Mimms, Dean L.

Sunter County, FC Ordinar a 20 17-01

Submitted by

From: Debra Armstrong <debra_armstrong@cox.net>

Tuesday, January 31, 2017 9:46 AM

To: Mimms, Dean L.

Subject: Medical Marijuana Dispensary Application

Attachments: SumterCounty.pdf; ATT00001.txt

Hello Dean,

Sent:

Here is an ordinance passed by a Florida municipality that sets a limit by population and sets up a merit based process for picking who gets to dispense in that region. It also makes the application a two-part process: first, a license is given for the right to open a dispensary. Secondly, the licensee must then select a specific location that meets zoning approval and then receive a secondary authorization for that storefront. Please consider adding this sample ordinance to the packet for the City Commission.

Thanks, Debra

SUMTER COUNTY BOARD OF COUNTY COMMISSIONERS EXECUTIVE SUMMARY

| SUBJECT: | Final Public Hearing for the Consideration of Ordinance Adopting Section 13-65 of the Sumter County Land Development Code Related to Medical Cannabis Dispensaries. | | | | | |
|--------------------------|---|--|-----------|--|--|--|
| REQUESTED | ACTION: Staff Recomme | ends Approval | | | | |
| Meeting Type: | Select Meeting Type | DATE OF MEETING: | 1/10/2017 | | | |
| CONTRACT: | ⋈ N/AEffective Date:Managing Division / Dept: | Vendor/Entity: Termination Date: Choose a division/department, | , | | | |
| BUDGET IMP | ACT: FUNDING SOURCE: | | | | | |
| Type: Select impact type | EXPENDITURE ACCO | UNT: | | | | |
| HISTORY/FAC | CTS/ISSUES: | | | | | |

Approval of 2016 Constitutional Amendment 2 by the voters of the State of Florida in November expanded upon the medical use of cannabis (marijuana) which had been previously approved by the Florida Legislature through the Compassionate Care Act of 2014. This expanded use will likely result in an increased number of requests to establish medical cannabis dispensaries. The proposed ordinance regulates the number and location of such facilities and provides for a process for review and approval of dispensaries and their locations. Significant features of the proposed ordinance include:

- 1) Regulation of the number of allowable cannabis dispensaries by reference to total County population, providing for an increased number of facilities as the County grows
- 2) Restriction of facilities to specific commercial and industrial zoning districts
- 3) Operational requirements for security and accountability
- 4) Inspection and renewal provisions for approved facilities

Prepared by: Karl Holley Grammarly Check



Ordinance 17-01
Approved with change of language regarding distance (from 250 ft to 1000 ft; see page 12 of ordinance).

January 10, 2017



RICK SCOTT Governor **KEN DETZNER**Secretary of State

January 12, 2017

Honorable Gloria R. Hayward Clerk and Auditor Board of County Commissioners Sumter County Post Office Box 247 Bushnell, Florida 33513

Attention: Ms. Caroline Alrestimawi, Deputy Clerk

Dear Ms. Hayward:

Pursuant to the provisions of Section 125.66, Florida Statutes, this will acknowledge receipt of your electronic copy of Sumter County Ordinance No. 2017-01, which was filed in this office on January 12, 2017.

Sincerely,

Ernest L. Reddick Program Administrator

ELR/lb

NOTICE OF PUBLIC HEARINGS AMENDMENTS TO THE SUMTER COUNTY LAND DEVELOPMENT CODE

Sumter County, Florida, by and through its Board of County Commissioners, proposes to enact amendments to the Sumter County Land Development Code through an ordinance entitled as follows:

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF SUMTER COUNTY, FLORIDA, AMENDING CHAPTER 13 OF THE SUMTER COUNTY CODE OF ORDINANCES; AMENDING THE SUMTER COUNTY LAND DEVELOPMENT CODE; MORE SPECIFICALLY, PROVIDING STANDARDS FOR REGULATING MEDICAL MARIJUANA DISPENSARIES BY NUMBER AND LOCATION; PROVIDING A PROCESS FOR APPLICATION AND APPOVAL OF SUCH FACILTIES; PROVIDING FOR CODIFICATION; PROVIDING FOR RESOLUTION OF CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Proposed amendments to the Land Development Code relate to establishing requirements and standards for Medical Marijuana dispensaries; designating those land use zones where Medical Marijuana dispensaries will be allowed as a permitted or special use and establishing a process for application and approval of such facilities.

The ordinance will be heard during the regularly scheduled meetings of the Sumter County Local Planning Agency and Board of County Commissioners as follows:

Local Planning Agency 510 Colony Cottage Boulevard The Villages, FL 6:00 P.M., December 19, 2016

Board of County Commissioners Sumter County Courthouse Historic Courtroom 215 E. McCollum Ave Bushnell, FL 5:00 P.M., December 13, 2016 Board of County Commissioners Sumter County Courthouse Historic Courtroom 215 E. McCollum Ave Bushnell, FL 5:00 P.M., January 10, 2017

The proposed changes may be inspected by the public in the Development Services Division, The Villages Sumter County Service Center, 7375 Powell Rd, Ste. 115, between the hours of 7:30 A.M. and 5:00 P.M. weekdays.

Contact Karl Holley at 352-689-4463 with questions.

Interested parties are encouraged to appear at these hearings and provide comments regarding the proposed amendment. Those requiring assistance may call 352-689-4400.

APPEAL: NECESSITY OF RECORD

Notice is given that if any person desires to appeal any action taken by the Board at the above hearing, a verbatim record of the proceedings may be necessary. The Board assumes no responsibility for furnishing said record; however, the hearings will be audio recorded by the Board for public use.

ORDINANCE 2017- O

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF SUMTER COUNTY, FLORIDA, AMENDING CHAPTER 13 OF THE SUMTER COUNTY CODE OF ORDINANCES; AMENDING THE SUMTER COUNTY LAND **DEVELOPMENT** CODE; MORE SPECIFICALLY, PROVIDING STANDARDS FOR REGULATING MEDICAL CANNIBIS DISPENSARIES BY NUMBER AND LOCATION: PROVIDING A PROCESS FOR APPLICATION AND APPOVAL OF SUCH FACILTIES; PROVIDING FOR CODIFICATION; PROVIDING FOR RESOLUTION OF CONFLICTS: PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the voters of the State of Florida have amended the State Constitution to provide for the use of Cannabis for medical purposes; and

WHEREAS, the Florida Legislature has enacted legislation legalizing Cannabis for medical uses; and

WHEREAS, a comprehensive State licensing and regulatory framework for the cultivation, processing, and Dispensing of Cannabis exists; and

WHEREAS the comprehensive State licensing and regulatory framework directs that the criteria for the number and location of, and other permitting requirements that do not conflict with state-law or department rule for, Dispensing facilities of Cannabis Dispensing Businesses may be determined by local ordinance; and

WHEREAS, Cannabis Dispensing Businesses licensed pursuant to the law have begun cultivating Cannabis for processing and Dispensing; and

WHEREAS, potential adverse impacts on the health, safety, and welfare of residents and business from secondary effects associated with the distribution of Cannabis exist, potentially including: offensive odors, trespassing, theft, fire hazards, increased crime in and about the Cannabis Dispensing Business, robberies, negative impacts on nearby businesses, nuisance problems; and

WHEREAS, certain of the above potential adverse impacts are accentuated by the current difficulties experienced by Cannabis Dispensing Businesses in obtaining banking services necessitating such businesses to operate on a cash basis; and

WHEREAS, there exists the potential for misappropriation and diversion of medical Cannabis to non-medical uses, and;

WHEREAS, an overabundance of Dispensing facilities can affect the viability of such facilities, result in compliance issues and increased regulatory costs, lead to the improper diversion of products, and accentuate threats to the public health, safety, and welfare; and

ORDINANCE 2017-

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF SUMTER COUNTY, FLORIDA, AMENDING CHAPTER 13 OF THE SUMTER COUNTY CODE OF ORDINANCES; AMENDING THE LAND COUNTY **DEVELOPMENT** CODE: **MORE** SUMTER SPECIFICALLY, PROVIDING STANDARDS FOR REGULATING MEDICAL CANNIBIS DISPENSARIES BY NUMBER AND LOCATION; PROVIDING A PROCESS FOR APPLICATION AND APPOVAL OF SUCH FACILTIES; PROVIDING FOR CODIFICATION; PROVIDING RESOLUTION **CONFLICTS: PROVIDING FOR** FOR OF SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

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WHEREAS, Cannabis Dispensing Businesses licensed pursuant to the law have begun cultivating Cannabis for processing and Dispensing; and

WHEREAS, potential adverse impacts on the health, safety, and welfare of residents and business from secondary effects associated with the distribution of Cannabis exist, potentially including: offensive odors, trespassing, theft, fire hazards, increased crime in and about the Cannabis Dispensing Business, robberies, negative impacts on nearby businesses, nuisance problems; and

WHEREAS, certain of the above potential adverse impacts are accentuated by the current difficulties experienced by Cannabis Dispensing Businesses in obtaining banking services necessitating such businesses to operate on a cash basis; and

WHEREAS, there exists the potential for misappropriation and diversion of medical Cannabis to non-medical uses, and;

WHEREAS, an overabundance of Dispensing facilities can affect the viability of such facilities, result in compliance issues and increased regulatory costs, lead to the improper diversion of products, and accentuate threats to the public health, safety, and welfare; and

WHEREAS, other jurisdictions have regulated the Dispensing of Cannabis by limiting the number of such Cannabis Dispensing Businesses to reduce threats to the public health, safety, and welfare; and

WHEREAS, there is a need to adopt health, safety, and welfare regulations to avoid adverse impacts on the community which may arise from the distribution of Cannabis; and

WHEREAS, other jurisdictions that allow Cannabis Dispensing Businesses have implemented effective regulatory and enforcement systems that address the adverse impacts that Cannabis Dispensing Businesses could pose to public safety, health, and welfare; and

WHEREAS, an effective regulatory system governing the Dispensing of Cannabis, as provided in this Ordinance, will address potential adverse impacts to the public health, welfare, and safety consistent with Florida law; and

WHEREAS, it is not the purpose or intent of this section to restrict or deny access to Cannabis as permitted by Florida law, but instead to enact reasonable restrictions intended to protect the public health, safety, and welfare; and

WHEREAS, the Board of County Commissioners has determined it is in the public interest to adopt this Ordinance pursuant to the County's police powers and section 381.986, as well as other applicable state laws and provisions of the Florida Constitution, to protect the health, safety, and welfare of the public;

NOW THEREFORE BE IT ORDAINED by the Sumter County Board of County Commissioners, as follows:

SECTION 1. PURPOSE.

The purpose of this Ordinance is to establish requirements that regulate Cannabis Dispensing Businesses in the interest of the public health, safety and general welfare and that ease the regulatory burden on the Sumter County. In particular, this Ordinance is intended to regulate the sale and distribution of Cannabis to ensure a supply of Cannabis to patients who qualify to obtain, possess, and use Cannabis, or any other use of Cannabis permissible under state law, while promoting compliance with other state laws that regulate Cannabis. Nothing in this Ordinance is intended to promote or condone the sale, distribution, possession, or use of Cannabis in violation of any applicable state law. Compliance with the requirements of this Ordinance shall not provide a defense to criminal prosecution under any applicable law.

SECTION 2. AUTHORITY.

Pursuant to Article VIII, Section I of the Florida Constitution and Sections 125.01 and 125.66 of the Florida Statutes, the Sumter County Board of County Commissioners has all powers of local self-government to perform county functions and render county services and facilities except when prohibited by law.

SECTION 3. AMENDMENTS TO LAND DEVELOPMENT CODE.

Section 13-653. Cannabis Dispensaries (Added in entirety).

(a) Definitions:

- (1) The following words and phrases, when used in this Section, shall have the following meanings:
 - a. **Applicant** shall mean any person or entity that has submitted an application for a Certificate of Approval or renewal of a Certificate of Approval issued pursuant to this Section. If the Applicant is an entity and not a natural person, Applicant shall include all persons who are the managers, officers, directors, contractual agents, partners, and licensors of such entity, as well as all members, shareholders, or Investors holding an ownership interest of 10% or more of such entity.
 - b. **Cannabis** has the meaning given to it by section 893.02(3), Florida Statutes, and shall include all forms of medical Cannabis or low-THC Cannabis.
 - c. Cannabis Dispensing Business or Business shall mean a business licensed to dispense Cannabis pursuant to applicable law and that is engaged in the retail sale of Cannabis or Derivative Products, but shall not include making deliveries of Cannabis or Derivative Products to the residence or business of an authorized individual, or to a health care facility, as permitted by other relevant ordinances and state law.
 - d. Certificate of Approval shall mean a document issued by the Jurisdiction officially authorizing an Applicant to operate a Cannabis Dispensing Business pursuant to this Section. A Certificate of Approval generally authorizes an Applicant to establish and operate a Cannabis Dispensing Business pursuant to this Section, but does not authorize the Dispensing of Cannabis at any physical location within the Jurisdiction until a Premises Authorization, as defined herein, has been issued for such location.
 - e. **Compassionate Use Act** shall mean section 381.986, Florida Statutes, and chapter 2016-123, Laws of Florida, as amended from time to time, and any rules or regulations promulgated thereunder.
 - f. **Cultivation** or **cultivate** shall mean the process by which a person grows a Cannabis plant.
 - g. **Derivative Products** shall mean products derived from Cannabis, including but not limited to, Cannabis oil or consumable products containing or derived from Cannabis.
 - h. **Dispensing** shall mean the retail sales of Cannabis or Derivative Products at a Cannabis Dispensing Business, but does not include making deliveries of Cannabis or Derivative Products to the residence or business of an authorized individual, or to a health care facility, as permitted by other relevant ordinances and state law.

- i. **Investor** shall mean any person or entity entitled to share in the profits of the Applicant, or any Lender. The term shall not include any employees who share in the profits of the Applicant pursuant to an employee profit sharing program.
- j. Lender shall mean any person or entity that has provided funds to an Applicant with the expectation of receiving from the Applicant repayment or the receipt from the Applicant of anything of value. The term Lender shall include any person who owns, directly or indirectly, 20% or more of any entity which qualifies as a Lender, but does not include any bank, credit union, or other financial institution created under federal or state law.
- k. Jurisdiction shall mean Sumter County.
- 1. **Operator** shall mean the person or entity to which a Certificate of Approval has been issued pursuant to this Section.
- m. **Premises Authorization** shall mean a document issued by the Jurisdiction to the Operator, authorizing the Operator to conduct Cannabis Dispensing Business operations at a single, specifically approved physical location. No Premises Authorization may be issued to any individual or entity who does not hold a
- n. **Certificate of Approval**. Each Certificate of Approval authorizes the issuance of a single Premises Authorization at any one time, and any relocation of operations to a separate address shall require amendment of the Premises Authorization to authorize operations at the new location.
- o. State shall mean the State of Florida.
- (2) In addition to the definitions contained in Subsection (1), other terms used in this Section shall have the meaning ascribed to them in the Compassionate Use Act, and such definitions are incorporated into this Section by this reference.
- (b) Certificate of Approval required; term of Certificate of Approval; renewal application.
 - (1) It shall be unlawful for any person or entity to establish or operate a Cannabis Dispensing Business in the County without first having obtained from the State of Florida approval to do so pursuant to the Compassionate Use Act or any other relevant law, and having obtained from the County a Certificate of Approval, and having obtained from the County a Premises Authorization for the facility to be operated in connection with such business. Such Certificate of Approval and Premises Authorization shall be kept current at all times and shall be conspicuously displayed at all times in the premises to which they apply. The failure to maintain a current Certificate of Approval, or to maintain a current Premises Authorization for any location at which Cannabis Dispensing Business is conducted, shall constitute a violation of this Section.
 - (2) Each Certificate of Approval issued by the County pursuant to this Section shall specify the date of issuance, the period of licensure, and the name of the Operator.
 - (3) Any Certificate of Approval issued by the County under this Section shall expire three years after the date of its issuance.

- (4) Renewal of an existing Certificate of Approval shall be automatic for successive three year periods upon payment of required fees to the County, as provided in the fee schedule adopted by the County from time to time.
 - a. Within 30 days of the expiration date, and upon notice of renewal by the County, each Operator shall pay a nonrefundable fee to the County, as set forth in the fee schedule adopted by the County from time to time, to defray the costs incurred by the County for review of the application and inspection of the proposed premises, as well as any other costs associated with the processing of the application. Notice of renewal shall be provided to each Operator no less than 30 days prior to the renewal date of the Certificate of Authority.
 - b. A notice of intent to revoke shall be issued to all Operators who have not remitted renewal fees within 30 days of the renewal date. Notwithstanding the provisions of Subsection (a), an Operator whose Certificate of Authority has been expired for not more than 90 days will be reinstated upon the payment of a nonrefundable late application fee, as set forth in the fee schedule adopted by the County from time to time. A Certificate of Authority shall be revoked if renewal fees have not been paid within 90 days of the renewal date.
- (5) Any Premises Authorization issued by the County under this Section shall be deemed to expire on the date upon which the Certificate of Approval pursuant to which it is issued expires. Any Premises Authorization shall be deemed automatically renewed upon the renewal, as set forth herein, of the Certificate of Approval pursuant to which it is issued.
- (6) In the event a Certificate of Authorization is not renewed, it shall be noticed by the County as available and be subject to a new application process as set forth in this Section.
- (c) Application minimum requirements; payment of application fee,
 - (1) An Applicant for a new Certificate of Approval, or an Operator seeking to change the ownership of an existing Certificate of Approval, pursuant to the Compassionate Use Act, any other applicable state law, and the provisions of this Section, shall submit an application to the County. At the time of any such application, each Applicant shall pay an application fee to the County, as set forth in the fee schedule adopted by the County Commission from time to time, to defray the costs incurred by the County for review of the application, as well as any other costs associated with the processing of the application.
 - (2) The Applicant shall include the following in its application to the County:
 - a. Payment of the application fee as set forth in the fee schedule established by the Jurisdiction.
 - b. If the Applicant is a business entity, information regarding the entity, including without limitation the name and address of the entity, its legal status and proof of

- registration with, or a certificate of good standing from, the Florida Secretary of State, as applicable;
- c. If the Applicant is an individual, government issued identification including name, address and photograph of the individual;
- d. Evidence of the State of Florida, Department of Health, Office of Compassionate
 Use's (or any successor agency of the State of Florida's) approval of the
 Operator to operate a Cannabis Dispensing Business pursuant to the
 Compassionate Use Act or any other relevant law;
- e. All documentation necessary to demonstrate compliance with the requirements identified in this Section, including evidence that the Applicant continues to meet all requirements of section 381.986(5)(b)(1), Florida Statutes.
- f. All documentation the Applicant wishes to have considered for scoring purposes, including documentation demonstrating the Applicant meets the criteria detailed in this Section.
- (3) Upon receipt of an application, the County shall review and score the application pursuant to the scoring and review process established by this Section.
- (e) The Application Period and Scoring and Review of Applications.
 - (1) The initial application period shall commence on the effective date of this Ordinance and shall close 30 days after the effective date of this Ordinance. Subsequent application periods shall commence upon certification by the County that additional Certificates of Approval are available and shall close 30 days after such certification. Such certification will be posted in a conspicuous location on a website to be established by the County.
 - (2) The County shall score and review each application pursuant to the criteria, and 100 point scale, detailed below. The County and Applicants may discuss their application at any time during the application process.
 - a. Previous retail dispensing experience in a regulated market in any state: 20 points
 - i. Number of different retail dispensaries operated.
 - ii. Total square footage of retail dispensaries operated.
 - iii. Number of years of operating retail dispensaries.
 - iv. Number of retail dispensary employees managed.
 - v. Gross sales of Cannabis and Cannabis Derivative Products.
 - vi. Number of different Cannabis strains and Derivative Products sold.
 - vii. Retail dispensing licenses held in different states.
 - viii. Previous infractions resulting in the revocation of any Cannabis license.
 - ix. Experience with maintaining chain of custody and tracking mechanisms.

- b. Quality of Derivative Product offerings: 20 points
 - i. Length of time Derivative Products you intend to dispense have been available in regulated markets.
 - ii. Gross sales number of units of these Derivative Products previously sold in regulated markets.
 - iii. Gross revenue derived from previous sales of these Derivative Products in regulated markets.
- c. Technical Ability: 10 points
 - i. Review of standard operating procedures, operating manuals, policies, training modules, and procedures.
 - ii. Training process.
 - iii. Online ordering system.
 - iv. Procedures for expediting ordering and / or providing for medically disadvantaged.
 - v. Operational ERP (Enterprise Resource Planning) System.
 - vi. Retail delivery system.
 - vii. Point-of-sale systems and solutions.
- d. Qualifications of Security Team: 15 points
 - i. Years of security experience with Cannabis dispensaries in a regulated Cannabis market.
 - ii. Integration of security procedures and training into your vertically integrated operations.
 - iii. All owners, Investors, and managers have successfully passed a Level 2 background check and have not been convicted of any felonies involving fraud, false representation, or distribution of Cannabis.
- e. Qualifications of Medical Director: 25 points
 - i. Experience with epileptic patients;
 - ii. Experience with cancer patients;
 - iii. Experience with patients with severe seizures or muscle spasms;
 - iv. Experience with terminal patients;
 - v. Knowledge of the use of medical Cannabis for treatment of cancer or physical medical conditions that chronically produce symptoms of seizures or severe and persistent muscle spasms;
 - vi. Knowledge of good manufacturing practices;
 - vii. Knowledge of analytical and organic chemistry;
 - viii. Knowledge of analytical laboratory methods;
 - ix. Knowledge of analytical laboratory quality control, including maintaining a chain of custody;
 - x. Knowledge of, and experience with, medical Cannabis CBD/low-THC extraction techniques;
 - xi. Knowledge of medical Cannabis, including CBD/low-THC routes of administration;

xii. Experience in or knowledge of clinical trials or observational studies:

xiii. Knowledge of, and experience with, producing CBD/low-THC products;

xiv. Experience with or knowledge of botanical medicines;

xv. Experience with dispensing medications.

f. Awards: 10 points

- i. Any awards, recognitions, or certifications received for expertise in Cannabis related businesses.
- (3) Prior to scoring applications the County shall review applications for compliance with this Section, the Compassionate Use Act, or any other applicable law, and shall reject any application which does not meet such requirement. Rejected applications shall not be scored. The County shall also disqualify any application that contains any false or misleading information.
- (4) Within 30 days after the County's identified deadline for filing applications, the Applicants shall then be ranked from highest to lowest, with Certificates of Approval issued to the highest scoring Applicant, and proceeding to the next highest scored Applicant until all Certificates of Approval authorized pursuant to this Section have been awarded.
- (5) Challenges to the County's award decision shall be filed with the County Administrator within ten days of the decision being challenged. The County Administrator shall review the challenge and issue a decision dismissing such challenge or affirming such challenge. Challenges to the County Administrator's decision dismissing or affirming such challenge shall be via a request for administrative hearing pursuant to Florida's Administrative Procedures Act, and must be filed within ten days of issuance of the decision being challenged. Petitions meeting the requirements of Florida's Administrative Procedures Act shall be referred to the Division of Administrative Hearings for a formal hearing, and issuance of a recommended order to the County. Within 15 days of issuance of a recommended order, the County will issue a final order.
- (f) Issuance of Certificate of Approval.
 - (1) Upon expiration of the challenge deadlines if no challenge is filed, or upon issuance of a final order if a challenge is filed, the County shall issue Certificates of Approval as provided for in this Section.
 - (2) A Certificate of Approval issued pursuant to this Section does not eliminate the need for the Operator to obtain other required permits or licenses related to the operation of the Cannabis Dispensing Business including, without limitation, any development approvals or building permits required by this Code.

- (3) Amendment of a Certificate of Approval or Premises Authorization, as defined below, solely to change the location of a Cannabis Dispensing Business shall not be denied so long as all other conditions for the issuance of a Certificate of Approval have been met and the new location complies with all premises requirements set forth in this Section and all applicable zoning requirements.
- (4) A Certificate of Approval or Premises Authorization may be transferred only to an entity which has been approved by the State of Florida, Department of Health, Office of Compassionate Use (or any successor agency of the State of Florida) to operate a Cannabis Dispensing Business pursuant to the Compassionate Use Act or any other relevant law, and who meets all other requirements of this Section.
- (g) Persons or Entities prohibited as Operators.

No Certificate of Approval shall be issued to, held by, or renewed by any Applicant or Operator who fails to comply with the following Mandatory Requirements:

- (1) Maintain approval as a dispensing organization by the State of Florida, Department of Health, Office of Compassionate Use pursuant to the Compassionate Use Act, or any other applicable law.
- (2) Ensure no owner, Investor, or manager of the Applicant or Operator has been found guilty of, regardless of adjudication, or entered a plea of nolo contendere or guilty to, or has been adjudicated delinquent, and the record has not been sealed or expunged for, any crime enumerated in section 435.04(2), Florida Statutes, or any felony involving false representations or false statements, fraud, or money laundering.

(h) Confidential, Proprietary, Copyrighted, or Trade Secret Material

- (1) If an Applicant considers any portion of the documents, data or records submitted with its application to be confidential, proprietary, trade secret or otherwise not subject to disclosure pursuant to chapter 119, Florida Statutes, the Florida Constitution or other authority, the Applicant must mark the document as "Confidential" and simultaneously provide the County a separate redacted copy of its application and briefly describe in writing the grounds for claiming exemption from the public records law, including the specific statutory citation for such exemption. This redacted copy shall contain the name of the Applicant on the cover, and shall be clearly titled "Redacted Copy." The Redacted Copy should only redact those portions of material that the Applicant claims are confidential, proprietary, trade secret or otherwise not subject to disclosure.
- (2) If a request for public records pursuant to chapter 119, Florida Statutes, the Florida Constitution or other authority, is filed, to which documents that are marked as confidential are responsive, the County will provide the Redacted Copy to the requestor. If a requestor asserts a right to the Confidential Information, the

County will notify the Applicant such an assertion has been made. It is the Applicant's responsibility to assert that the information in question is exempt from disclosure under chapter 119 or other applicable law. If the County becomes subject to a demand for discovery or disclosure of the Confidential Information of the Applicant in a legal proceeding, the County shall give the Applicant prompt notice of the demand prior to releasing the information (unless otherwise prohibited by applicable law). The Applicant shall be responsible for defending its determination that the redacted portions of its response are confidential, proprietary, trade secret, or otherwise not subject to disclosure.

- (3) If Applicant fails to submit a redacted copy of information it claims is confidential, the County is authorized to produce the entire documents, data, or records submitted to the County in answer to a public records request for these records.
- (i) Numerical limit on Cannabis Dispensing Businesses.
 - (1) The maximum number of Certificates of Approval in the Jurisdiction shall not exceed one for every 67,600 residents, as certified in the most recent census or periodic demographic studies conducted by the University of Florida. However, if a census or periodic demographic studies conducted by the University of Florida indicates a resident count of at least 50% of that required for issuance of a new Certificate of Authority, a new Certificate of Approval shall be authorized. For example:

| Residents Indicated | Certificates of Authority Authorized |
|---------------------|--------------------------------------|
| 0 - 101,399 | 1 |
| 101,400 – 169,000 | 2 |
| 169,001 – 236,599 | 3 |
| 236,600 – 304,199 | 4 |
| 304,200 – 371,799 | 5 |

- (2) A dispensing organization may hold more than one Certificate of Approval, but may not hold all available Certificates of Approval issued by the County if more than one is available.
- (3) In order to ensure that the population of the Jurisdiction has access to the best qualified dispensing organizations, while likewise maintaining competition in the Cannabis Dispensing industry within the Jurisdiction, when multiple Certificates of Approval are available Applicants shall be entitled to receive, upon request, up to the number of Certificates of Approval set forth in the below table, and shall identify in their application the number of Certificates of Approval that they are requesting:

| Number of | First Ranked | Second Ranked | Third Ranked | Fourth Ranked |
|-----------|--------------|---------------|--------------|---------------|
| | | | | |

| Certificates Available | Applicant | Applicant | Applicant | Applicant |
|------------------------|-----------|-----------|-----------|-----------|
| 1 | 1 | 0 | 0 | 0 |
| 2 | 1 | 1 | 0 | 0 |
| 3 | 2 | 1 | 0 | 0 |
| 4 | 2 | 1 | 1 | 0 |
| 5 | 3 | 1 | 1 | 0 |
| 6 | 3 | 2 | 1 | 0 |
| 7 | 4 | 2 | 1 | 0 |
| 8 | 4 | 2 | 1 | 1 |
| 9 | 5 | 2 | 1 | 1 |
| 10 | 5 | 2 | 2 | 1 |
| 11 | 6 | 2 | 2 | 1 |
| 12 | 6 | 3 | 2 | 11 |
| 13 | 7 | 3 | 2 | 1 |
| 14 | 7 | 4 | 2 | 1 |
| 15 | 8 | 4 | 2 | 11 |
| 16 | 8 | 4 | 2 | 2 |
| 17 | 9 | 4 | 2 | 2 |
| 18 | 9 | 4 | 3 | 2 |
| 19 | 10 | 4 | 3 | 2 |
| 20 | 10 | 5 | 3 | 2 |

If any Certificates of Approval remain available following the distribution of requested Certificates of Approval to Applicants in accordance with the above table, one Certificate of Approval shall be offered to each remaining eligible applicant, in declining order of rank, until all Certificates of Approval have been distributed. If, following the completion of such process, Certificates of Approval still remain available, one additional Certificate of Approval shall be offered to each Applicant, in declining order of rank, until all Certificates of Approval have been distributed.

- (4) If additional Certificates of Approval are made available, the County shall provide notice of a new application process conducted pursuant to this Section.
- (5) Each Certificate of Approval authorizes the holder to operate a single licensed premise pursuant to an approved Premises Authorization.

(i) Premises Authorization.

After obtaining a Certificate of Approval, and prior to Dispensing Cannabis, an Operator shall select a location from which such Dispensing will occur, and provide notice to the County of the Dispensing location and request issuance of Premises Authorization for such location. Such request shall be provided a minimum of 10 days prior to the Dispensing of any Cannabis from the location, and shall identify the Certificate of Approval at issue, and the location from which Dispensing will occur.

(k) Zoning Requirements

- (1) Cannabis dispensaries shall be a permitted use consistent with the requirements of this Section in the CL, CH, CR and ID zoning districts as established by the Official Zoning Map of Sumter County.
- (2) No Cannabis Dispensing Business shall be located within 1000 feet of any public or private elementary, middle, or secondary school or house of worship. However, a Cannabis Dispensing Business does not violate this subsection and may not be forced to relocate if it meets the requirements of this section and a school or house of worship is subsequently established within 1000 feet of the business.
- (3) For purposes of this Section, measurements shall be made from the nearest property line of the school or house of worship to the nearest property line of the Cannabis Dispensing Business. If the Cannabis Dispensing Business is located in a multi-tenant building, the distance shall be measured from the nearest property line of the school or house of worship to the nearest line of the leasehold or other space actually controlled or occupied by the Cannabis Dispensing Business. The Cannabis Dispensing Business shall ensure security for Cannabis activities complies with state requirements.
- (1) Inspection of approved premises and issuance of Premises Authorization.
 - (1) During business hours and other times of apparent activity, all approved premises shall be subject to inspection by the Fire Chief, the Building Official, County Sheriff, or the authorized representative of any of them, for the purpose of investigating and determining compliance with the provisions of this Section and any other applicable state or local law or regulation. Such inspection may include, but need not be limited to, the inspection of books, records, and inventory. Where any part of the premises consists of a locked area, such area shall be made available for inspection, without delay, upon reasonable request. The frequency of such inspections shall not be unreasonable and shall be conducted in a manner to ensure the operation of the premises is not inhibited.
 - (2) Cannabis may not be dispensed pursuant to a Certificate of Approval until the County has caused the proposed premises to be inspected to determine compliance of the premises with any applicable requirements of this Section and Code, and has issued Premises Authorization.
 - (3) The County shall, within 10 days of receipt of a request for Premises Authorization, and after inspection of the premises to be utilized, notify the Certificate holder that it may begin Dispensing Cannabis at that premises and issue a Premises Authorization to the Certificate holder, or provide to the Operator written notice detailing the reasons the selected location does not comply with this Section. Each Premises Authorization issued by the County

pursuant to this Section shall specify the Certificate of Approval pursuant to which it is issued, all information set forth on the Certificate of Approval, and the physical location of the premises approved, once such approval is received.

(m) Requirements related to the premises.

Cannabis Dispensing Businesses shall be subject to the following additional requirements:

- (1) All Cannabis or Cannabis Derivative products ready for sale shall be in a sealed or locked container or cabinet except when being accessed for distribution.
- Only individuals authorized pursuant to Florida law may dispense Cannabis, and such Cannabis may only be dispensed to persons authorized pursuant to Florida law to receive Cannabis.
- (3) No Cannabis shall be dispensed outside of the hours permitted by Florida law. However, Cannabis Dispensing Businesses may conduct administrative or delivery functions, including making deliveries of Cannabis or Derivative Products to the residence or business of an authorized individual, or to a health care facility, as permitted by other relevant ordinances and state law.
- (4) No unaccompanied minor may be dispensed Cannabis unless otherwise authorized under state law.
- (5) The Cannabis Dispensing Business shall employ reasonable measures and means to eliminate odors emanating from dispensing and shall properly dispose of controlled substances in a safe, sanitary and secure manner and in accordance with applicable laws and regulations.
- (6) After issuance of a Premises Authorization, an Operator shall not make a physical change, alteration or modification of the premises that would not comply with this Section.
- (n) Nonrenewal, suspension or revocation of Certificate of Approval.

The County may suspend, revoke, or refuse to renew a Certificate of Approval for any of the following reasons, after notice and opportunity to cure is given:

(1) The Applicant or Operator, or his or her agent, manager, or employee, have violated, do not meet, or have failed to comply with, any of the terms, Mandatory Requirements as specified in this Section, conditions, or provisions of this Section or with any applicable state law or regulation, only if such failure materially impacts the accessibility, availability, or safety of the Cannabis or Derivative Product.

- (2) The County shall provide notice of any of the above deficiencies accompanied by a 30 calendar day period in which to cure such deficiencies. Within 30 days of receipt of notice a notice of deficiencies, the Operator shall submit to the County a plan to correct such deficiencies. The Operator must execute the plan within 30 days of the date the plan was submitted to the County. If a plan is not timely submitted, or the plan is not timely executed, the County may take appropriate action. If any deficiencies are incapable of being cured, the County shall direct the Operator to take reasonable steps to ensure the deficiency is mitigated and does not pose a material threat to the public health, safety, or welfare. Compliance with such mitigation requirements shall constitute a cure of such deficiencies.
- (3) A Certificate of Approval shall be revoked and be available for issuance subject to the process outlined in this Section if Dispensing fails to occur within thirty-six months after the Certificate has been issued, except that the County may grant an extension of this requirement upon good cause shown.
- (4) Notwithstanding the foregoing, upon a finding by the County, for good cause shown, that the continued operation of the business presents an imminent and immediate grave threat to the public health or safety, the County may issue an emergency order directing the Operator to temporarily cease sales at that location pending resolution of the deficiency.
- (o) No County liability; indemnification; no defense.
 - (1) By accepting a Certificate of Approval and Premises Authorization issued pursuant to this Section, the Operator waives any claim concerning, and releases the County, its officers, elected officials, employees, attorneys and agents from, any liability for injuries or damages of any kind that result from any arrest or prosecution of business owners, Operators, employees, clients, or customers of the Operator for a violation of state or federal laws, rules, or regulations.
 - (2) By accepting a Certificate of Approval and Premises Authorization issued pursuant to this Section, all Operators, jointly and severally if more than one, agree to indemnify, defend, and hold harmless the County, its officers, elected officials, employees, attorneys, agents, insurers and self-insurance pool against all liability, claims, and demands on account of any injury, loss, or damage, including without limitation claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever arising out of or in any manner connected with the operation of the Cannabis Dispensing Business that is the subject of the Certificate of Approval and Premises Authorization.
 - (3) The issuance of a Certificate of Approval and Premises Authorization pursuant to this Section shall not be deemed to create an exception, defense, or immunity for any person in regard to any potential criminal liability the person may have under

state or federal law for the cultivation, possession, sale, distribution, or use of Cannabis.

SECTION 4. CODIFICATION.

It is the intention of the Sumter County Board of County Commissioners, and it is hereby ordained that the provisions of this ordinance shall become and be made a part of the Code of Ordinances of the Sumter County, Florida, with the exception of Sections 2, 4, 5 and 6. The word "Ordinance," or similar words may be changed to "section," "article," or other appropriate word or phrase and the sections of this Ordinance may be renumbered or re-lettered to accomplish such intention. The Code codifier is granted liberal authority to rescind those sections of the Code declared null and void as set forth herein, within Chapter 13 of the Land Development Code.

SECTION 5. CONFLICTS AND REPEALER.

This Ordinance shall be cumulative of all provisions of the Ordinances of Sumter County, Florida, except where the provisions of this Ordinance are in direct conflict with the provisions of such Ordinances, in which event all Ordinances or parts thereof in conflict with this Ordinance are hereby repealed to the extent of such conflict.

SECTION 6. SEVERABILITY.

If any section, subsection, sentence, clause, phrase or portion of this Ordinance, or application hereof, is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion or application shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions thereof.

SECTION 7. EFFECTIVE DATE.

This Ordinance shall become effective immediately upon its adoption by the Sumter County Board of County Commissioners.

PASSED AND ADOPTED BY THE SUMTER COUNTY BOARD OF COUNTY COMMISSIONERS, SUMTER COUNTY, FLORIDA, THIS 10TH DAY OF JANUARY, 2017.

SUMTER COUNTY BOARD OF COUNTY COMMISSIONERS

DOUG GILPIN, CHAIRMAN

ATTEST:

BY: CAROLINE AL RESTIMAWI, DEPUTY CLERK

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