Issued by the City Manager

EFFECTIVE: July 14, 2014

PART I - GENERAL PROVISIONS

SECTION 1-1. PURPOSE AND AUTHORITY.

Chapter 6.88 of the San Jose Municipal Code ("Code") sets forth the requirements and procedures for the collective and cooperative cultivation, manufacturing and dispensing of medical marijuana in the City of San Jose ("City"). These regulations implement the provisions of Chapter 6.88 and are issued by the City Manager under the authorization granted pursuant to Section 6.88.315 of the Code. These regulations are not intended to be exhaustive and can be amended at any time by the City Manager.

These regulations shall be referred to as the "City Manager Regulations for Medical Marijuana." Any persons interested in collectively or cooperatively cultivating, manufacturing or dispensing medical marijuana shall review these regulations carefully. Failure to comply with any of these regulations may impact a person's ability to raise an affirmative defense to prosecution by the City under its Code for unlawful cultivation, manufacture or dispensing of marijuana in the City.

SECTION 1-2. DEFINITIONS AND CONSTRUCTION.

The definitions set forth in Chapter 6.88 shall govern the application and interpretation of these regulations. Any reference to federal, state or local statutes and ordinances includes any regulations promulgated thereunder and is deemed to include any successor or amended version of the referenced statute, ordinance or regulatory provision.

PART II - REGISTRATION AS A COLLECTIVE IN SAN JOSE

SECTION 2-1. THE REGISTRATION PROCESS.

A. To collectively or cooperatively cultivate, manufacture or dispense medical marijuana in the City, a Collective shall register with the City as a Collective authorized to operate in the City. To begin the registration process, a Collective shall complete and submit to the City both (1) an Application for Zoning Code Verification Certificate and (2) an Application for Registration as a Medical Marijuana Collective. Both applications are described in Section 2-2 below. Each Collective shall follow the procedures described in the applications. Those procedures are in addition to the procedures set forth herein, are included by this reference as though fully set forth herein, and are hereby made part of these regulations. Failure to fully comply with those procedures may result in automatic disqualification from registration as a Collective with the City.

SECTION 2-2. CITY REGISTRATION FORMS

A. Applications for Zoning Code Verification Certificate and Registration.

Applications for Zoning Code Verification Certificate and Registration as a Medical Marijuana Collective can each be found on the City's website at http://www.sanjoseca.gov/medicalmarijuana. No other forms shall be used to apply for either a zoning code verification certificate or for registration as a Collective in the City.

- B. <u>Date(s) and Time(s) To Submit Applications</u>. On July 18, 2014, the City will begin accepting both Applications for Zoning Code Verification Certificate and Applications for Registration as a Medical Marijuana Collective. Collectives are not required to submit applications on July 18, 2014 and those who do not submit applications on that day shall have until the close of business on October 17, 2014 to do so. Collectives are also not required to submit both applications at the same time. However applications must be submitted as follows:
 - 1. <u>On July 18, 2014</u>: Applications for a Zoning Code Verification Certificate and Applications for Registration as a Medical Marijuana Collective submitted on July 18, 2014 shall be submitted, in person, between the hours of 9:00 a.m. and 5:00 p.m. to designated City staff at the following location:

City Hall
The Rotunda - West Entrance
200 East Santa Clara Street
San Jose, CA 95113

No more than two (2) persons per Collective will be allowed access to the Rotunda to submit applications on behalf of the Collective. Per Code Section 13.23.300, no person shall camp on the city hall plaza. Collectives desiring to submit applications on July 18, 2014 are encouraged to schedule an appointment for that day by contacting Patrick Heisinger in the Office of the City Manager at (408) 535-8254 as follows:

- Wednesday, July 16th between the hours of 2:00 p.m. and 5:00 p.m.; and
- Thursday, July 17th between the hours of 8:00 a.m. and 10:30 a.m.

Collectives with appointments will be given priority over those applicants waiting in line on July 18, 2014. Appointments shall be confirmed by email and Collectives with appointments must bring a copy of the confirmation email with them on July 18, 2014.

2. <u>After July 18, 2014</u>: Applications for Zoning Code Verification Certificate and Applications for Registration as a Medical Marijuana Collective submitted after July 18, 2014 shall be submitted, in person, during the City's normal business hours, to the Medical Marijuana Program Coordinator, as follows:

City of San Jose - Office of the City Manager 200 East Santa Clara Street 17th Floor San Jose, CA 95113

To schedule an appointment to submit applications after July 18, 2014, Collectives shall contact Patrick Heisinger in the Office of the City Manager at (408) 535-8254. Appointments shall be confirmed by email and Collectives with

appointments must bring a copy of the confirmation email with them to the appointment.

- 3. <u>In Person Submittal by October 17, 2014</u>: Applications for a Zoning Code Verification Certificate and Registration as a Medical Marijuana Collective must be submitted in person. Applications submitted by mail will not be considered. Failure to timely submit <u>both</u> applications by **October 17, 2014** as set forth herein shall result in automatic disqualification from the City's registration process.
- C. <u>Order of Review</u>. All applications will be date and time stamped upon their receipt by designated City staff. The order in which applications were received shall be memorialized in a list maintained by the City Manager's Office and shall be the order in which they will be processed by the City.
- D. Payment of Fees to Process Applications. For the convenience of Collectives, the City will begin accepting applications on July 18, 2014 but will not be processing applications until application processing fees are set by Council and paid by applicants. It is expected that the City Council will set those fees, along with additional inspection and investigation fees to cover City staff's time, on August 5, 2014. Once fees are set by Council, each applicant will be invoiced by the City for payment of fees due. Failure of a Collective to pay applicable fees within (14) calendar days of receiving an invoice from the City will result in automatic disqualification from the registration process.
- E. Review of Application for Zoning Code Verification Certificate and Payment of Hourly Inspection Fee. After verification that application processing fees have been timely and fully paid, the Planning Division will review an Application for Zoning Code Verification Certificate for compliance with applicable land use regulations set forth in Title 20 of the Code. If the Collective is deemed to be in compliance with the requirements of Title 20, the Planning Division will determine whether additional inspection fees are due for additional time required to confirm compliance with Title 20. If additional inspection fees are due, the City will invoice the Collective. Within fourteen (14) calendar days of receiving an invoice from the City, the Collective shall submit payment in the amount set forth in the City's invoice. If payment is timely received by the City, the Planning Division will issue a Zoning Code Verification Certificate to the Collective. If no additional fees are determined to be due, the Planning Division will issue to the Collective a Zoning Code Verification Certificate.
- F. Review of Application for Registration as a Medical Marijuana Collective and Payment of Hourly Investigation Fee and Annual Operating Fee. After verification that application processing fees for the Application for Registration as a Medical Marijuana Collective have been timely and fully paid and the Collective has been issued a Zoning Code Verification Certificate by the City's Planning Division, the City will review the Collective's Application for Registration as a Medical Marijuana Collective. If the Collective is deemed to be in compliance with all the requirements of Chapter 6.88 of the Code, the City will invoice the Collective for an annual operating fee and any additional investigative fees due for additional time required to confirm compliance with

Chapter 6.88. The City will also provide the Collective with the Release of Liability and Hold Harmless form required by Section 6.88.830 of the Code. It is expected that the City Council will set annual operating fees, as well as appropriate registration renewal fees and amendment of application fees, in January 2015. Failure of a Collective to pay the annual operating fee and any additional investigative fees within (14) calendar days of receiving an invoice from the City will result in automatic disqualification from the registration process.

G. <u>Notice of Completed Registration</u>. Within ten (10) business days of receiving the Collective's payment of the annual operating fee and any additional investigative fee, in full, as well as the fully executed Release of Liability and Hold Harmless form, the City Manager shall mail a "Notice of Completed Registration" to the person authorized to accept service of process on behalf of the Collective, as that person is designated on the Collective's Application for Registration as a Medical Marijuana Collective. The Notice of Completed Registration shall be posted in a conspicuous place at the Collective's dispensing and cultivation sites. Once a Collective receives a Notice of Completed Registration from the City Manager, the Collective may begin operating in the City and shall operate in strict compliance with the Code.