permits or reviews, and any other permits, business tax, or reviews as may be necessary by the relevant departments or governmental entities in charge of said permits. Nor does it guarantee that the plans submitted via the CCB application process meet the standards or requirements of those permitting departments.

### **CONTACT**

If you have any questions or would like an update on the status of your application, please contact the Planning Department at 805.200-5885 or by email at [planning@oxnard.org](mailto:planning@oxnard.org).

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## APPENDIX A: DESCRIPTION OF EVALUATION CRITERIA

The following information must be submitted behind tabs labeled with the respective criteria header.

### **CRITERIA**

**Qualifications of Owners:** The application shall include information concerning any special business or professional qualifications or licenses of Owners that would add to the number or quality of services that the cannabis business would provide, especially in areas related to medical cannabis, such as scientific or health care fields.

**Location:** The application shall include the following:

- Physical address and a detailed description of the proposed location, including the overall property, building and interior floor plan.
- Description of all known nearby State and local sensitive use areas. The cannabis business must have the appropriate zoning and meet all the locational requirements as described in OCC Section 11.433.
- Proof of ownership, or a notarized letter of the owner's willingness to lease.
- Vicinity map
- Photographs of existing site and buildings
- Site diagram for each proposed location, including at a minimum:
  - Dimensions of subject property – including square footage
  - Location and dimensions of all buildings and structures – including square footage
  - Location of all parking areas and driveways and means of ingress and egress to the property
  - Uses for all buildings and structures indicated on the site plan
  - If any exterior alterations are proposed for the existing building(s), attach proposed site plans
- Floor diagram for each proposed location, including at a minimum:
  - Interior and exterior walls and partitions, entrances and exits, rooms, doorways, windows
  - Dimensions and square footage of all interior spaces
  - Proposed uses of all interior spaces

**Business Plan:** With as much detail as possible, the business plan shall include:

- Organizational structure documents (e.g., Articles of Incorporation, bylaws, partnership agreements, etc.)
- Organizational chart
- Description of day-to-day operations for each license type being sought. The proposed operations should acknowledge both State and local laws and should be consistent with industry best practices.
- Description of how the cannabis business will conform to local and State law per OCC Section 11.413.
- Description of how cannabis inventory will be tracked and monitored to prevent diversion.
- Schedule for beginning operation, including a narrative outlining any proposed construction and improvements and a timeline for completion.
- Budget for construction, operation, maintenance, and compensation of employees, equipment costs, utility costs, and other operation costs.
- Description of the source(s) of capital and use(s) of capital funds. The budget must demonstrate sufficient capital in place to pay startup costs and at least three months of operating costs.
- Proof of capitalization, in the form of documentation of cash or other liquid assets on hand, Letters of Credit or other equivalent assets.
- Pro forma for at least three years of operation.

**Labor & Employment Plan/Local Employment:** The application shall describe to what extent the CCB will adhere to heightened pay and benefits standards and practices, including recognition of the collective bargaining rights of employees. Specific practices that are subject to consideration include providing compensation to and opportunities for continuing education and training of employees/staff (applications should provide proof of the cannabis business policy and regulations to employees). The application shall state the extent to which the

cannabis business will be a locally managed enterprise whose owners reside within Oxnard and/or the County of Ventura.

**Neighborhood Compatibility Plan:** The application shall describe how the cannabis business, including the private, semi-private and surrounding public areas, will be proactively managed to avoid becoming a nuisance or having negative impacts on its neighbors and the surrounding community.

**Environmental Impact Mitigation:** The application shall describe any proposed “green” business practices relating to energy and climate, water conservation, and materials and waste management.

**Safety Plan:\***

The application shall include a detailed safety plan, including:

- A detailed diagram of the overall facility’s safety features.
- Written description of safety features, including but not limited to fire prevention, suppression, HVAC and alarm systems.
- An assessment of the facility’s fire safety plan by a qualified licensed fire prevention and suppression consultant. An appropriate plan will consider all possible fire, hazardous material, and inhalation issues/threats and will have both written and physical mechanisms in place to deal with each specific situation.

**For testing, and manufacturing, the following information is necessary:**

- Clarify if your building has sprinklers?
- What date was the subject building constructed?

**Security Plan:\*** The application shall include a detailed security plan, including:

- A detailed diagram of the facility’s overall security features.
- A security diagram capable of demonstrating the location of all cameras and recording equipment (DVR/NVR), access control equipment and all safes, vaults or locked and secured rooms.
- Written description of operational security, including but not limited to, general security policies for the facility, employee specific policies, training, sample written policies, transactional security, visitor security, 3rd party contractor security, and delivery security. Additionally, applications should address ingress and egress access, perimeter security, product security (at all hours), internal security measures for access (area specific), types of security systems (alarms and cameras), and security personnel to be employed.
- An assessment of site security by a qualified licensed security consultant.

**\* Safety and Security plans will not be made public.**

**Community Benefits:** The application shall describe benefits that the cannabis business would provide to the local community, such as community contributions, volunteer services and/or economic incentives.

**Oxnard Cannabis Equity\*\*:** A Community Benefits Agreement will be required. Agreement provisions will include:

- Local hiring preference requirement (min. 50% of local residents) for retail dispensaries, manufacturing, and distribution businesses.
- Yearly application workshops and training for local residents on cannabis dispensary operations.
- Yearly donation of 1% of gross sales of cannabis items to assist local organizations and nonprofits. Donation shall represent 1% of gross revenues from cannabis sales to be donated to local charities of their choice and/or contribute actual items (i.e., beds for homeless shelter) or manpower for community needs.
- One time donation of \$25,000 into City of Oxnard’s Cannabis Community Reinvestment Fund for each cannabis manufacturer, distribution, testing or dispensary (all cannabis) use. These funds will be used to assist in local cannabis business development, training and education, and ownership opportunities. The

Cannabis Community Reinvestment Fund is to help fund cost barriers to local resident's entry into the next phase of cannabis retail dispensary and manufacturing permitting. Funds are intended as cannabis incubator program funds and will be used as part of the development of the Oxnard Cannabis Equity program.

**\*\* - As part of the first phase of cannabis permitting (year 1), the City will be reserving two (2) dispensary permits and three (3) manufacturing permits for local residents. Additionally, the first year of cannabis permitting the City will be developing the Oxnard Cannabis Equity Program. These program guidelines will define "local" and provide the framework for the program.**

**All diagrams must include a north arrow, be drawn to a minimum scale of  $\frac{1}{4}'' = 1'$  and folded to a minimum size of 8.5" x 11" and a maximum size of 8.5" x 14".**