

Appeal of Cannabis Policy Subcommittee Decision to Select Green Qi, LLC to Move Forward in the Conditional Use Permit Entitlement Process

Concentration Area – Piner Rd

City Council
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- The City's Cannabis Retail Application Period for dispensaries and microbusinesses with retail closed on April 20, 2018.
- Applications deemed complete within the prescribed time period were also evaluated for potential overconcentration.
- If a proposed location is within 600 feet of another proposed or existing retail location, then the project(s) entered a competitive merit point based review process.
- Planning staff identified a total of 21 applications, representing 7 areas of overconcentration, for this track.

One of the areas of overconcentration included two proposed cannabis retail facilities on Piner Rd. The applicants include:

- Green Qi, LLC (Applicant A), located at 925 Piner Rd
- Bear Flag Supply, Inc. (Applicant B), located at 950 Piner Rd



- A City review team independently reviewed and scored both applications individually against four criteria that were identified in the *City's Cannabis Use Application Retail Use Requirements*, resulting in a staff recommendation to select the application with the highest-ranked average score.
- Points were awarded based on the quality and extent that an application addressed the merit criteria.
- Staff findings and applicant proposals were presented to the City Council's Cannabis Policy Subcommittee, who then selected which applications move forward with the Conditional Use Permit review process.

Reviewers' Average Points

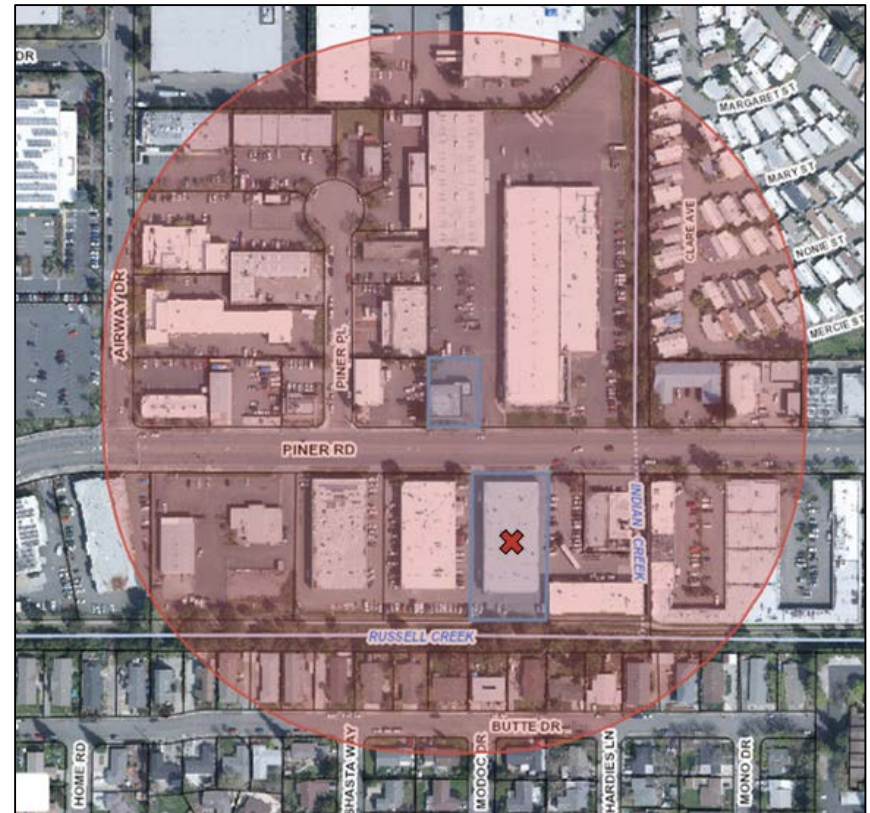
Green Qi, LLC – 88 average points

Cannabis Retail Merit Based Review Criteria	A Green Qi, LLC CUP18-056 925 Piner Road			
	REVIEWER 1	REVIEWER 2	REVIEWER 3	AVG
Local & State Compliance (20 points)	15	15	15	15
Site Management (20 points)	16	19	18	17.7
Neighborhood Compatibility (30 points)	25	27	27.5	26.5
Neighborhood Enhancement (30 points)	27.5	29	30	28.8
TOTAL SCORE (Out of 100)	83.5	90	90.5	88

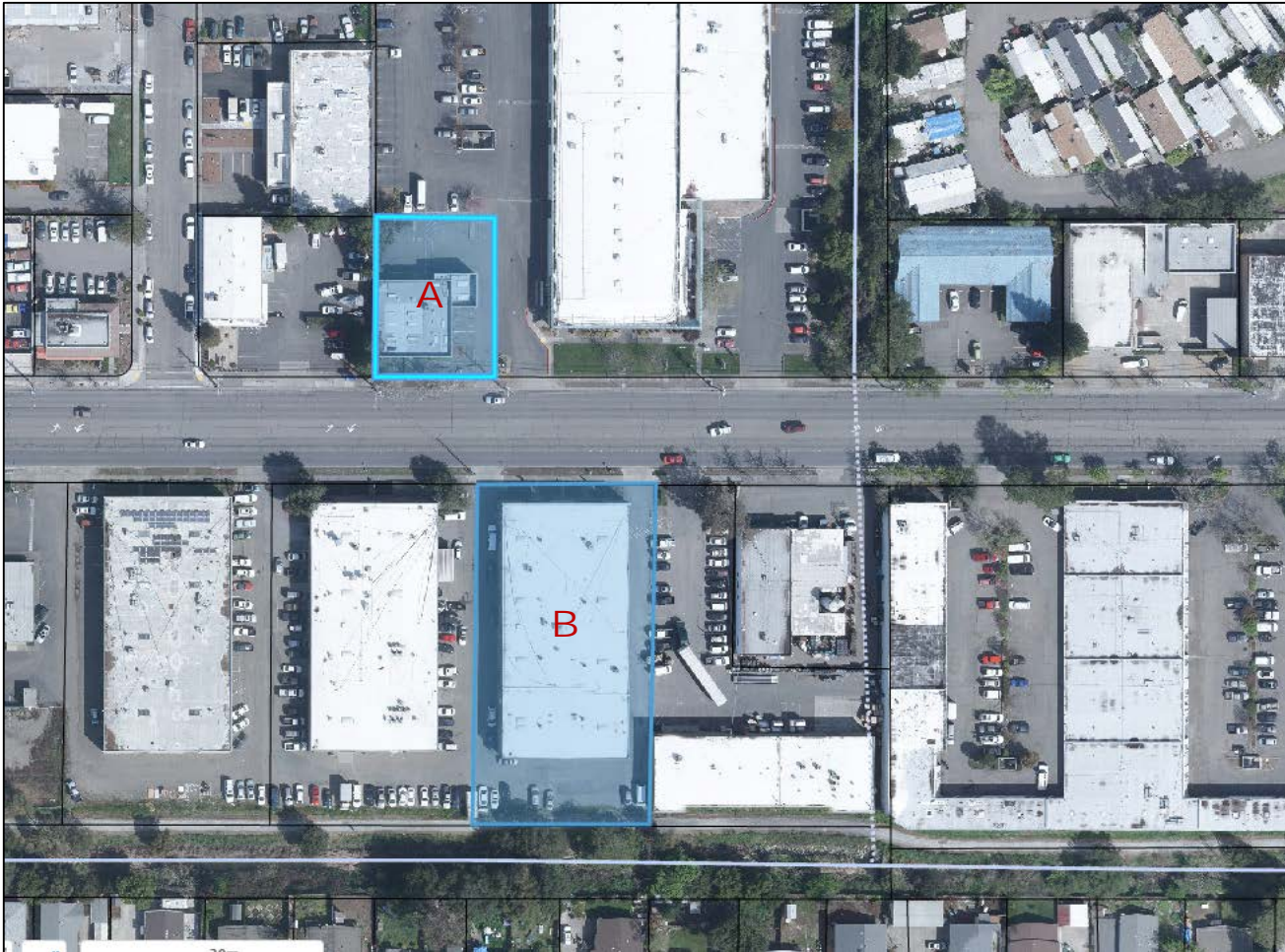
Bear Flag Supply – 79.5 average points

Cannabis Retail Merit Based Review Criteria	B Bear Flag Supply, Inc. CUP18-054 950 Piner Road			
	REVIEWER 1	REVIEWER 2	REVIEWER 3	AVG
Local & State Compliance (20 points)	12	19	17	16
Site Management (20 points)	18	17	18	17.7
Neighborhood Compatibility (30 points)	22	21	28.5	23.8
Neighborhood Enhancement (30 points)	22	21	23	22
TOTAL SCORE (Out of 100)	74	78	86.5	79.5

- On October 25, 2018, staff recommended to the Cannabis Policy Subcommittee that the highest scoring applicant, Green Qi, LLC, move forward.
- After hearing presentations from staff, both applicants, and the public, the Cannabis Policy Subcommittee, by motion, selected Green Qi, LLC to move forward in the Conditional Use Permit entitlement process, voiding Bear Flag Supply, Inc.



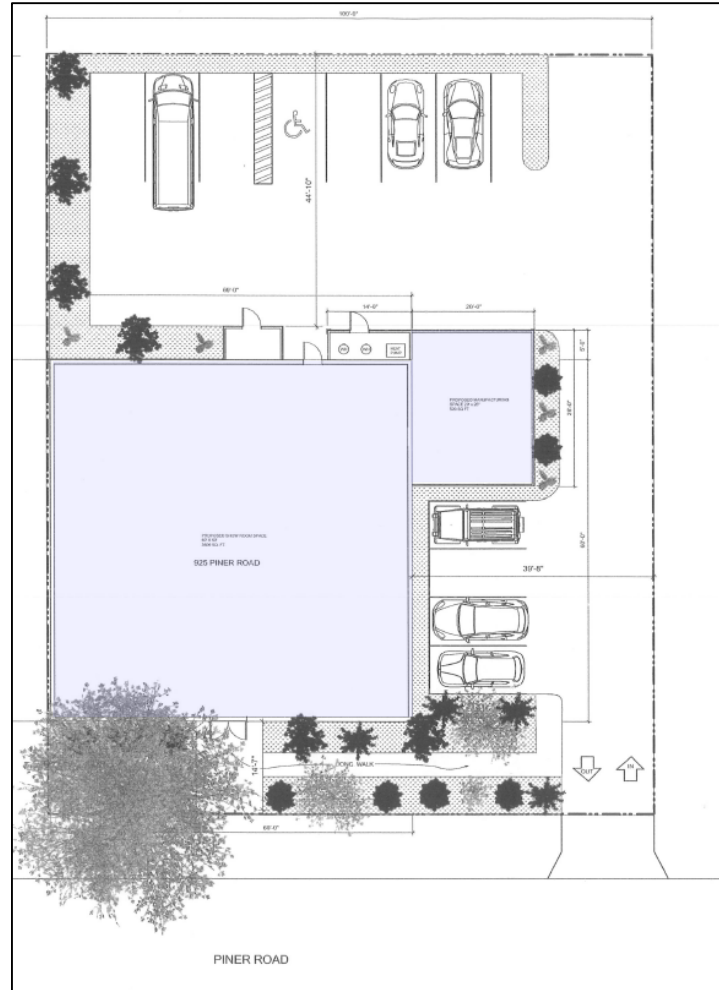
Project Locations Aerial Overview



Project Location (A) 925 Piner Road



Project Location (A) 925 Piner Road



Project Location (A) 925 Piner Road



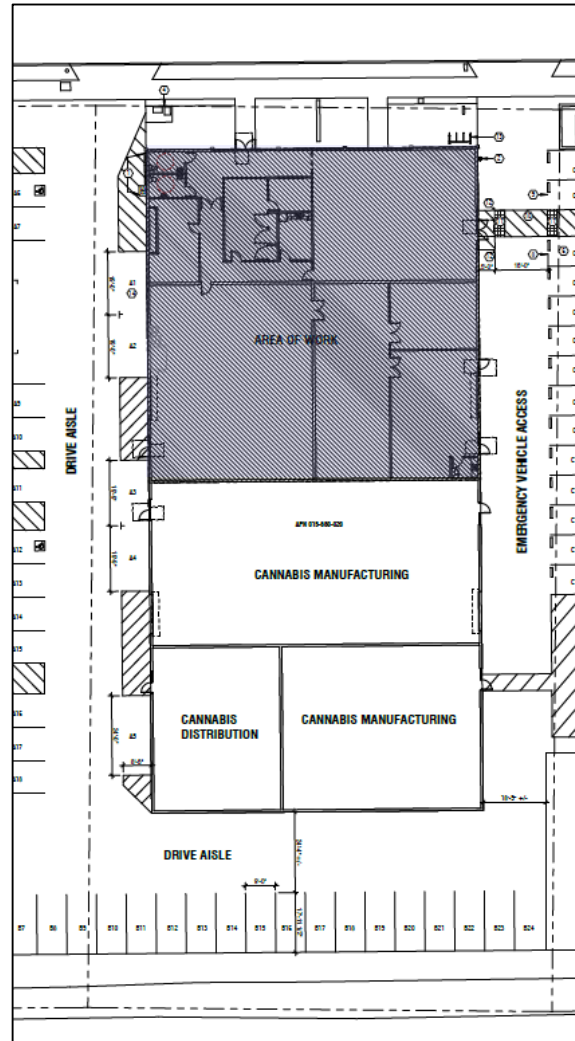
Rendering (A) 925 Piner Road



Project Location (B) 950 Piner Rd



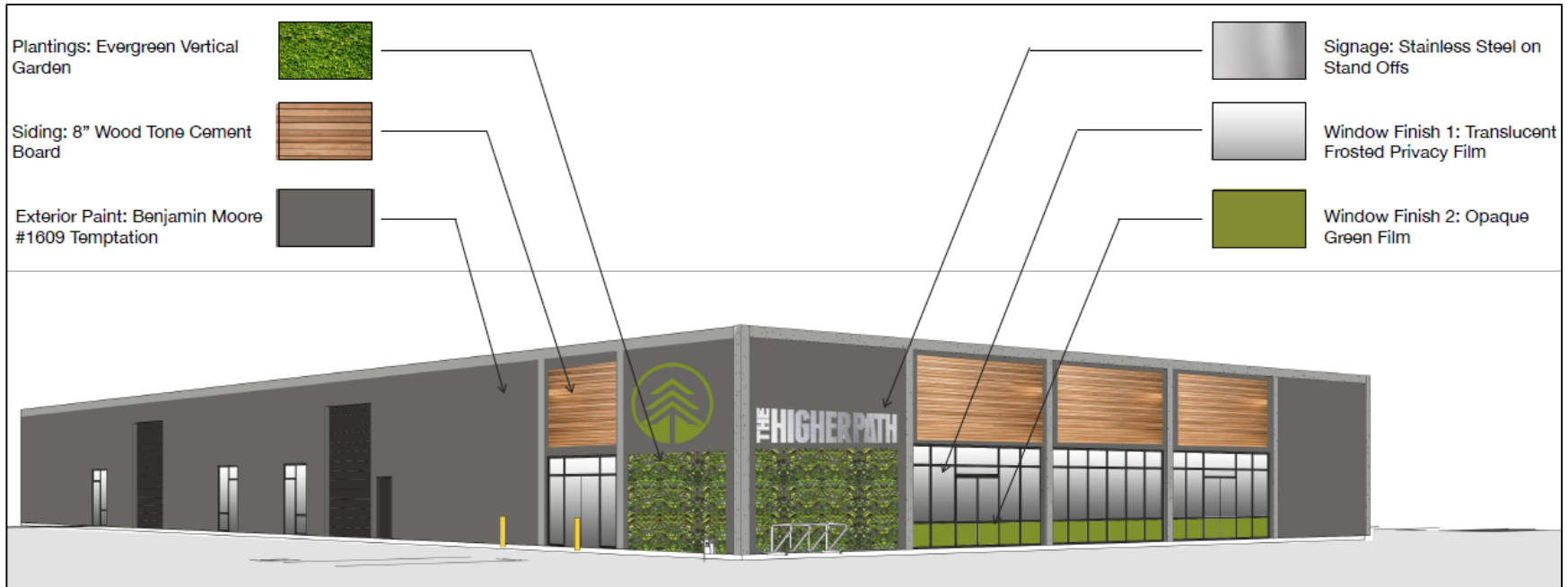
Project Location (B) 950 Piner Rd



Project Location (B) 950 Piner Rd



Rendering (B) 950 Piner Rd



- *City Staff released confidential information to the competitor prior to the public release of that information. This information was in what the City Deputy Planning Director Hartman called a “red” folder and our competitor was allowed to view the file.*

- *The Higher Path provided numerous pieces of new information and personal testimony regarding the qualifications of this applicant at the 10-25-18 meeting. The Sub Committee discounted the new information and seemed compelled to move the issue to the full City Council appeal.*

- *The City of Santa Rosa staff scoring our application made false and misleading statements on the scoring sheet resulting in significant loss of points in the application evaluation. Had the application scoring included the details provided in our application, which were clearly in place and in the Sub-Committee's packet, information that evaluators said was missing, our application would have outscored the competitor.*

- *There are far too many complexities with the error and oversights made to be seriously considered in a five-minute presentation. Five minutes might be fine when application details were not overlooked or preferential treatment by City staff not shown to the competitor. However, both situations occurred here.*

- The Planning and Economic Development Department recommends that Council, by resolution, deny the appeal and uphold the Cannabis Policy Subcommittee's decision to select Green Qi, LLC (Applicant A) to move forward in the Conditional Use Permit Process for a proposed commercial cannabis adult use retail facility, located at 925 Piner Rd.

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