

**ORDINANCE 2017 - \_\_\_\_\_**

AN ORDINANCE OF WALTON COUNTY, FLORIDA ESTABLISHING LIMITATIONS OF THE LOCATION AND NUMBERS OF RETAIL SALE LOCATIONS OF MEDICAL CANNABIS, LOW-THC CANNABIS, AND DERIVATIVE PRODUCTS, OR ANY RELATED ACTIVITIES; ESTABLISHING REGULATIONS FOR THE ADVERTISEMENT OF SAID RETAIL ESTABLISHMENTS; ESTABLISHING THEIR LOCATION WITHIN WALTON COUNTY AND RESTRICTING THEIR LOCATION WITHIN THE UNINCORPORATED AREAS OF WALTON COUNTY, FLORIDA TO WITHIN 1,320 FEET OF AN ESTABLISHED CHURCH OR SCHOOL OF ANY MEDICAL CANNABIS DISPENSARY; RESTRICTING THE LICENSING OF SAID DISPENSARIES TO THOSE THAT ARE APPROVED DISPENSING ORGANIZATIONS PURSUANT TO SECTION 381.986, FLORIDA STATUTES; PROVIDING FOR PENALTIES; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in 2014 the Florida Legislature enacted the Compassionate Medical Cannabis Act, codified at Section 381.986, Florida Statutes (the "Compassionate Use Act"), which legalized the cultivation, processing, and dispensing of "Low-THC Cannabis," as defined by Section 381.986(1)(e), Florida Statutes, by a licensed dispensing organization for "Qualified Patients," as defined by Section 381.986(1)(h); and

WHEREAS, in 2016 the Florida Legislature amended the Right to Try Act, codified at Section 499.0295, Florida Statutes, which amended the Compassionate Use Act and legalized the cultivation, production, and dispensing of "Medical Cannabis," as defined by Section 381.986(1)(f), Florida Statutes, and derivative products by a licensed dispensing organization to "Eligible Patients," as defined by Section 499.0295, Florida Statutes; 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 businesses may be determined by local ordinance; and

WHEREAS, cannabis businesses licensed pursuant to the law have begun cultivating cannabis for processing and dispensing; and

WHEREAS, the dispensing of cannabis is currently illegal under federal law and the

United States Drug Enforcement Agency has recently confirmed that cannabis remains a Schedule I drug under federal law, but the United States Department of Justice has discussed federal enforcement of such laws with respect to state regulated cannabis operations in the 2012 "Cole Memorandum," and;

WHEREAS, in November 2016, Florida voters decided to amend the Florida Constitution to legalize the cultivation, production, and dispensing of medical cannabis for a broader population of eligible patients; and

WHEREAS, the County hereby finds that this ordinance advances an important government purpose by reducing the likelihood of the unregulated negative secondary effects of Medical Cannabis Activities; and

WHEREAS, the County hereby finds that there is need to adopt health, safety, and welfare regulations to avoid adverse impacts on the community which may arise from the distribution of cannabis;

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 County has determined it is in the best interest of the public to adopt this ordinance pursuant to the County's police powers, to protect the health, safety, and welfare of the public;

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 County has determined it is in the public interest to adopt this Ordinance pursuant to the County's police powers 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 BOARD OF COUNTY COMMISSIONERS OF WALTON COUNTY, FLORIDA, AS FOLLOWS:**

**SECTION 1: Adoption of Marijuana Business Regulations.**

There is created a separate chapter of the Walton County Code of Ordinances which shall be entitled "Marijuana Businesses."

**SECTION 2: Purpose and Intent.**

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 to ease the regulatory burden on the 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 3: Definitions.**

(1) The following words and phrases, when used in this Ordinance, shall have the meanings ascribed to them in this Section:

- 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 Ordinance. 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 Ordinance. A Certificate of Approval generally authorizes an Applicant to establish and operate a Cannabis Dispensing Business pursuant to this Ordinance, 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 who 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 Walton County, Florida.
- l. **Operator** shall mean the person or entity to whom a Certificate of Approval has been issued pursuant to this Ordinance.
- 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 Certificate of Approval.

- 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 rebut the amendment of the Premises Authorization to authorize operations at the new location.
- o. **State** shall mean the State of Florida.
- p. **County** shall mean Walton County, Florida.

#### **SECTION 4: Application Review Committee Created.**

There shall be and is hereby created an Application Review Committee, hereafter referred to in this Ordinance as the "Committee."

#### **SECTION 5: Composition of the Committee.**

The Committee shall consist of three (3) members determined and appointed by the County Administrator or their designee. The Committee shall be subject to Florida Open Government (Sunshine Law) and the Public Records Law.

#### **SECTION 6: Functions of the Committee.**

(1) The Authority shall be responsible, pursuant to the Compassionate Use Act and this Ordinance, for granting or denying Certificates of Approval and Premises Authorizations, and shall have all powers of a county or municipal government as set forth in the Compassionate Use Act and any other applicable state laws.

(2) The Authority shall have the power to: (i) promulgate rules and regulations concerning the procedures for any hearings conducted by the Authority; (ii) require any Applicant or Operator to furnish any relevant information requested by the Authority; and (iii) administer oaths and to require the presence of persons and the production of papers, books, and records at any hearing that the Authority is authorized to conduct.

#### **SECTION 7: Certificate of Approval Required; Term of Certificate of Approval; Premises Authorization; 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 Ordinance shall specify the date of issuance, the period of licensure, and the name of the Operator.

(3) Any Certificate of Approval issued by the Authority under this Ordinance 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.

- i. 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.
  - ii. 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 who's 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 Authority under this Ordinance 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. In the event a Certificate of Authorization is not renewed, it shall be noticed by the Authority as available and be subject to a new application process as set forth in Section 8 below.

#### **SECTION 8: 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 Ordinance, 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, to pay a portion of any special firefighting equipment necessary for these centers as well as any other costs associated with the processing of the application. Such costs shall be set by a subsequent resolution of the County Commission.

(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 Ordinance, 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 Sec.-75 of this Ordinance.

(3) Upon receipt of an application, the Authority shall review and score the application pursuant to the scoring and review process established by Section 9 of this Ordinance.

(4) 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 Authority 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.

(5) 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 Authority will provide the Redacted Copy to the requestor. If a requestor asserts a right to the Confidential Information, the Authority 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 Authority

becomes subject to a demand for discovery or disclosure of the Confidential Information of the Applicant in a legal proceeding, the Authority 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.

(6) If Applicant fails to submit a redacted copy of information it claims is confidential, the Authority is authorized to produce the entire documents, data, or records submitted to the Authority in answer to a public records request for these records.

## **SECTION 9: 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 45 days after the effective date of this Ordinance. Subsequent application periods shall commence upon certification by the Authority that additional Certificates of Approval are available and shall close 45 days after such certification. Such certification will be posted in a conspicuous location on a website to be established by the Authority.

(2) The members of the Authority shall score and review each application pursuant to the criteria, and 100 point scale, detailed below. Members and Applicants may discuss their application at any time during the application process. Each application will be independently scored by Authority members.

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.
  - i. Training process.
  - ii. Online ordering system.
  - iii. Procedures for expediting ordering and/or providing for medically disadvantaged.
  - iv. Operational ERP (Enterprise Resource Planning) System.
  - v. Retail delivery system.
  - vi. 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 Authority shall review applications for compliance with this Ordinance, 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 Authority shall also disqualify any application that contains. Any false or misleading information.

(4) Within 30 days after the Authority's identified deadline for filing applications, the scores awarded by the members of the Authority for each Applicant shall be totaled and averaged for each Applicant. The Applicants shall then be ranked from highest to lowest based on the average scores awarded, 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 Ordinance have been awarded. In the event of a tie in the rankings, the Authority shall by majority vote break the tie.

(5) Challenges to the Authority'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.

#### **SECTION 10: Issuance of Certificate of Approval.**

(1) Upon expiration of the challenge deadlines detailed in Section 9 if no challenge is filed, or upon issuance of a final order if a challenge is filed, the Authority shall issue Certificates of Approval as provided in Section 7 of this Ordinance.

(2) A Certificate of Approval issued pursuant to this Ordinance 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 Ordinance 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 Ordinance.

#### **SECTION 11: Person 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.

#### **SECTION 12: Numerical limit on Medical Marijuana Treatment of Dispensing Centers and Location.**

Walton County has a population of less than 70,000 persons as of the date of this Ordinance. The County encompasses a large geographic area. The County is physically divided by the Inter-Coastal Waterway a large portion of which is located in the Choctawhatchee Bay. At the time of this Ordinance approximately half of its residents live south of the Inter-Coastal Waterway and have live north of the Inter-Coastal Waterway. Thus, for each area, the County shall only issue one Certificate of Approval for Medical Marijuana Treatment and Dispensary Centers for north of the Inter-Coastal Waterway and one south of the Inter-Coastal Waterway. The Walton County Commission, by an Amendment to this Ordinance may, at some future time, increase or decrease the number of Medical Marijuana Treatment and Dispensary Centers based on an increase or decrease in population or as other objective criteria may arise.

#### **SECTION 13: 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 Authority 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.

#### **SECTION 14: Location Requirements.**

(1) Premises Authorization shall be granted for any location which complies with the requirements of this Ordinance and in which retail sales of any kind are permitted pursuant to applicable land use regulations only as a principal use.

(2) No Cannabis Dispensing Business shall be located within 1,320 feet of any public or private or charter elementary, middle, or secondary school, house of worship, any licensed day care center and County park. . However, a Cannabis Dispensing Business does not violate this subsection and may not be forced to relocate if it m e e t s the requirements of this section and a public or private or charter elementary, middle, or secondary school, house of worship, any licensed day care center and County park is subsequently established within 1320 feet of the business.

(3) The distances shall be measured by following the shortest route of ordinary pedestrian travel along the public thoroughfare from the main entrance of the place of business to the main entrance of the house of worship, county part and licensed day care center, and, in the case of a school, to the nearest point of the school grounds in use as a part of the school facilities.

#### **SECTION 15: 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 Chief of Police, 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 Ordinance 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 Authority has caused the proposed premises to be inspected to determine compliance of the premises with any applicable requirements of this Ordinance and Code, and has issued Premises Authorization.

(3) The Authority 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 Ordinance. Each Premises Authorization issued by the County pursuant to this Ordinance 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.

#### **SECTION 16: 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.

(2) 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 Ordinance.

(7) No advertising shall be conducted by an Operator designed to appeal to children including but not limited to cartoon or cartoonish type of advertising of any form whether designed to appeal to children or not.

(8) The operator, in cooperation with the Walton County School District, shall develop and prepare curriculum and lesson plans designed to educate the students of the Walton County School District and any charter or private school on the difference between medicinal marijuana use and recreational marijuana use and the dangers of recreational marijuana use. The operator shall report to the Walton County Board of County Commissioners at the Board first meeting each September its efforts and results in complying with this paragraph.

#### **SECTION 17: Signage Requirements.**

All signage associated with a Cannabis Dispensing Business shall meet the standards established in the Walton County Land Development Code. Further, and in addition to those standards, all signage must be on premises only and shall not use cartoon or cartoonish characters as part of the signage advertising.

#### **SECTION 18: Nonrenewal, Suspension or Revocation of Certificate of Approval.**

The Authority 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 Section 16, conditions, or provisions of this Ordinance 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 Authority 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 Authority a plan to correct such deficiencies. The Operator must execute the plan within 30 days of the date the plan was submitted to the Authority. If a plan is not timely submitted, or the plan is not timely executed, the Authority may take appropriate action. If any deficiencies are incapable of being cured, the Authority 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 Authority may grant an extension of this requirement upon good cause shown.

(4) Notwithstanding the foregoing, upon a finding by the Authority, for good cause shown, that the continued operation of the business presents an imminent and immediate gravethreat 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.

#### **SECTION 19: NO WALTON COUNTY LIABILITY; INDEMNIFICATION; NO DEFENSE.**

(1) By accepting a Certificate of Approval and Premises Authorization issued pursuant to this Ordinance, 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 Ordinance, 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 Ordinance 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 20: Treatment of Existing Cannabis Dispensing Businesses.**

Notwithstanding anything in this Ordinance to the contrary, any Cannabis Dispensing Business operating in the Jurisdiction as of September 1, 2017, may continue operating at any retail locations from which the Cannabis Dispensing Business dispensed medical cannabis on or before September 1, 2017. Such Cannabis Dispensing Business shall be issued a non-transferable Certificate of Approval and non-moveable Premise Authorization, and shall be disregarded for purposes of Section 100 of this Ordinance. Such Certificates of Approval and Premises Authorization shall become void if the Cannabis Dispensing Business ceases retail operations.

**SECTION 21: Severability.**

If any provision of this Ordinance, or the application thereof to any person or circumstance, is held invalid, the invalidity shall not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared severable.

**ADOPTED AT A REGULAR MEETING OF THE WALTON COUNTY BOARD OF COUNTY COMMISSIONERS ON \_\_\_\_\_ DAY OF MAY, 2017.**

Attest:

Walton County Board of County Commissioners

\_\_\_\_\_  
ALEX ALFORD  
Walton County Clerk of Court

\_\_\_\_\_  
CECILIA JONES  
Chair