



Commercial Cannabis Permit

Request for Proposals

December 2017

777 B Street
Hayward, CA 94541

p. 510.583.3904
f. 510-583-3601

Office of the City Manager
www.hayward-ca.gov/ccp

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Submittal Instructions

Application Period Start: December 8, 2017, 12:00 pm PST

Application Submittal Deadline: January 12, 2018, 12:00 pm PST

Submittal Instructions

Applicants should submit two physical (hard-copy) applications, as well as one electronic copy (in a single PDF file stored on a USB drive) which includes all of the following materials:

- One (1) Completed Live Scan Background Check and submit completed documentation for each member of the Applicant Team (defined as the Applicant¹ and Owner² per the City of Hayward Ordinance). Please use the Live Scan Form found at www.hayward-ca.gov/ccp.
- One (1) Completed Attestation form for each member of the Applicant Team. The City of Hayward's Attestation Form can be found at www.hayward-ca.gov/ccp.
- One (1) Completed Application Form for each business type, as detailed below.
- One (1) check to the City of Hayward for the application deposit fee of \$5,000. Payment shall be made via check, money order, or cashiers' check payable to the "City of Hayward". Cash and credit card payments will not be accepted.

All of the above materials should be submitted by mail, courier, or in person before the deadline to:

John Stefanski
Office of the City Manager
RE: CCP RFP
City of Hayward
777 B Street
Hayward, CA 94541
John.Stefanski@hayward-ca.gov

**Please note: City Hall will be closed from
December 22, 2017 through January 2, 2018.
No applications will be accepted during this time.**

¹ "Applicant" means an individual, or if not an individual, the general partner, chief executive officer, chief advisor, or other person responsible for the ownership and operation of a business entity, who applies to obtain a permit under this Article.

² "Owner" means any of the following: (1) A person with an aggregate ownership interest of 20 percent or more in the person applying for a license or a licensee, unless the interest is solely a security, lien, or encumbrance. (2) The chief executive officer of a nonprofit or other entity. (3) A member of the board of directors of a nonprofit. (4) An individual who will be participating in the direction, control, or management of the person applying for a permit.

General Conditions of Submittal

1. Applicants must adhere to the specified page limits for each section. Additional content that exceeds these limits will not be considered. Applications should be prepared in Times New Roman, 12-point font and should be single-spaced, with 1-inch margins. All tables, figures, graphics, etc. are included in the page limits, except where specifically noted otherwise.
2. By submitting a proposal, the Applicant represents and warrants that:
 - (a) The information provided is genuine and not a sham, collusive, or made in the interest or on behalf of any party not therein named, and that the Applicant has not directly or indirectly induced or solicited any other Applicant to put in a sham proposal, or any other Applicant to refrain from presenting information and that the prospective provider has not in any manner sought by collusion to secure an advantage.
 - (b) The Applicant has not paid or agreed to pay any fee or commission, or any other thing of value contingent upon the award of an exclusive operating area, to any employee, official, or existing contracting consultant of the City of Hayward.
3. All costs of preparation of proposals including travel for any interviews scheduled shall be borne by the applicants.
4. All proposals become the property of the City of Hayward. The City reserves the right to reject any and all submittals; to request clarification of information submitted; to request additional information from competitors; and to waive any irregularity in the submission and review process. None of the materials submitted will be returned to the bidder.
5. Information or materials submitted in response to this application will be stored on file with the City of Hayward, and may subject to the requirements of the California Public Records Act, or subject to public disclosure as ordered by a court of law. Proposed security plans shall be considered confidential.
6. The City reserves the right to request additional information not included in this application from any or all applicants.
7. The City reserves the right to contact references not provided in the submittals.
8. The City reserves the right to incorporate its standard agreement language into any contract resulting from this application.

Application Form / Required Content

Applicants must complete all the sections below and stay within the page limits specified.

Applicant Information

No page limit

- Information on Applicant
 - Name (full, legal name)
 - Title
 - DOB
 - SS#
 - Valid California driver's license # or ID#, or other form of government-issued ID
 - All other names used in the past:
- If Applicant is corporation, nonprofit, or other business entity:
 - Full, true name of business: _____
 - Doing Business As (DBA): _____
 - Type of Corporate Structure
 - Corporation
 - Limited Liability Company
 - Partnership
 - Individual
 - Nonprofit
 - Collective
 - Other: _____
 - Attach a copy of State registration
- Contact Information:
 - Mailing Address
 - Primary phone number; alternate phone number
 - Email address:

Co-Applicant Information

No page limit

Please provide the following information for each member of the Applicant Team, as defined in the application instructions. Attach additional pages if necessary.

Last Name:	First Name:	Middle Initial:
Alias(es):		
Title:		
Date of Birth:	Phone:	Email:
Residential Address:		
City:	State:	Zip:
Business Address:		
City:	State:	Zip:

Proposed Business Types

1-page limit

In this section, identify all of the commercial cannabis business permit types you intend to apply for during this application round, and then specify which permit type is being sought through this application.

- Identify all of the Commercial Cannabis Permit types that you intend to apply for in the City of Hayward. (Select all that apply). **Note that separate applications are required for each cannabis permit type).**
 - Commercial Cannabis Cultivation
 - Commercial Cannabis Distribution
 - Commercial Cannabis Manufacturing
 - Commercial Cannabis Retail Dispensary
 - Commercial Cannabis Delivery
 - Commercial Cannabis Microbusiness (Type 12)
 - Cannabis Testing Laboratory (*Note: Cannot be held concurrently with any other commercial cannabis permits*)
- Identify the Commercial Cannabis Permit type being sought in this application (**Select only one**):
 - Commercial Cannabis Cultivation
 - Commercial Cannabis Distribution
 - Commercial Cannabis Manufacturing
 - Commercial Cannabis Retail Dispensary
 - Commercial Cannabis Delivery
 - Commercial Cannabis Microbusiness (Type 12)
 - Cannabis Testing Laboratory: Applicants for Commercial Cannabis Testing Laboratory permits should complete the streamlined application form at www.hayward-ca.gov/ccp. **NOTE:** Testing laboratory permits cannot be held concurrently with any other commercial cannabis permits.
- State Cannabis Licenses: Specify the state cannabis license(s) the Applicant holds or intends to apply for: _____

Proposed Business Location(s)

1-page limit, not including requested attachments

- Have you identified or secured location(s) for your proposed business?
 - No: _____
 - If Yes, list proposed property address(es): _____
- Description of the proposed location(s):
- Have you confirmed that the proposed commercial cannabis business is allowed at this location under the City of Hayward Municipal Code Chapter 10 (Zoning Ordinance)?
- Right to Occupy Proposed Location: Check the appropriate box indicating Applicant's right to occupy proposed location(s) and provide supporting documents if available:
 - Owner (provide copy of deed)

- Tenant (provide copy of lease)
- Intent to Lease/Purchase (provide letter of intent)
- Not yet secured a location
- If Applicant is not the owner of the proposed location, provide following information for the current property owner:
 - Full name,
 - Residential address,
 - Phone,
 - Email,
 - Proof of consent to operate a commercial cannabis business at the location.

Business Plan and Operation

250 points available

10-page limit, excluding requested attachments: Proof of Capitalization and Conceptual Site Plan

The Applicant shall submit a summary of the business plan for the day-to-day operation of the proposed commercial cannabis business.

The business plan shall include:

- a. **Operations:** A description of the day-to-day operations of the commercial cannabis business. This should include, as applicable:
 - i. Description of the proposed cannabis-related products and/or services
 - ii. Projected customer-based
 - iii. Proposed marketing plan
 - iv. Proposed hours of operation
 - v. Type of specialized equipment to be used
 - vi. Whether hazardous materials, including volatile solvents or gases, are proposed to be used as part of the operation
 - vii. List of State licensed transportation and distribution providers serving the facility, if known
 - viii. Anticipated frequency of deliveries servicing the facility
 - ix. For retail establishments, this could also include the design aesthetic and user experience of the dispensary.
- b. **Regulatory Compliance:** A description of how operations will conform to applicable state and local laws, as well as the Attorney General's Guidelines. Include copies of state licenses relating to cannabis (including cultivation licenses) that the Applicant holds (where available).
- c. **Startup Activities:** A schedule of anticipated first-year start-up activities
- d. **Financials:** Provide the following financial information:
 - i. One (1) year of pro forma financial estimates for projected capital and operational costs and product pricing/revenue
 - ii. Proof demonstrating sufficient capital is in place to pay startup costs and at least three (3) months of operating costs. Proof of capitalization shall be in the form of (attachments):
 1. Documentation of cash or other liquid assets (e.g., bank statement)
 2. Letter of Credit

- iii. Three (3) years of pro forma estimates for operations, including a discussion of the business assumptions used to develop the estimates. Example assumptions include revenue, customer volume, and product costs, compensation of employees, equipment costs, utility costs, and other operation and maintenance costs
- e. **Conceptual Site Plan (attachment), if appropriate:** Provide a broad/conceptual site plan for the proposed business(es) with proposed interior and exterior building design and layouts.

Management Experience

150 Points Available

5-page limit, excluding resumes

The Applicant shall submit:

- a. An organizational chart with name and role of each known member of the management team. Roles that are known, but unfilled, should also be included in the organizational chart.
- b. A discussion of the relevant experience of the management team. The application shall include information concerning any special business or professional qualifications or licenses of the management team that would add to the number or quality of services that the commercial cannabis business would provide, especially in areas related to prior cannabis business operations, cultivation/agricultural, or testing experience.
- c. A discussion on relevant management experience in the Hayward community, if applicable.
- d. Contact information for references relevant to operation of permitted cannabis businesses in other jurisdictions
- e. Resumes for each member of the management team in the organization. (3-page limit per resume)

Safety and Security Plan

150 points available

10-page limit, excluding sample policy

The Applicant shall describe their approach to operational safety and security, including but not limited to:

- a. General safety policy and protocols, including fire prevention and employee-specific safety policies and training
- b. General security policies and protocols to be implemented, including: discussion of transactional security, customer security, third-party contractor security, product security and delivery security. Specifics should include discussion of ingress and egress access; perimeter security; internal security measures to restrict and/or control area specific

access; details on types and functions of various security systems and equipment (lighting plans, surveillance equipment, professionally monitored security alarm system, commercial grade locks etc.); and security personnel to be employed. This discussion must also include a description of how cannabis will be tracked and monitored to prevent diversion. Applicants are encouraged to provide a sample written policy that has been developed.

- c. Describe whether hazardous materials, including volatile solvents or gases, are proposed to be used as part of the operation. Please list all hazardous materials, including solvents, the Applicant intends on using and how they will be managed.

Security plans shall not be made public by the City, unless required by court action. Security plan details that could aid persons who wish to commit security violations shall be considered to be confidential and shall not be released to the public unless ordered by a court of law.

If the Applicant is applying for multiple commercial cannabis permits that may be co-located, the Applicant must address any security implications of co-location.

Community Benefits Proposal

150 points available

8-page limit

The Applicant shall provide a discussion of proposed activities to benefit the City of Hayward and its residents. Applicants are encouraged to be creative, realistic, and specific in their proposals for a Community Benefits Program, and seek to align those proposals with the City's priorities and needs. Consider including potential metrics for tracking community benefit impacts. Proposals might include themes such as:

- **Health Education and Prevention Strategies:** Activities for both youth and adult health education and substance abuse prevention. Information on local health education and prevention programs can be found at www.hayward-ca.gov/cannabis.
- **Economic Benefits:** Activities to strengthen employment opportunities for Hayward residents, increase revenue to the City, and/or strengthen Hayward's economic dynamism.
- **Alignment with City of Hayward Strategic Initiatives:** Proposals that help to strengthen and advance the City of Hayward's existing strategic initiatives, described here: <https://www.hayward-ca.gov/your-government/city-council>.
- **Neighborhood Benefits or Improvements:** Steps your business will take to support the needs of the adjacent community. Applicants are encouraged to review the Community Services Commission requests from non-profit entities for ideas on providing neighborhood benefits. This information can be found at: <https://www.hayward-ca.gov/your-government/programs/social-service-program-grants>
- **Community Outreach and Support:** Describe the neighborhood/community outreach strategies you will employ to build and/or maintain any support in the community for your business proposal. Describe who is designated as being responsible for outreach and communication with the surrounding community, including the neighborhood and businesses, and how the designee can be contacted.

Product Testing and Safety

100 points available

5-page limit

The Applicant shall describe how the commercial cannabis business will ensure product quality by testing for biological and chemical contaminants pursuant to state and federal standards for food, drugs or tobacco.

The Applicant must also submit a discussion regarding proposed inventory management plan and tools, and description of data management systems used for inventory and recordkeeping as well as discussion of consumer safety as required by state and/or local laws.

The Applicant shall also submit a discussion regarding the product labeling standards to be employed and how they will be in compliance with state and local laws, regulations, and policies.

Environmental Plan

100 points available

5-page limit

The Applicant shall provide a discussion of their Environmental Plan, including the following elements:

- **Neighborhood Impact Mitigation:** Demonstrate how the business will minimize and mitigate any nuisance and/or negative impacts on the surrounding community, including noise, increased foot and vehicle traffic, increased waste production and water usage, and increased safety concerns, among others.
- **Waste:** Discuss how industrial waste will be disposed of.
- **Water:** Discuss how the business will conform to all design guidelines, promote water conservation, and avoid or minimize any potential adverse environmental effects on water.
- **Odor Control:** Discuss how the Applicant will prevent unpleasant odors from escaping from the buildings, such that the odor cannot be detected by a reasonable person of normal sensitivity outside the buildings.
- **Energy Efficiency and Sustainability:** Provide examples of 'green' practices such as energy efficiency and renewable energy, the use of green building measures, and conservation and recycling/reuse programs, among others.

If the Applicant is applying for multiple commercial cannabis permits that may be co-located, the Applicant must address the environmental implications of co-location.

Labor and Employment Practices

100 points available

5-page limit, excluding requested attachments

The Applicant shall submit a description of their labor and employment practices. These policies and practices could include, but are not necessarily limited to, the following:

- a. **Hiring Plan:** Describe the overall Hiring Plan.
- b. **Labor Peace Agreement:** If applicable, please certify that the Applicant has a Labor Peace Agreement in place, or is planning to negotiate one. Include copy of agreement, if available.
 - i. Pre-existing recognition from a certified labor union or being party to a collective bargaining agreement with a certified labor union should be submitted if available.
- c. **Local Hiring Preference:** Discuss any policies or plans for hiring that would give preference to residents of Hayward.
- d. **Training and Continuing Education:** Discuss the introductory and ongoing training opportunities that will be provided to employees.
- e. **Living Wage:** Discuss any plans or policies related to providing a "living wage" to facility staff and employees. An estimated wage scale should be provided for all levels of employment at the facility.
- f. **Non-Discrimination:** Provide evidence of commitment to Equal Benefits and sign a Declaration of Non-Discrimination
- g. **Worker's Compensation:** Provide evidence of worker's compensation protections, etc.

Applicant Certification

I certify under penalty of perjury under the laws of the State of California, that I have personal knowledge of the information contained in this application, and that the information contained herein is true and correct.

Signature: _____ Date: _____

The information contained on this document is subject to disclosure under the Public Records Act.

FOR OFFICE USE ONLY:

Received by: _____

Date: _____

Receipt #: _____