

COMMUNITY DEVELOPMENT DEPARTMENT

PLANNING DIVISION

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CANNABIS BUSINESS PERMITTING GUIDE

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INTRODUCTION

The Mountain View Municipal Code (<u>Section 36.30.55</u>, et seq.) permits a total of three (3) nonstorefront retail cannabis businesses. All other cannabis businesses are prohibited in Mountain View.

One (1) nonstorefront retail cannabis business is currently permitted to operate within the City. The City is accepting applications to permit up to two (2) nonstorefront retail cannabis businesses, pursuant to the application process described herein.

APPLICATION PROCESS OVERVIEW

The cannabis business application process in the City of Mountain View involves the following phases:

- 1. Cannabis Business Screening Application
- 2. Application Selection Lottery
- 3. Planning Application
- 4. Compliance with Conditions of Approval

Each of these phases is summarized below.

All information and application material can be found at www.mountainview.gov/potplanning.

Applications shall not be accepted or modified outside the established application periods.

It is the responsibility of the applicant/business owners to comply with all applicable City and State laws and regulations.

No applicant, entity, business, or business owner shall submit more than one (1) application. A cannabis business owner is any person having more than a ten percent (10%) interest, legal or equitable or otherwise, in a cannabis business. If an applicant, entity, business, or business owner submits more than one (1) application, all applications submitted will be deemed ineligible.

Only one (1) application shall be submitted per property or parcel. Applications on the same property or parcel as another application already submitted will be denied from submitting.

PHASE 1: CANNABIS BUSINESS SCREENING APPLICATION

Application Period Start: September 19, 2022, 8:00 a.m. PST

Application Period Deadline: November 18, 2022, 4:00 p.m. PST

Cannabis Business Screening Application Fee (CDD): \$1,911

Cannabis Business Background Screening Fee (PD): \$1,258

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Applicants shall submit all items in the Phase 1: Cannabis Business Screening Application Checklist during the established application period to the Planning Division. However, business owners may submit the Request for Live Scan Service to the Mountain View Police Department prior to the application period.

The application period totals sixty (60) days. Staff will review the applications for completeness and application viability within thirty (30) days of the submittal, allowing applicants the opportunity to complete the application prior to the end of the application period if necessary. While applicants who submit early in the process may have the time and ability to respond to staff comments and complete the application during the application period, this is not guaranteed.

Grounds for disqualification include an application's clear inability to comply with any provisions of the City Code or failure to submit a complete application in the period established.

The Planning Division will notify all applicants in writing if the Cannabis Business Screening Application is eligible or ineligible to proceed. Eligible applications shall be placed in the Application Selection Lottery.

PHASE 2: APPLICATION SELECTION LOTTERY

If more than two (2) eligible applicants are identified during Phase 1: Cannabis Business Screening Application, an Application Selection Lottery will be held at a regularly scheduled Administrative Zoning Public Hearing in early 2023. All eligible applications will be placed in the lottery.

At the hearing, the Zoning Administrator will randomly select applications through the lottery. Applications shall be placed on the Qualified Cannabis Business Lists in the order chosen by the lottery.

If the nonstorefront retail cannabis businesses authorized to submit planning applications conflict with the concentration of business criteria (explained in subsequent section), the business ranked higher on the Qualified Cannabis Business List shall be authorized to submit. The second business in conflict ranked on the Qualified Cannabis Business List shall not be authorized to submit until the initial application is denied or withdrawn. The first business on the Qualified Cannabis Business List not in conflict with the initial application shall be authorized to submit an application at the same time as the initial business.

Applicants will be informed in writing of their rank on the Qualified Cannabis Business Lists.

PHASE 3: PLANNING APPLICATION

The Planning Application will include a request for a Conditional (or Provisional) Use Permit, Development Review Permit, and any other permit deemed necessary by the Planning Division based on the scope of work of the proposed project. Fees for these permits can be found in the Planning Application Fee Schedule.

The authorized applications on the Qualified Cannabis Business List must submit a Planning Application within sixty (60) days of the lottery. Failure to submit an application within sixty (60) days will be considered a withdrawal of the application and the application will be disqualified from consideration.

Where the Zoning Administrator denies an application or an application is withdrawn, the next application on the Qualified Cannabis Business List shall be authorized to submit a Planning Application until such time as all

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applications have been reviewed or until the maximum number of cannabis businesses have obtained planning permits.

Applications will be reviewed for compliance with all applicable standards, including those outlined in Chapter 9 and Chapter 36, as well as the Police Department Rules and Regulations for Cannabis Businesses. A submittal checklist can be found at www.mountainview.gov/potplanning.

Decisions on the applications submitted will be made by the Zoning Administrator at a duly noticed public hearing.

PHASE 4: COMPLIANCE WITH CONDITIONS OF APPROVAL

An approved Planning Permit will include conditions of approval. These conditions of approval may be ongoing conditions or conditions that must be satisfied prior to certain milestones. The following conditions will be placed on all businesses:

- Obtain Building Permit prior to commencing any work on the site or occupying the space.
- Obtain Police Department Cannabis Business Registration prior to occupancy (to be renewed annually).
- Obtain Police Department Cannabis Business Owners, Managers, and Members Registration prior to occupancy (to be renewed annually).
- Obtain a Cannabis Retailer State License prior to occupancy (to be renewed annually).

LOCATION OF BUSINESSES

Zoning Districts and Precise Plans

Cannabis nonstorefront retail businesses are conditionally permitted in the following zoning districts:

- CS (Commercial-Service) District
- MM (General Industrial) District
- ML (Limited Industrial) District
- P-38 (El Camino Real) Precise Plan

Corridor Areas and All Upper Floors

- P-41 (East Whisman) Precise Plan
 - Employment Character Area

NOTE: Please reference Precise Plans for information regarding specific areas of each Precise Plan.

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Proximity to Schools, Child-Care Centers, and Child-Care Facilities

A cannabis business shall not be permitted within 600' of a school (public or private) or within 250' of a child-care center or facility. If a cannabis business is separated from a school by U.S. 101, State Route 85, State Route 237, or Central Expressway, the permitted distance shall be a minimum of 250' from the school site.

The distance shall be measured in a straight line from the closest property line of the parcel or property containing the cannabis business to the closest property line of the parcel or property containing the school, child-care center, or child-care facility.

These areas are visually represented in the Informational Cannabis Land Use Map.

Concentration of Businesses

A nonstorefront retail cannabis business shall not be permitted within 600' of any other nonstorefront retail cannabis business.

The distance shall be measured in a straight line from the closest property line of the parcel or property containing the cannabis business to the closest property line of the parcel or property containing the other cannabis business.

BUSINESS FORMATION DOCUMENTS AND OWNERSHIP INFORMATION

Each business, owner, applicant, or entity can submit a maximum of one (1) application. To ensure a fair and clear process, the following information is required as part of the written business description in the Phase 1: Cannabis Business Screening Application Checklist.

Business Owners

A cannabis business owner is defined as any person having more than a ten percent (10%) interest, legal or equitable, or otherwise, in a cannabis business. A list of owners, contact information, and percentage ownership shall be submitted. An owner includes:

- A person having more than a ten percent (10%) interest, legal or equitable, or otherwise, in a business.
- The chief executive officer (CEO) of a nonprofit or other entity (i.e., corporation).
- A member of the board of directors of a nonprofit.
- The trustee(s) and all persons who have control of the trust and/or the commercial cannabis business that is held by a trust.

- An individual who will be participating in the direction, control, or management of the person applying for a license. This could include:
 - A partner of a commercial cannabis business that is organized as a partnership.
 - A nonmember, manager, or managing partner of a commercial cannabis business that is organized as a limited liability company.
 - An officer or director of a commercial cannabis business that is organized as a corporation.
- Any individual that assumes responsibility for the license.
- When an entity has an aggregate ownership interest of ten percent (10%) or more, the CEO and/or members of the board of directors of the entity shall be considered owners.

NOTE: All cannabis business owners shall submit to a Live Scan background check by the Mountain View Police Department.

Entity Ownership

An entity is anything other than an individual. If an entity is an owner of the commercial cannabis business pursuant to Business and Professions Code, Section 26001(al), the applicant must provide the entity's name, organizational structure, ownership percentage, telephone number, and email address.

"Nonowners" with a Financial Interest in the Business

These are considered "owners" under Mountain View's definition. The applicant must provide a list of all nonowner individuals with a financial interest in the cannabis business. A financial interest means an agreement to receive a portion of the profits of a commercial cannabis business, an investment into a cannabis business, a loan provided to a cannabis business, or any other equity in a cannabis business. Interest in a diversified mutual fund, blind trust, or similar instrument is not a financial interest. The applicant must provide the following information for all nonowners with a financial interest: their name, date of birth, type of government-issued identification form, and the identification number.

Fictitious Business Names

The applicant must provide a list of all fictitious business names they will operate under and the address of the businesses.

Business Formation Documents

Applicants are required to provide a copy of all business formation documents (by type). If the business is held in a trust, the applicant shall provide a copy of the trust. Below is a list of the types of business structure and the common types of supporting documentation.

Additional documents must be provided if necessary:

- Sole Proprietorship: Fictitious Business Name form filed with local business permit office and tax forms.
- *Corporation:* Articles of Incorporation, Statement of Information, Certificates of Stock, and a Statement and Designation by Foreign Professional Corporation (if applicable).
- Limited Liability Company: Articles of Organization, Membership Certificate, and Operating Agreement.
- Limited Partnership: Certificate of Limited Partnership, Partnership Agreement, Operating Agreement, and tax forms.
- General Partnership: Partnership agreement, Statement of Partnership Authority, and tax forms.
- *Limited Liability Partnership:* Partnership Agreements, Application to Register as a Limited Liability Partnership.
- Foreign Corporation: Certificate of Qualification issued by the Secretary of State.

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