



SAN MATEO COUNTY LICENSE BOARD

455 COUNTY CENTER
REDWOOD CITY, CA 94063

**APPLICATION FOR BUSINESS LICENSE FOR COLLECTIVE
CULTIVATION AND/OR DISTRIBUTION OF MEDICAL MARIJUANA
CHAPTERS 5.04 AND 5.148
SAN MATEO COUNTY ORDINANCE CODE**

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I. Applicant Information.

APPLICANT'S NAME _____

ADDRESS _____

CITY: _____ STATE: _____ ZIP CODE: _____

CALIFORNIA DRIVER'S LICENSE NO. _____

DATE OF BIRTH _____

PHONE NUMBER _____ Home Office Cell

E-MAIL ADDRESS _____

(Please use additional sheets to provide this information if there are co-applicants.)

II. Facility Information.

NAME OF FACILITY _____

ADDRESS OF FACILITY _____

FACILITY PHONE NUMBER: _____

DESCRIPTION OF BUILDING IN WHICH FACILITY IS LOCATED:

III. Property Owner Information.

CONTACT INFORMATION FOR OWNER OF BUILDING ("PROPERTY OWNER"):

Name: _____

Address: _____ Phone: _____

City: _____ State: _____ Zip Code: _____

PLEASE OBTAIN AND ATTACH THE FOLLOWING DOCUMENTS FROM THE PROPERTY OWNER:

1. A SIGNED ACKNOWLEDGEMENT THAT HE/SHE IS AWARE OF THE NATURE OF THE OPERATION; and
2. THE NAME AND ADDRESS OF ANY LIEN HOLDER FOR THE PROPERTY; and
3. PROOF OF LIABILITY INSURANCE.

IV. Employee and/or Officer Information.

PLEASE PROVIDE THE FOLLOWING INFORMATION FOR EACH EMPLOYEE AND/OR OFFICER OF THE COLLECTIVE. FOR ADDITIONAL EMPLOYEES AND/OR OFFICERS, USE ADDITIONAL SHEETS OF PAPER.

Employee and/or Officer No. 1

Name:

Date of Birth: _____ California Drivers License No. _____

Has this employee/officer been convicted of a felony? If yes, provide date(s) and offense(s).

Employee and/or Officer No. 2

Name:

Date of Birth: _____ California Drivers License No. _____

Has this employee/officer been convicted of a felony? If yes, provide date(s) and offense(s).

Employee and/or Officer No. 3

Name:

Date of Birth:

California Drivers License No.

Has this employee/officer been convicted of a felony? If yes, provide date(s) and offense(s).

Please Note: The above employee and/or officer information must be updated and reported to Sheriff's Office as additional employees and/or officers are hired and/or appointed.

V. Warning – Risk of Criminal Liability.

Applicant has been advised and acknowledges that:

1. operators, employees, and members of facilities where medical marijuana is collectively cultivated, manufactured, dispensed, or distributed in any form may be subject to prosecution under federal laws, and
2. the application for and/or the issuance of a license does not, in and of itself, provide a legal defense to prosecution under state laws.

VI. Applicant/Licensee's Release and Indemnification of the County of San Mateo.

Applicant hereby releases and agrees to indemnify and defend the County of San Mateo and its employees, officers, elected officials, or agents, from any and all claims and legal liabilities related to or arising from the application for a license, the issuance of the license, any and all investigations conducted in determining whether to issue the license, or the enforcement of the conditions of the license, and/or the operation of any facility at which where medical marijuana is collectively cultivated and/or distributed.

VII. Applicable Requirements and Required Documentation.

Applicants for a medical marijuana license are required to comply with the general sections of the County ordinances concerning business licenses, and with specific requirements that apply to business licenses for medical marijuana collectives.

Chapter 5.148 provides that the Sheriff or the Sheriff's designee shall have the duty and responsibility of processing and referring to the License Board all applications for a medical marijuana collective business license, that the License Board shall determine

whether to issue a medical marijuana collective business license, and that the Sheriff or the Sheriff's designee shall have the duty and responsibility to investigate and enforce any violations of this chapter, and to report and enforce against any violations of the conditions of approval.

Therefore, applicant shall provide evidence to the License Board and the Sheriff of any information required in connection with an application for or maintenance of a medical marijuana collective business license.

Please provide specific information, photographs, or brief statements on separate sheets of paper, to support the findings and conditions that the License Board is required to make before this license can be issued.

VIII. General License Requirements (Ordinance Code Chapter 5.04.)

The License Board is required to deny any application for a license if, after a public hearing, it finds:

1. That the business, occupation or activity sought to be licensed has been, will be, or is likely to become illegal or a public nuisance.
2. That the applicant:
 - (a) within the last five years has been convicted of violating or has been found by the License Board to have violated any county, state, or federal law, ordinance, rule or regulation regulating the activity for which the license is to be (or was previously) issued; or
 - (b) has previously obtained a license by fraud or misrepresentation; or
 - (c) has been guilty of fraud, false advertising, or other misrepresentation, uttering misleading statements, or dishonesty; or
 - (d) has knowingly made a false statement in a material matter either in his application or in his testimony before the Board.

IX. Applicant Must Meet the Legal Criteria of a Medical Marijuana Collective.

Chapter 5.148 includes specific findings that must be made in order for a license to be issued.

Chapter 5.148 also requires that the applicant provide information that will enable the License Board to make a finding that the collective meets the criteria of a medical marijuana collective as defined in California state law. In general, these criteria require that applicants provide information about the following, which are addressed in the "worksheet" section of this application.

1. The definition, status, and responsibilities of "qualified patients", "persons with identification cards", and "the designated primary caregivers of qualified patients and persons with identification cards".
2. The involvement, contributions, and responsibilities of members of the collective.

3. The finances of the collective.
4. The operations of the collective, including but not limited to security, non-diversion practices, checks and balances on quantities of marijuana, sources of marijuana.
5. The steps the collective takes to differentiate itself from an unlawful criminal activity.

Applicant agrees and understands that the collective must comply with state statutes, case law, and the California Attorney General's Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use (August 2008), and that in the event a change in state statutes, case law, and/or the California Attorney General's Guidelines leads to the determination that the collective does not meet the criteria for a medical marijuana collective, the license will be null and void.

X. Specific Finding Required for License.

Chapter 5.148 includes a list of conditions that apply to a license to operate a facility for the collective cultivation of medical marijuana. In submitting this application, and in consideration of the County of San Mateo's consideration of this application, the applicant agrees to comply with all conditions included in Chapter 5.148 for the entire term of the license. The applicant understands and agree that the license may be revoked for any violation of state law or noncompliance with the license conditions for the entire term of the license.

XI. Consent to Inspections.

Applicant consents to any and all inspections and investigations deemed necessary by the County to determine whether the collective for which this application is submitted complies with: (a) state law, (b) Chapter 5.148 of the San Mateo County Ordinance Code, and/or (c) any and all other legal requirements, findings, conditions and criteria that apply to the license.

This consent includes but is not limited to inspections and investigations of the facility in which the collective is located, and any and all locations where the collective's marijuana is cultivated, processed, prepared, packaged, and/or distributed.

The consent also applies to any and all records of the collective, including but not limited to records of the source(s) of marijuana, records of membership, records of distribution, records of financial transactions, and records that would enable the determination of whether the collective complies with state law, the California Attorney General's Guidelines, and Chapter 5.148 of the San Mateo County Ordinance Code.

XII. Execution Under Penalty of Perjury.

I have received, read, and am familiar with all provisions of the California Attorney General's Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use ("Guidelines", August 2008), and Chapter 5.148 of the San Mateo County Ordinance

DETERMINATION OF WHETHER APPLICANT MEETS CRITERIA OF A MEDICAL MARIJUANA COLLECTIVE

The California Attorney General's Guidelines ("Guidelines") set forth criteria for medical marijuana collectives:

- **Collectives should acquire, possess, and distribute only lawfully cultivated marijuana.**
- **The collective's operations should be a "closed circuit" of marijuana cultivation and consumption with no purchases or sales to or from non-members. Distribution and sales to non-members are prohibited.**
- **Any monetary reimbursement that members provide to the collective should only be an amount necessary to cover overhead costs and operating expenses.**

To determine your collective's compliance with the Guidelines, please answer the following questions on separate sheet(s) of paper:

Part 1—Collective's Practices

- 1 Describe how your collective is a "closed circuit" of marijuana cultivation and consumption with no purchases or sales to or from non-members.
2. The Attorney General's Guidelines say that collectives should track and record the source of marijuana. What is your collective's system for doing so?
3. What is your collective's system for preventing the diversion of marijuana to non-medical markets?
4. The Attorney General's Guidelines say that to help prevent diversion of medical marijuana to non-medical markets, collectives should document each member's contribution of money, resources, and labor to the enterprise. Describe and provide examples of your system for collecting and documenting this information.
5. Does your collective set a maximum amount of marijuana that your collective will distribute per member, either daily, weekly or monthly? If so, what is the maximum amount of marijuana that your collective will distribute per member, either daily, weekly or monthly?

6. What measures has your collective implemented (or what measures does your collective plan to implement) to enforce the maximum amounts specified in the previous question?
7. What measures has your collective implemented (or what measures does your collective plan to implement) to ensure that members are not selling marijuana and/or giving marijuana to persons outside of the collective?
8. What measures has your collective implemented (or what measures does your collective plan to implement) to ensure that marijuana is not purchased from outside the collective for distribution to its members?
9. What procedures will your collective have in place to communicate legal requirements to members?
10. What procedures will your collective use to monitor the collective's and members' compliance with legal requirements?
11. What procedures will your collective use to enforce compliance with legal requirements?
12. Do you understand that Chapter 5.148 of the San Mateo County Ordinance code, relating to "Regulation of Collective Cultivation and Distribution of Medical Marijuana" provides that cooking, sale, preparation, or manufacturing of marijuana enhanced or edible or drinkable products, including but not limited to cookies, candy, drinks, or brownies is NOT permitted? Do you agree to comply with this requirement? What procedure will you implement to ensure that all members agree to comply with this requirement?
13. What is the current fee to become a member of your collective?
14. For the past five years, what has been the fee to become a member of your collective?
15. Describe the methodology for determining your collective's membership fee.
16. What reimbursement(s) or payment (other than membership fees) are members of your collective required and/or requested to pay to your collective?
17. For the past five years, what reimbursements (other than membership fees) have members been required and/or requested to pay to your collective?
18. Describe the methodology for determining any and all reimbursements other than membership fees that members of your collective are required and/or

requested to provide to your collective.

19. How does your collective ensure that it does not operate for a profit?

20. How does your collective determine its **overhead**?

21. For each item of overhead incurred by your collective in the past twelve (12) months, provide the name of payee, date of payment, and reason for payment.

22. How does your collective determine its **operating expenses**?

23. For each operating expense incurred by your collective in the past twelve (12) months, provide the name of payee, date of payment, method and form of payment, and reason for payment.

24. Does your collective have **employees**?

25. If the answer to No. 23 is “yes”, how are their salaries determined?

26. Does your collective have **officers**?

27. If the answer to No. 25 is “yes”, and if the officers are compensated, how is their compensation determined?

28. Does your collective operate in more than one county?

29. Is your collective limited to members who live or work in the County of San Mateo?

30. Does your collective have systems in place to discourage or prevent people who live and work in counties other than the County of San Mateo from coming to the collective for the purpose of obtaining marijuana?

31. If so, describe those systems.

32. Does your collective have a limit on the number of members who may belong to the collective?

33. If so, how is the number of members of the collective limited?

34. What is the tax status of your collective? Is your collective a corporation?

35. Have you filed to be recognized as a tax-exempt organization under section

501 (c) of the Internal Revenue Code?

36. Do you plan to file for state exempt tax status?

37. Does your collective use a system of receipts that includes the date, time, first and last name, drivers License Number, amount and type of marijuana purchased? Please describe your system of receipts and attach a sample copy of a receipt.

38. Describe the procedures and policies that your collective has in place to prevent against the following, which the California Attorney General's Guidelines identify as possible indicia of unlawful operation and signs of impermissible mass production:

- Presence of excessive amounts of marijuana at the collective
- Presence of excessive amounts of cash at the collective
- Failure to follow local and state laws applicable to similar businesses, such as maintenance of any required licenses and payment of any required taxes, including sales taxes
- Presence of weapons at the collective
- Presence of illicit drugs at the collective
- Purchases from, or sales or distribution to, non-members
- Distribution outside of California

39. Does your collective include any members whose only contribution to the collective is to pay or contribute money and to receive marijuana in exchange for that payment or contribution?

40. If the answer to No. 39 is "yes", what percentage of your collective consists of members whose only contribution to the collective is to contribute or to pay money and to receive marijuana in exchange for that payment or contribution?

41. If the answer to No. 39 is "yes", does your collective have a maximum number of members whose only contribution to the collective is to contribute or pay money and to receive marijuana in exchange for that payment or contribution? If so, what is that maximum and how is it determined?

42. For each source of your collective's marijuana, list the address of each location at which the marijuana is cultivated, and the amount cultivated at each location over the past twelve (12) months.

43. For each source of the collective's marijuana, list the quantity of marijuana provided to your collective over the past twelve (12) months, and the quantity of marijuana that source provided to other collectives over the past twelve (12) months, and the names and addresses of the other collective(s).

Part 2-- Membership Information

The following information is necessary to determine whether the applicant meets the requirements and conditions for the issuance of a license, and, if a license is issued, to monitor applicant/licensee's compliance with the terms and conditions of the license.

To the extent the answers to the following questions include confidential information, their disclosure will be determined on the basis of applicable confidentiality laws and regulations, including but not limited to the California Public Records Act.

1. List the name, address, date of birth, and drivers license number for each person who cultivates or participates in the cultivation of marijuana for your collective. For each person, specify the person's roles and responsibilities in the cultivation. For each person, designate whether the person is a qualified patient, a person with a valid identification card, or the designated primary caregiver of qualified patients and persons with identification card.

2. For each person listed in response to No. 1, do any of those persons also cultivate or participate in the cultivation of marijuana for other collectives?

3. If the answer to No. 2 is "yes", specify the names and locations of the persons who also cultivate or participate in the cultivation of marijuana for other collectives, and the name and location of each of the other collectives for which the person also cultivates marijuana.

4. For each person who **transports** or participates in the transportation of marijuana for your collective, specify the person's name, address, date of birth, roles and responsibilities in the transportation, and designate whether each person is a qualified patient, a person with a valid identification card, or the designated primary caregiver of qualified patients and persons with identification card.

5. For each person who **prepares** or participates in the preparation of marijuana for your collective, specify the person's name, address, date of birth, roles and responsibilities in the preparation, and designate whether each person is a qualified patient, a person with valid identification card, or the designated primary caregiver of qualified patients and persons with identification card.

6. For each person who **packages or furnishes** or participates in the packaging or furnishing of marijuana for your collective, specify the person's name, address, date of birth, roles and responsibilities in the packaging or furnishing, and designate whether each person is a qualified patient, a person with valid identification card, or the designated primary caregiver of qualified patients and persons with identification card.

7. For each person who **administers** or participates in the administration of marijuana for your collective, specify the person's name, address, date of birth, roles and responsibilities in the administration, and whether the person is a qualified patient, a person with valid identification card, or the designated primary caregiver of qualified patients and persons with identification card.

8. Specify the names, addresses and dates of birth of all **primary caregivers** who are currently members of your collective. For each primary caregiver, specify the names of the persons for whom the person currently serves/has served as the primary caregiver, the length of service and dates of service as a primary caregiver for each person, and a description of the types of services that the caregiver provides/has provided to each person.

9. For each source of your collective's marijuana, list the name, address, date of birth and drivers license number for each person who cultivates marijuana, and designate whether each of those persons is a qualified patient, a person with valid identification card, or the designated primary caregiver of qualified patients and persons with identification card.

10. For each source of your collective's marijuana, list the name, address, date of birth and drivers license number for each person who transports marijuana, and designate whether each of those persons is a qualified patient, a person with valid identification card, or the designated primary caregiver of qualified patients and persons with identification card.

11. For each source of your collective's marijuana, list the name, address, date of birth and drivers license number for each person who prepares marijuana, and designate whether each of those persons is a qualified patient, a person with valid identification card, or the designated primary caregiver of qualified patients and persons with identification card.

12. For each source of your collective's marijuana, list the name, address, date of birth and drivers license number for each person who packages or furnishes marijuana, and designate whether each of those persons is a qualified patient, a person with valid identification card, or the designated primary caregiver of qualified patients and persons with identification card.

13. For each source of your collective's marijuana, list the name, address, date of birth and drivers license number for each person who administers marijuana, and designate whether each of those persons is a qualified patient, a person with valid identification card, or the designated primary caregiver of qualified patients and persons with identification card.

14. For each source of your collective's marijuana, list the name, address, date of birth, and drivers license number for each person who maintains or manages a facility or location for marijuana related purposes.

15. For each officer of your collective, specify and whether the officer is a qualified patient, a person with valid identification card, or the designated primary caregiver of qualified patients and persons with identification card.

16. For each employee of your collective, specify and whether the officer is a qualified patient, a person with valid identification card, or the designated primary caregiver of qualified patients and persons with identification card.

07/28/09