

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Health

Health Regulation and Licensing Administration



Medical Marijuana Program
Dispensary Initial Application

IMPORTANT NOTICE OF CHANGES TO THE APPLICATION REQUIREMENTS:

Please be advised that some of the application requirements have changed. The revised version of these regulations was published on **Friday, August 12, 2011** in the D.C Register and is available on the Department's website. This version of the regulations sets the standards that each application must fully comply with. You will not be allowed to amend, add to, correct, revise, or supplement your application after it has been submitted. Therefore, each applicant is strongly encouraged to read the revised regulations carefully before submitting an application.

I. INTRODUCTION

The Mayor, pursuant to section 14 of the Legalization of Marijuana for Medical Treatment Initiative of 1999 (Act), effective July 27, 2010 (D.C. Law 18-210; D.C. Official Code §§ 7-1671.01, *et. seq.*), and Title 22 of the District of Columbia Municipal Regulations (DCMR) that adds a new subtitle C entitled "Medical Marijuana." hereby gives notice and announces that it will begin accepting applications for operation of up to five (5) medical marijuana dispensaries beginning on September 30, 2011. The application period will terminate on October 31, 2011 at 12 noon EST. As a result of Department review of applications submitted in response to this *Announcement of Open Application Period for Operation of a Medical Marijuana Dispensary*, the Department may approve up to five (5) applications for operation of a medical marijuana dispensary. It should also be noted that the Department reserves the right to deny any and all applications consistent with its duly established statutory and regulatory authority.

II. APPLICATION SUBMISSION AND REVIEW SCHEDULE

<u>DATE</u>	<u>ACTION</u>
September 30, 2011	Notice of Call for Applications for Medical Marijuana Dispensaries
October 14, 2011	Last day to submit questions about the Application process
October 31, 2011	Applications due at Health Regulation Licensing Administration, Department of Health by 12 noon EST
January 6, 2012	Panel completes initial review
January 9, 2012	Notice to ANC Notice to Applicants Sites placarded
February 22, 2012	Comments from ANCs due to Department of Health by 12 noon EST
March 7, 2012	Panel recommendations forwarded to Director
March 21, 2012	Department of Health announces applicants eligible for registration

III. APPLICATION

Electronic copies of the application and the regulations related to the Medical Marijuana Program [22 DCMR Subtitle C] may be obtained from the Department of Health Medical Marijuana Program website: www.hrla.doh.dc.gov/mmp. The 4th Proposed and Emergency Regulations for the Medical Marijuana Program was published on Friday, August 12, 2011 in the D.C. Register. **Applicants are STRONGLY URGED to read the regulations in their entirety prior to submitting an application.**

The application materials shall include responses to each of the questions specified in this announcement.

The application and required schedules shall be typed legibly [preferably in 12-point font]. All applications shall be submitted to the District of Columbia Health Regulation and Licensing Administration Department of Health 899 North Capitol Street, NE 2nd Floor Washington, DC 20002, Attn: Patricia M. D'Antonio.

Each applicant shall file ten (10) printed copies and one electronic (PDF) copy of all application materials, accompanied by the application fee in the amount of five thousand dollars (\$5,000), made payable to the **DC Treasurer**. Please note that two thousand five hundred dollars (\$2,500.00) of the application fee shall be non-refundable.

All costs involved in preparation and submission of an application shall be the responsibility of the applicant. The Department shall not be responsible for any costs incurred by an applicant in preparation or submission of an application.

Applicants should e-mail all **written** questions or requests for clarification regarding this announcement or the application process to doh.mmp@dc.gov with "**MMP-DISP Question**" in the subject line. Questions and responses will be posted on the Department's Medical Marijuana Program website: www.hrla.doh.dc.gov/mmp. Questions will not be answered on an individual basis. Applicants should also monitor the Department's Medical Marijuana Program [website](#) for questions/responses and other addenda to this announcement. Questions received after October 14, 2011 may not be answered. **Phone inquiries will not be accepted.**

The deadline for receipt of application materials filed in response to this announcement is 12 noon EST on October 31, 2011. The Director shall not permit any applicant for a dispensary to make any additions, changes, alterations, amendments, modifications, corrections, or deletions to the application package once it has been submitted to the Department.

IV. REVIEW AND EVALUATION CRITERIA

A. Completeness Review

As defined in the regulations, the failure by an applicant to address all of the required criteria and measures will result in the application being considered non-responsive and not accepted for review by the panel.

B. Application Review and Evaluation Criteria

A panel shall be convened to evaluate and score each application. Each panel member shall score each application as defined in the regulations. The panel shall set forth through consensus comments the basis of the scoring decision for each criterion.

V. APPLICATION QUESTIONS FOR DISPENSARIES

Question 1: Please provide the following:

For individual owners

- a. Trade name of the business and copy of the trade name registration from the Department of Consumer and Regulatory Affairs
- b. Name and address of the individual (no P.O. Boxes will be accepted)
- c. Date of birth of the individual

For partnership or limited liability company:

- a. Legal name of the business or, if the business will be using a trade name other than it's legal name, a copy of the trade name registration from the Department of Consumer and Regulatory Affairs
- b. Names and addresses of each member of the partnership or limited liability company
- c. Date of birth of each member of the partnership or limited liability company
- d. Certificate of Good Standing for the partnership or limited liability company issued by the Department of Consumer and Regulatory Affairs within 30 days of the application's submission

For corporate applicants:

- a. Legal name of the business or, if the business will be using a trade name other than it's legal name, a copy of the trade name registration from the Department of Consumer and Regulatory Affairs
- b. Certificate of Good Standing for the corporation from the Department of Consumer and Regulatory Affairs issued within 30 days of the application's submission Place of Incorporation
- c. Principal place of business
- d. Names and addresses of each of the corporation's principal officers, directors, and shareholders holding, directly or beneficially, one percent (1%) or more of its common stock articles of incorporation and bylaws of the for corporate.
- e. Date of birth of each of the corporation's principal officers, directors, and shareholders defined above in (e)

Prior to the issuance of a registration, the applicant must obtain a Basic Business License from the Department of Consumer and Regulatory Affairs with a General Business license endorsement. Supporting documents should be included as Appendix A. **[No points assigned]**

Question 2: Please provide the proposed physical address of the dispensary. In the case of new construction, provide the lot and square numbers of the ground upon which the establishment will be located. Provide the size and design of the dispensary. Provide the proposed date on which the applicant plans to open the establishment.

Supporting documents should be included as Appendix B. **[No points assigned]**

Question 3: Please provide evidence of compliance with the zoning requirements in Section 5201 of the Notice of Emergency and Fourth Proposed Rulemaking published in the *D.C. Register* on August 12, 2011, for the proposed physical address to be utilized as a dispensary. You must also provide a certified surveyor's report setting forth the proximity of the dispensary to the nearest public or private, preschool, primary or secondary school or recreation center, and the name of the school or recreation center.

Supporting documents should be included as Appendix C. **[No points assigned]**

Question 4: Please provide a detailed description of the nature of the proposed operation, including the following: the location of all restricted access areas and the hours during which the dispensary plans to operate.

Supporting documents should be included as Appendix D. **[No points assigned]**

Question 5: Are any of the applicants licensed physicians? If yes, please provide a signed and notarized **Physician Affidavit Form** found on the application [website](#) attesting to the fact that the licensed physician understands that by regulation this person cannot make recommendations for medical marijuana.

Supporting documents for Question 5 should be included as Appendix E. **[No points assigned]**

Question 6: Please provide documentation regarding the **Suitability of the Proposed Facility (Up to fifty (50) points)**.

Supporting documents for Question 6 should be included as Appendix F.

(A) Measure 1: The applicant demonstrates that the proposed location will provide adequate lighting, display a professional office or business setting, and be convenient for qualifying patients and caregivers. (up to twenty-five (25) points)

(B) Measure 2: The applicant demonstrates that the proposed building and

facility is suitable for the dispensing of medical marijuana. The applicant demonstrates that the proposed facility will possess adequate storage facilities, and adequate space and facilities to monitor the sale of medical marijuana to qualifying patients and caregivers. (up to twenty-five (25) points)

Question 7: Please provide documentation outlining the applicants **Proposed Staffing Plan and Knowledge of District and federal law and regulation relating to marijuana (Up to twenty (20) points).**

Supporting documents for Question 7 should be included as Appendix G.

- (A) Measure 1: The applicant fully describes a staffing plan that will provide and ensure adequate staffing and experience during accessible business hours, safe dispensing, adequate security and theft prevention, and the maintenance of confidential information, including the identity of qualifying patient information. (up to ten (10) points)
- (B) Measure 2: The applicant shall provide an operations manual that demonstrates compliance with the District's medical marijuana rules. The operations manual shall also contain information regarding the applicant's knowledge of federal law relating to medical marijuana. The applicant shall also submit a notarized written statement on **Dispensary Acknowledgement and Attestation Form** indicating that they have read the Act and this title and have knowledge of District and federal law relating to marijuana. (up to ten (10) points)

Question 8: Please provide documentation outlining the applicant's **Security Plan (Up to fifty (50) points)**. Supporting documents for Question 8 should be included as Appendix H.

The applicant shall submit a security plan which shall include:

- (A) Measure 1: The applicant's security plan fully demonstrates the applicant's ability to prevent the theft or diversion of medical marijuana and how the plan will assist with MPD and Department enforcement. Specifically, it shall evidence compliance with all items in § 5405.2 and § 5610, and include all submittals required under that section. (up to thirty (30) points)

- (B) Measure 2: The applicant demonstrates that its plan for record keeping, tracking and monitoring inventory, quality control and security and other policies and procedures will discourage unlawful activity (up to ten (5) points)
- (C) Measure 3: The applicant's security plan shall describe the enclosed, locked facility that will be used to secure or store medical marijuana, including when the location is closed for business, and its security measures, and the steps taken to ensure that medical marijuana is not visible to the public. (up to ten (10) points)
- (D) Measure 4: The security plan describes how it intends to prevent the diversion of medical marijuana to anyone who is not a registered qualifying patient or designated caregiver and includes the applicant's after action plan for any incidents that may trigger enforcement under District of Columbia law or regulations. The plan shall also describe the applicant's plan to coordinate with and dispose of unused or surplus medical marijuana with MPD. (up to five (5) points)
- (E) An applicant for a dispensary registration shall file a written security plan with the Department. The written security plan shall address, at a minimum, the following elements:
 - (a) Evidence that the space will comply with all security system requirements set forth in § 5610 of the regulations;
 - (b) A site plan showing the entire structure the dispensary is house in, including the street(s), parking lot(s), other tenants within the facility, and any other entities that physically border the dispensary;
 - (c) A floor plan of the dispensary detailing the location of the following:
 - (1) All entrances and exits to the dispensary;
 - (2) The location of any windows, skylights, and roof hatches;
 - (3) The location of all cameras, and their field of view;
 - (4) The location of all alarm inputs (door contacts, motion detectors, duress/hold up devices) and alarm sirens;

- (5) The location of the digital video recorder and alarm control panel; and
 - (6) Restricted and public areas.
- (d) The type of security training provided for, and completed by, establishment personnel, including:
 - (1) Conflict resolution training and other security training to be provided by staff; and
 - (2) Procedures for handling violent incidents, other emergencies, and calling the Metropolitan Police Department.
- (e) The applicant's procedures for preventing unregistered individuals from purchasing marijuana;
- (f) The establishment's procedures for documenting medical marijuana transactions;
- (g) How the applicant intends to use and maintain an incident log;
- (h) The establishment's procedures for preventing the use of medical marijuana on the registered premises;
- (i) The number and location of cameras used by the establishment;
- (j) Security measures taken by the applicant to prevent individuals from entering the limited access area portion of the registered premises;
- (k) The applicant's closing procedures after the cessation of business each day;
- (l) The applicant's plan to prevent theft or the diversion of medical marijuana, including maintaining all medical marijuana in a secure, locked room that is accessible only to authorized persons;

- (m) The type of alarm system and outdoor lighting to be used by the applicant; and
- (n) The applicant's procedures for accepting delivery of medical marijuana at the facility, including but not limited to procedures defining how it is received, where it is stored, and how the transaction is recorded.

Question 9: Please provide documentation outlining the applicants **Inventory Plan (Up to twenty (20) points)**. Supporting documents for Question 9 should be included as Appendix I.

- (A) Measure 1: The applicant shall describe its plan for maintaining an inventory of medical marijuana sufficient to ensure that it will be able to serve the needs of all registered qualifying patients who have made the applicant's facility their designated dispensary.

Question 10: Please provide documentation outlining the applicant's **Product Safety and Labeling Plan (Up to forty (40) points)**. Supporting documents for Question 10 should be included as Appendix J.

- (A) Measure 1: The applicant shall describe its plan for providing safe and accurate packaging and labeling of medical marijuana. The Applicant shall describe how it intends to dispense medical marijuana to a qualifying patient or caregiver for transport in a secure manner. (up to twenty (20) points)
- (B) Measure 2: The applicant shall describe its plan for testing or verifying medical marijuana received from a cultivation center and ensuring that all medical marijuana is free of contaminants. (up to twenty (20) points)

Question 11: Please provide documentation outlining the applicant's **Business Plan, Marketing Plan and Services to be Offered (Up to twenty (20) points)**. Supporting documents for Question 11 should be included as Appendix K.

- (A) Measure 1: The applicant shall provide a business plan that describes how the dispensary will operate on a long-term basis. This shall include the applicant providing a detailed description about the amount and source of the equity and debt commitment for the proposed dispensary that demonstrates the immediate and long-term financial feasibility of the proposed financing plan, the relative availability of funds for capital

and operating needs, and the financial capability to undertake the project. (up to ten (10) points)

- (B) Measure 2: The applicant or its directors, officers, members, or incorporators demonstrates experience in business management and/or having medical industry or horticulturalist experience. (up to five (5) points)
- (C) Measure 3: The business plan shall include a start-up timetable which provides an estimated time from registration of the dispensary to full operation, and the assumptions used for the basis of those estimates. (up to five (5) points)

Question 12: BONUS. Please provide documentation outlining the applicant's Educational Materials Plan (**Up to twenty (20) bonus points**). Supporting documents for Question 12 should be included as Appendix L.

- (A) Measure 1: The applicant shall describe its proposed plan for providing educational materials and/or information to qualifying patients, and caregivers. (up to ten (10) bonus points)
- (B) Measure 2: The applicant shall describe its proposed plan for providing training for its staff regarding the administration of marijuana. (up to ten (10) bonus points)

Question 13: Please provide a valid zoning determination letter from the Department of Consumer and Regulatory Affairs' Zoning Administrator for the premises in which the dispensary registration is sought to be located. An applicant, prior to issuance by DCRA of a certificate of occupancy for the building in which the registered premises shall be located, shall provide the following:

- a. Evidence that the applicant has entered into a bona fide agreement with the owner of a building proposed to be constructed or remodeled
- b. Evidence that under the bona fide agreement, the applicant has agreed to lease, purchase, or otherwise occupy all or a portion of the building for the applicant's use in carrying on the business of a dispensary.
- c. Evidence that the agreement provides that so much of the proposed building to be occupied for business purposes registered under the regulations is to be constructed or

remodeled in accordance with specifications set forth in the agreement

- d. Evidence that the agreement describes the quarters as reasonably adequate and appropriate for the business to be carried on under the authority of the registration; and
- e. A zoning determination letter issued by the Department of Consumer and Regulatory Affairs (DCRA).

Supporting documents for Question 13 should be included as Appendix M.

Question 14: Please provide a written and detailed plan for closure of the dispensary.

Supporting documents for Question 14 should be included as Appendix N.

Question 15: Please provide the source of funds used to acquire or develop the business for the dispensary.

An applicant shall provide independent documentation concerning the source of such funds and copies of closing documents in connection with the purchase of a registered business upon request of the Department.

Supporting documents for Question 15 should be included as Appendix O.

Question 16: Provide a signed and notarized Dispensary Acknowledgement and Attestation Form provided on the application [website](#).

Supporting documents for Question 16 should be included as Appendix P.