

CITY OF EUREKA



REQUEST FOR QUALIFICATIONS

for

MEDICAL CANNABIS CULTIVATION, PROCESSING

and/or

DISTRIBUTION FACILITIES

~~RESPONSES DUE DECEMBER 3, 2010~~
**DEADLINE FOR RESPONSES EXTENDED TO
DECEMBER 17, 2010**

Contact Person:

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1. INVITATION

The City of Eureka is inviting submittal of a business plan and qualifications from persons, collectives or cooperatives (“Respondents”) interested in establishing a medical cannabis facility within the City of Eureka. There is no cost to a Respondent to submit a business plan and qualifications under this RFQ.

The Eureka City Council has adopted a Medical Cannabis Ordinance (Eureka Municipal Code, Chapter 158). Section 8 (“Useful Links,” below) contains hyperlinks to the Medical Cannabis Ordinance, the zoning map, and to other useful information. The Medical Cannabis Ordinance limits the total number of medical cannabis facilities allowed within the city to six (6). Each of the six (6) facilities requires a Conditional Use Permit (CUP).

- ✓ Four (4) of the CUP’s would allow a facility that cultivates and processes medical cannabis within the city, and then distributes that medical cannabis from a maximum of two locations within the city.
- ✓ Two (2) of the CUP’s would allow a facility that distributes medical cannabis *not* cultivated and processed within the city.

Each of the six (6) CUP’s will be issued to a person, collective or cooperative for a specific facility at a specific location or locations. The CUP will be issued only for the specified location(s), and cannot be transferred to another person, collective or cooperative or to a different location(s) not authorized in the CUP.

The current application fee for a CUP is \$1,685.00; the CUP application will also require Design Review, the fee for which is presently \$310.00. In addition, a deposit of \$1,500.00 may be required for environmental review under the California Environmental Quality Act. If the project is located in the coastal zone, a Coastal Development Permit will be required, the fee for which is currently \$1,620.00. The CUP will also be subject to an annual review fee, which is currently \$1,080.00.

2. ZONING AND LAND USE

The Medical Cannabis Ordinance specifies the zone districts in which cultivation, production and/or distribution of medical cannabis may be located. A hyperlink to the zoning map can be found in Section 8, below.

Medical cannabis cultivation or production is allowed only in the following zone districts:

- Agriculture (A)
- Coastal Agriculture (AC)
- Service Commercial (CS)
- Limited Industrial (ML)
- General Industrial (MG)

Medical cannabis distribution is allowed only in the following zone districts:

- Service Commercial (CS)
- Hospital Medical (HM)
- Limited Industrial (ML)
- General Industrial (MG)

Please note that medical cannabis research labs or medical cannabis testing facilities at which no cultivation, processing, or distribution of medical cannabis occurs are *not* considered medical cannabis facilities subject to the Medical Cannabis Ordinance.

3. PURPOSE OF RFQ

The purpose of this Request for Qualifications (“RFQ”) is to determine who, based upon their business plan and qualifications, will be invited to apply for each of the six (6) CUP’s described above. Only those persons, collectives or cooperatives who are invited may submit an application for a medical cannabis facility CUP.

PLEASE BE ADVISED AND UNDERSTAND THAT A CUP IS A DISCRETIONARY PERMIT AND AN INVITATION TO SUBMIT AN APPLICATION FOR A CUP IN NO WAY GUARANTEES OR IMPLIES APPROVAL OF THE CUP

4. SUBMITTAL PERIOD

Your Business Plan and Qualifications may be submitted by EMAIL or by SNAILMAIL (USPS) to the addresses listed below. The deadline for the city to **RECEIVE** your submittal **HAS BEEN EXTENDED TO 5:00 p.m. on Friday December 3, 2010. December 17, 2010.**

NO LATE SUBMITTALS WILL BE ACCEPTED

Your submittals should be sent -

by email to: solson@ci.eureka.ca.gov

or

by snailmail to: Sidnie L. Olson, AICP
Director of Community Development
531 “K” Street
Eureka, CA 95501

A workshop to answer questions and explain the selection process will be held on November 4, 2010, at 6:30 p.m. in the City Hall Council Chamber, 531 K Street, Eureka CA.

5. SUBMITTAL MATERIALS

A. General

To be considered you must submit an informative Statement of Interest to the City which includes, at a minimum, the following information:

1. A list of the Board of Directors and their resumes.
2. The business experience of the principals involved.
3. A business plan.
4. Proof of ability to provide insurance and indemnification as required by the Medical Cannabis Ordinance.

B. For a CUP to cultivate and process medical cannabis within the city, and distribute that medical cannabis from a maximum of two locations within the city

1. All of the information contained in section **A. General**, above.
2. A specific location or locations for the facility is not required for your submittal, however, it is highly recommended.
3. The equipment and methods employed in the cultivation or processing of the medical cannabis.
4. How the cultivated and/or processed medical cannabis will be transported to the distribution facility and/or to qualified patients.
5. The hours and days of the week the medical cannabis cultivation or processing facility will be open.
6. The number of persons, per shift, who will be working at the cultivation or processing facility.
7. The security measures that will be employed at the premises, including but not limited to: lighting, alarms, and automatic law enforcement notification.
8. The measures taken to minimize or offset energy use from the cultivation or processing of medical cannabis.
9. The chemicals stored or used at the premises.
10. The type and quantity of all effluent discharged into the City's wastewater and/or stormwater system

C. For a CUP to distribute medical cannabis whether cultivated and processed within the city or not

1. All of the information contained in section **A. General**, above.
2. A specific location for the facility is not required for your submittal, however, it is highly recommended.
3. The estimated number of members/qualified patients served by the distribution facility.
4. The hours and days of the week the distribution facility will be open.
5. The number of persons, per shift, who will be working at the distribution facility.
6. The security measures that will be employed at the premises, including but not limited to: lighting, alarms, and automatic law enforcement notification.
7. The chemicals stored or used at the premises.
8. The type and quantity of all effluent discharged into the City's wastewater and/or stormwater system.
9. A detailed Operations Manual containing, at a minimum:
 - a. The staff screening process including appropriate background checks.
 - b. The process for tracking medical cannabis quantities and inventory controls.

- c. A description of the screening, registration and validation process for qualified patients.
 - d. A description of qualified patient records acquisition and retention procedures.
 - e. The process for tracking medical cannabis quantities and inventory controls including on-site cultivation, processing, and/or medical cannabis products received from outside sources.
10. A detailed Cannabis Safety Program, which includes at a minimum, the following:
- a. The process for documenting the chain of custody of all cannabis and cannabis products from farm to patient.
 - b. The procedure and documentation process for assuring the safety and quality of all medical cannabis and medical cannabis products effective January 1, 2011 (including, but not limited to, testing for bacteria, mold, pesticides and other contaminants).
 - c. The procedure and documentation process for determining patient dosage including testing for the major active agents in the medical cannabis (e.g., cannabinoids THC, CBD and CBN).

6. EVALUATION

A Medical Cannabis Selection Sub-Committee appointed by the City Council will evaluate each submittal to determine if it meets the minimum requirements of this RFQ. The Selection Sub-Committee may meet with some or all of the Respondents (the persons, collectives or cooperatives sending in submittals) and may ask some or all of the Respondents to clarify, supplement or modify certain aspects of their submittal.

The Medical Cannabis Selection Sub-Committee will submit to the City Council for the Council's approval the names of those Respondents who the Sub-Committee recommends should be invited to submit an application for a conditional use permit.

The Medical Cannabis Selection Sub-Committee will use, at a minimum, the following criteria for making their recommendations to the City Council:

- ✓ Qualifications
- ✓ Business Experience
- ✓ Business Plan
- ✓ Ability to operate a clean, professional and safe facility

The Sub-Committee will submit to the City Council anywhere from zero (0) to six (6) names depending on the qualifications of the applicants.

7. RIGHT TO REJECT

This Request for Qualifications is not a contract or commitment of any kind of the City of Eureka and does not commit the City to choosing any respondents, or pay any cost incurred preparing the submission. The City, at its sole discretion, reserves the right to accept or reject, in whole or in part, submittals received in response to this request, or to cancel in whole or in part this Request for Qualifications. All submittals will become the property of the City. Failure to provide any of the requested information within the

specified submittal period may cause the City, at its sole discretion, to reject the submittal or require additional information.

8. USEFUL LINKS

[Medical Cannabis Ordinance, Eureka Municipal Code, Chapter 158](#)

[Zoning Map](#) - Add the "Community Development" layer to the base map to see the zoning districts.

[Conditional Use Permit application packet](#)

[Design Review application packet](#)

[Coastal Development Permit application packet](#)

[California Environmental Quality Act](#)

[North Coast Small Business Development Center](#)