

1 Steven G. Churchwell (SBN 110346)  
2 Douglas L. White (SBN 206705)  
3 Nubia I. Goldstein (SBN 272305)  
4 J. Scott Miller (SBN 256476)  
5 CHURCHWELL WHITE LLP  
6 1414 K Street, 3rd Floor  
7 Sacramento, CA 95814  
8 (916) 468-0950 Phone  
9 (916) 468-0951 Fax  
10 steve@churchwellwhite.com

11 Todd Noonan (SBN 172962)  
12 NOONAN LAW GROUP  
13 980 9th Street, 16th Floor  
14 Sacramento, California 95814  
15 (916) 449-9541 Phone  
16 Todd@noonanlawgroup.com

17 Attorneys for Plaintiffs  
18 COUNTY OF SANTA CRUZ, et al

19 SUPERIOR COURT OF THE STATE OF CALIFORNIA

20 COUNTY OF FRESNO

21 COUNTY OF SANTA CRUZ; CITY OF  
22 AGOURA HILLS; CITY OF ANGELS CAMP;  
23 CITY OF ARCADIA; CITY OF ATWATER;  
24 CITY OF BEVERLY HILLS; CITY OF CERES;  
25 CITY OF CLOVIS; CITY OF COVINA; CITY  
26 OF DIXON; CITY OF DOWNEY; CITY OF  
27 MCFARLAND; CITY OF NEWMAN; CITY OF  
28 OAKDALE; CITY OF PALMDALE; CITY OF  
PATTERSON; CITY OF RIVERBANK; CITY  
OF RIVERSIDE; CITY OF SAN PABLO; CITY  
OF SONORA; CITY OF TEHACHAPI; CITY  
OF TEMECULA; CITY OF TRACY; CITY OF  
TURLOCK; and CITY OF VACAVILLE,

Plaintiffs,

v.

BUREAU OF CANNABIS CONTROL; LORI  
AJAX, in her official capacity as Chief of the  
Bureau of Cannabis Control; and DOES 1  
through 10, inclusive,

Defendants.

Filing Fee Exempt  
(Gov. Code § 6103)

E-FILED  
5/13/2020 10:54 AM  
Superior Court of California  
County of Fresno  
By: Louana Peterson, Deputy

Case No.: 19CECG01224

**REQUEST FOR JUDICIAL NOTICE,  
EXHIBITS VOLUME 2 (EXHIBITS 11-20)**

Complaint filed: April 4, 2019

Trial Date: July 16, 2020

Assigned for all purposes to Judge Rosemary  
McGuire, Department 403.

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# EXHIBIT 11

**ORDINANCE NO. 16-23**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLOVIS AMENDING  
CHAPTER 5.22, OF TITLE 5, OF THE CLOVIS MUNICIPAL CODE PERTAINING TO  
MEDICAL AND RECREATIONAL MARIJUANA**

THE CITY COUNCIL OF THE CITY OF CLOVIS DOES ORDAIN AS FOLLOWS:

**SECTION 1. FINDINGS.**

**1. State Law Findings.**

a. In 1996, with the adoption of Proposition 215, the California voters approved the Compassionate Use Act (Health and Safety Code § 11362.5) to ensure that seriously ill Californians have the right to obtain and use marijuana for medical purposes where that medical use is deemed appropriate and has been recommended by a physician, without fear of criminal prosecution under limited, specified circumstances.

b. In 2004, the State Legislature enacted SB 420 to clarify the scope of the Compassionate Use Act and provide additional statutory guidance regarding medical marijuana use. These statutes are codified at Health and Safety Code § 11362.7 et seq. and allow cities and counties to adopt supplemental rules and regulations.

c. On October 9, 2015, almost 20 years after passage of the Compassionate Use Act, the Governor signed the Medical Marijuana Regulation and Safety Act ("Act"), comprised of California legislative bills AB 243, AB 266, and SB-643. The Act creates a comprehensive state licensing system for the commercial cultivation, manufacture, retail sale, transport, distribution, delivery, and testing of medical cannabis, all subject to local control. One of the purposes of the Act is to ensure uniformity among jurisdictions that wished to allow commercial marijuana operations.

d. On June 27, 2016, the Governor signed SB 837, effective immediately, changing the terms in the Act from "medical marijuana" or "marijuana" to "medical cannabis" or "cannabis", and making other technical changes to the Act. SB 837 also adopted regulations relating to the use and diversion of water in connection with the cultivation of cannabis.

e. Pending before the voter this November is the Adult Use of Marijuana Act ("AUMA"). The purpose of AUMA is to establish a comprehensive system to legalize, control and regulate the cultivation, processing, manufacture, distribution, testing, and sale of nonmedical marijuana, including marijuana products. Adults, age 21 and older, will be allowed to possess marijuana and grow certain amounts at home for personal use.

**2. City of Clovis Marijuana Regulatory History.**

a. In 2006 as amended in 2012 and 2015, the City adopted Title 5, Chapter 22, of the Clovis Municipal Code pertaining to Medical Marijuana (Marijuana Ordinance). The Marijuana Ordinance places a complete ban on commercial marijuana cultivation, commercial deliveries, and dispensaries in the City based upon various health, safety and welfare and land use findings relating to marijuana cultivation, dispensing, and consumption, which findings are incorporated herein by reference.

b. The Marijuana Ordinance provides for personal use cultivation under limited circumstances as well as limited collective or cooperative cultivation.

c. The City exempted from the dispensary ban State licensed health care clinics and residential care facilities distributing marijuana to their patients, as further described in the Marijuana Ordinance.

d. At the time the City adopted the commercial cultivation ban, the issue of other commercial marijuana operations, such as manufacturing, testing and distribution, were not considered an area of concern in need of regulation. Now, with the adoption of the Act, these other commercial marijuana operations are imminent.

e. Since adoption of the Act there have been numerous inquiries from individuals and entities, both from within and outside the City of Clovis, seeking to start a commercial marijuana operation in the City. Clear guidance is required in the City's Municipal Code so there is no ambiguity.

f. The City of Clovis has identified a number of health, safety, and welfare concerns associated with marijuana activities. These concerns are set forth in the original reports accompanying the Medical Marijuana Ordinance, and are incorporated herein by reference. These concerns continue and have been exemplified throughout Fresno County and the State as evidenced by numerous area agency police reports and news articles and stories. Some of the continued documented problems include offensive odors, trespassing, theft, violent encounters, fire hazards and problems associated with mold, fungus, and pests.

g. Under the Act, and AUMA if it passes, the City retains its police powers and land use authority to regulate or ban marijuana activities, including commercial marijuana operations, cultivation, distribution and consumption for the health, safety, and welfare of the citizens of Clovis.

## SECTION 2. AMENDMENT OF CHAPTER 5.22

Chapter 5.22, of Title 5, of the Clovis Municipal Code is amended in its entirety to read as follows:

### **Chapter 5.22 MARIJUANA**

#### **Section 5.22.01 Purpose and Intent**

It is the purpose and intent of this Chapter to promote the health, safety, morals, and general welfare of the residents and businesses within the City by regulating the cultivation, processing, extraction, manufacturing, testing, distribution, transportation, sale, and consumption of marijuana, whether for medical purposes as currently allowed under State law, or for recreational use should recreational use become lawful under State law.

#### **Section 5.22.02 Definitions**

For purposes of this Chapter, the following definitions shall apply:

(a) "Act" means the Medical Marijuana Regulation and Safety Act, now called the Medical Cannabis Regulation and Safety Act, including implementing regulations, as the Act and implementing regulations may be amended from time to time. The terms Act, Medical Marijuana Regulation and Safety Act, Medical Cannabis Regulation and Safety Act, may be used interchangeably, but shall have the same meaning.

(b) "Cannabis" or "marijuana" shall have the meaning set forth in California Business and Professions Code section 19300.5(f). Cannabis and marijuana may be used interchangeably, but shall have the same meaning.

(c) "Collective or cooperative cultivation" means the association within California of qualified patients, persons with valid identification cards, and designated primary care givers to cultivate marijuana for medical purposes as may be allowed under the Compassionate Use Act, the Medical Marijuana Program Act, or the California Medical Cannabis Regulation and Safety Act adopted on October 9, 2015 with legislative bills AB 243, AB 266, and SB 643.

(d) "Commercial marijuana operation" means any commercial cannabis activity as set forth in California Business and Professions Code section 19300.5(k) and allowed under the Act, and all uses permitted under any subsequently enacted State law pertaining to the same or similar uses for recreational cannabis.

(e) "Delivery" means the commercial transfer of medical or recreational use marijuana and marijuana products from a dispensary as well as the use of any technology platform that enables persons, whether qualified patients, caregivers, or recreational users, to arrange for or facilitate the transfer.

(f) "Marijuana dispensary" or "dispensary" means any facility or location, whether fixed or mobile, and any building or structure, where cannabis is made available to, distributed by, or distributed to more than two persons.

(g) "Marijuana products" means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.

(h) "Medical marijuana or medical marijuana use" means the use of cannabis for the purposes set forth in the Compassionate Use Act and the Medical Marijuana Program Act, California Health and Safety Code sections 11362.5 and 11362.7 et seq.

(i) "Recreational marijuana or recreational marijuana use" means all uses of cannabis not included within the definition of medical marijuana use.

### **Section 5.22.03 Regulations applicable to the cultivation of medical marijuana.**

To the extent that the City is required to allow the cultivation of medical marijuana under State law, the rules set forth herein shall apply. Nothing in this section shall be interpreted to permit commercial marijuana operations or marijuana dispensaries otherwise prohibited by this chapter.

(a) Personal use cultivation. An individual qualified patient or person with an identification card shall be allowed to cultivate medical marijuana within his/her private residence, in an attached garage, or in an accessory building if the property is detached single family residential. A primary caregiver shall only cultivate medical marijuana at the residence of a qualified patient or person with an identification card for whom he/she is the primary caregiver. Medical marijuana cultivation for personal use shall be subject to the following requirements:

(1) Area. The medical marijuana cultivation area shall not exceed thirty two (32) square feet measured by the canopy and not exceed ten feet (10') in height per residence. This limit applies regardless of the number of qualified patients or persons with an identification card residing in the residence. The cultivation area shall be a single designated area.

(2) Lighting. Medical marijuana cultivation lighting shall not exceed a total of 1200 watts.

(3) Building Code Requirements. Any alterations or additions to the residence, including garages and accessory buildings, shall be subject to applicable building and fire codes, including plumbing and electrical, and all applicable zoning codes, including lot coverage, set back, height requirements, and parking requirements.

(4) Gas products. The use of gas products (CO<sub>2</sub>, butane, etc.) for medical marijuana cultivation or processing is prohibited.

(5) Evidence of cultivation. From a public right of way, or other public space there shall be no exterior evidence of medical marijuana cultivation occurring on the site.

(6) Residence. The qualified patient or person with an identification card shall reside in the residence where the medical marijuana cultivation occurs.

(7) Cultivation elsewhere in City. The qualified patient or person with an identification card shall not participate in medical marijuana cultivation in any other location within the City of Clovis.

(8) Incidental use. The residence shall maintain kitchen, bathrooms, and primary bedrooms for their intended use and not be used primarily for medical marijuana cultivation.

(9) Ventilation. The medical marijuana cultivation area shall include a ventilation and filtration system designed to ensure that odors from the cultivation are not detectable beyond the residence, or property line for detached single family residential, and designed to prevent mold and moisture and otherwise protect the health and safety of persons residing in the residence and cultivating the marijuana. This shall include at a minimum, a system meeting the requirements of the current, adopted edition of the California Building Code § 1203.4 Natural Ventilation or § 402.3 Mechanical Ventilation (or its equivalent(s)).

(10) Storage of chemicals. Any chemicals used for medical marijuana cultivation shall be stored outside of the habitable areas of the residence and outside of public view from neighboring properties and public rights of way.

(11) Nuisance. The medical marijuana cultivation area shall: not adversely affect the health or safety of the nearby residents by creating dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, or other impacts; and not be hazardous due to the use or storage of materials, processes, products or wastes, or from other actions related to the cultivation.

(12) Property owner authorization. For rental property, the lessee shall obtain written authorization from the property owner or property management company to cultivate medical marijuana.

(13) Notification. The owner and any lessee of the residence upon which cultivation will occur shall inform the Police Department of the intent to cultivate medical marijuana and pick up a handout setting forth the owner and lessee responsibilities under this section. This notification shall be provided prior to the commencement of the cultivation except that for existing cultivation, the information shall be provided within ten (10) days of the effective date of this Chapter. The Police Department may direct the owner and lessee to the Department of Planning and Development Services for more information about building code and permit requirements that may be applicable if alterations or additions to the residence are contemplated. The Police Department and Department of Planning and Development Services shall keep patient information confidential to the extent required by law.

(14) Additional requirements for garages and accessory buildings. The following additional requirements shall apply for personal use cultivation that occurs in a garage or accessory building: the garage or accessory building shall be secure, locked, and fully enclosed, with a ceiling, roof or top, and entirely opaque. The garage or building shall include a burglar alarm monitored by an alarm company or private security company. The garage or building, including all walls, doors, and the roof, shall be constructed with a firewall assembly of green board meeting the minimum building code requirements for residential structures and include material strong enough to prevent entry except through an open door.

(15) Posting of physician recommendation or identification card; posting of owner permission. A copy of a qualified patient physician recommendation or identification card shall be posted in a conspicuous place in the cultivation area for each patient residing in the residence that is cultivating medical marijuana. For rental properties, a copy of the owner's written authorization to cultivate marijuana shall be posted in the same manner.

(b) Collective or cooperative cultivation. The collective or cooperative cultivation of medical marijuana shall be prohibited in the City.

#### **Section 5.22.04 Regulations applicable to the cultivation of recreational marijuana.**

To the extent recreational marijuana use becomes legal under State law and the City is required to allow the cultivation of recreational marijuana under State law, the rules set forth herein shall apply. Nothing in this section shall be interpreted to permit commercial marijuana operations or marijuana dispensaries otherwise prohibited by this chapter.

(1) State law limits. The cultivation of recreational marijuana shall be subject to the limits set forth in any applicable State law.

(2) Compliance with medical marijuana personal use cultivation rules. All persons lawfully allowed to cultivate recreational use marijuana under State law shall be subject to the same rules, requirements, and limitations applicable to the personal use cultivation of medical marijuana set forth in this chapter.

#### **Section 5.22.05 Regulations applicable to commercial marijuana operations, dispensaries, and deliveries.**

(a) Commercial marijuana operations. Commercial marijuana operations as defined in section 5.22.02(d) are prohibited within the City.

(b) Dispensaries. Marijuana dispensaries as defined in Section 5.22.02(f) are prohibited within the City.

(c) Deliveries. The delivery of marijuana as defined in Section 5.22.02(e) is prohibited in the City regardless of whether the delivery is initiated within or outside of the City, and regardless of whether a technology platform is used for delivery by the dispensary.

(d) Exceptions. The following facilities providing medical marijuana to patients are not subject to the dispensary ban provided they are in strict compliance with Health and Safety Code sections 11362.5 and 11362.7 *et seq.*, and all other State and local laws pertaining the uses, including zoning, permitting, and licensing requirements:

- A clinic licensed pursuant to Chapter 1 (commencing with Section 1200) of Division 2 of the Health and Safety Code.

- A health care facility licensed pursuant to Chapter 2 (commencing with Section 1250) of Division 2 of the Health and Safety Code.
- A residential care facility for persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 (commencing with Section 1568.01) of Division 2 of the Health and Safety Code.
- A residential care facility for the elderly licensed pursuant to Chapter 3.2 (commencing with Section 1569) of Division 2 of the Health and Safety Code.
- A residential hospice, or a home health agency licensed pursuant to Chapter 8 (commencing with Section 1725) of Division 2 of the Health and Safety Code.

#### **Section 5.22.06 Regulations Applicable to the Consumption of Marijuana**

No person shall smoke, ingest, or otherwise consume marijuana or marijuana products, whether recreational or medical, in the City of Clovis unless such smoking, ingesting or consumption occurs entirely within a private residence. "Within a private residence" shall mean inside habitable areas and shall not include garages, whether attached or detached, and other accessory buildings unless those buildings are at all times fully enclosed during the consumption.

Medical marijuana may also be consumed within a clinic, health care facility, residential care facility, or residential hospice licensed pursuant to applicable provisions of the California Health and Safety Code.

All consumption shall be done in a manner so as to not cause a nuisance to nearby residents with noxious odors or other adverse health and safety impacts.

#### **Section 5.22.06 Penalties and Enforcement**

Violations of this Chapter for conduct that is not otherwise considered lawful under State law, shall be considered misdemeanors and are punishable in accordance with Chapter 1.2 of the Municipal Code. Each and every day, or portion thereof, a violation exists is a separate offense. The City may also pursue all applicable civil and administrative remedies, including but not limited to injunctive relief and administrative citations.

Should a court of competent jurisdiction subsequently determine that the criminal penalty provision renders this Chapter unlawful, the City intends that the misdemeanor provision be severable from the remaining penalty provisions and the City will only pursue non-criminal remedies for violations of this Chapter.

#### **Section 5.22.07 Judicial Review**

Judicial review of a decision made under this Chapter may be had by filing a petition for a writ of mandate with the superior court in accordance with the provisions of the California Code of Civil Procedure Section 1094.5. Any such petition shall be filed within ninety (90) days after the day the decision becomes final as provided in California Code of Civil Procedure Section 1994.6, which shall be applicable for such actions.



SECTION 3: EFFECTIVE DATE.

This ordinance shall take effect and be in full force and effect from and after thirty (30) days after its final passage and adoption. Within fifteen (15) days after its adoption, the ordinance, or a summary of the ordinance, shall be published once in a newspaper of general circulation.

Approved: September 19, 2016

  
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Mayor

  
\_\_\_\_\_  
City Clerk

The foregoing ordinance was introduced at a regular meeting of the City Council of the City of Clovis held on the 19th day of September 2016 and passed and adopted at a regular meeting of the City Council held on the October 3, 2016 by the following vote:

AYES: Councilmembers Armstrong, Ashbeck, Flores, Whalen, Mayor Magsig

NOES: None

ABSENT: None

ABSTAIN: None

The foregoing ordinance is hereby approved this 3<sup>rd</sup> day of October 2016.



  
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City Clerk

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# EXHIBIT 12

**ORDINANCE NO. 17-25**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLOVIS  
AMENDING SECTIONS 5.22.02, 5.22.04, AND 5.22.05, AND ADDING SECTION  
5.22.09, OF CHAPTER 5.22, OF TITLE 5, OF THE CLOVIS MUNICIPAL CODE  
PERTAINING TO MARIJUANA AND CANNABIS TO ENSURE CONSISTENCY  
WITH RECENT STATE STATUTORY AMENDMENTS AND TO ALLOW  
LICENSED COMMERCIAL CANNABIS TESTING FACILITIES TO OPERATE  
IN THE CITY**

THE CITY COUNCIL OF THE CITY OF CLOVIS DOES ORDAIN AS FOLLOWS:

**SECTION 1. AMENDMENT OF SECTION 5.22.02 (DEFINITIONS)**

Section 5.22.02, of Chapter 5.22, of Title 5, of the Clovis Municipal Code is amended to read as follows:

**Section 5.22.02        Definitions**

For purposes of this chapter, the following definitions shall apply:

(a) “Act” means the Medicinal and Adult Use Cannabis Regulation and Safety Act (“MAUCRSA”), including implementing regulations, as the Act and implementing regulations may be amended from time to time. Definitions in this section referencing provisions of the Act shall also include amendments to the Act.

(b) “Business” means a commercial cannabis operation allowed by this chapter.

(c) “Business Owner” means the owner(s) of the cannabis operation. For corporations and limited liability companies, business owner means the President, Vice President, and any shareholder owning a then percent (10%) or greater share of the corporation or company. For partnerships, business owner means all general partners and managing partners.

(d) “Cannabis” or “marijuana” shall have the meaning set forth in California Business and Professions Code section 26001, subdivision (f). “Cannabis” and “marijuana” may be used interchangeably, but shall have the same meaning.

(e) “Cannabis dispensary” or “dispensary” means any facility or location, whether fixed or mobile, and any building or structure, where cannabis is made available to, distributed by, or distributed to more than two (2) persons.

(f) “Cannabis products” means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.

(g) “City” means the City of Clovis.

(h) “Collective or cooperative cultivation” means the association within California of qualified patients, persons with valid identification cards, and designated primary care givers to cultivate marijuana for medical purposes as may be allowed under the Compassionate Use Act, the Medical Marijuana Program Act, or the California Medical Cannabis Regulation and Safety Act adopted on October 9, 2015 with legislative bills AB 243, AB 266, and SB 643.

(i) “Commercial cannabis operation” means any commercial cannabis activity, and all facilities and equipment that support that activity, as set forth in California Business and Professions Code section 26001, subdivision (k) and allowed under the Act, and as the Act and implementing regulations may be amended from time to time.

(j) “Cultivate” or “cultivation” shall have the meaning set forth in California Business and Professions Code section 26001, subdivision (l).

(k) “Delivery” shall have the meaning set forth in California Business and Professions Code section 26001, subdivision (p) and shall also include any technological platform that enables persons to arrange or facilitate the transfer of cannabis.

(l) “Medical marijuana or medical marijuana use” means the use of cannabis for the purposes set forth in the Compassionate Use Act and the Medical Marijuana Program Act, California Health and Safety Code sections 11362.5 and 11362.7 et seq.

(m) “Operator” means the business owner and any other person designated by the business owner as responsible for the day-to-day cannabis operations.

(n) “Police Chief” means the Police Chief of the City of Clovis or his or her designee

(o) “Premises” means the actual building(s), and/or designated units/suites, as well as any accessory structures, parking areas, or other immediate surroundings, and includes the entire parcel of property used in connection with the a commercial cannabis operation.

(p) “Recreational marijuana,” “recreational marijuana use,” or “adult use marijuana” means all uses of cannabis not included within the definition of medical marijuana use.

(q) “Responsible Party” shall mean the business owner, operator, manager(s), and any employee having significant control over the commercial cannabis operations.

## SECTION 2. AMENDMENT OF SECTION 5.22.04 (RECREATIONAL/ADULT USE MARIJUANA)

Section 5.22.04, of Chapter 5.22, of Title 5, of the Clovis Municipal Code is amended to read as follows:

**Section 5.22.04 Regulations applicable to the cultivation of recreational or adult use marijuana.**

To the extent that the City is required to allow the cultivation of recreational or adult use marijuana under State law, the rules set forth herein shall apply. Nothing in this section shall be interpreted to permit commercial marijuana operations or marijuana dispensaries otherwise prohibited by this chapter.

(a) State law limits. The cultivation of recreational or adult use marijuana shall be subject to the limits set forth in any applicable State law.

(b) Compliance with medical marijuana personal use cultivation rules. All persons lawfully allowed to cultivate recreational or adult use marijuana under State law shall be subject to the same rules, requirements, and limitations applicable to the personal use cultivation of medical marijuana set forth in this chapter.

**SECTION 3. AMENDMENT OF SECTION 5.22.05 (COMMERCIAL CANNABIS OPERATIONS)**

Section 5.22.05, of Chapter 5.22, of Title 5, of the Clovis Municipal Code is amended to read as follows:

**Section 5.22.05 Regulations applicable to commercial cannabis operations, dispensaries, and deliveries.**

(a) Commercial cannabis operations. Except as provided for in Section 5.22.09, commercial cannabis operations as defined in section 5.22.02(i) are prohibited within the City.

(b) Dispensaries. Cannabis dispensaries as defined in Section 5.22.02(e) are prohibited within the City.

(c) Deliveries. The delivery of cannabis as defined in Section 5.22.02(k) is prohibited in the City, except to and from cannabis testing facilities as permitted by Section 5.22.09, regardless of whether the delivery is initiated within or outside of the City, and regardless of whether a technology platform is used for delivery by the dispensary.

(d) Exceptions to dispensary ban for certain healthcare facilities. The following facilities providing medical marijuana to patients are not subject to the dispensary ban provided they are in strict compliance with Health and Safety Code sections 11362.5 and 11362.7 *et seq.*, and all other State and local laws pertaining the uses, including zoning, permitting, and licensing requirements:

- A clinic licensed pursuant to Chapter 1 (commencing with Section 1200) of Division 2 of the Health and Safety Code.
- A health care facility licensed pursuant to Chapter 2 (commencing with Section 1250) of Division 2 of the Health and Safety Code.

- A residential care facility for persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 (commencing with Section 1568.01) of Division 2 of the Health and Safety Code.
- A residential care facility for the elderly licensed pursuant to Chapter 3.2 (commencing with Section 1569) of Division 2 of the Health and Safety Code.
- A residential hospice, or a home health agency licensed pursuant to Chapter 8 (commencing with Section 1725) of Division 2 of the Health and Safety Code.

**SECTION 4. ADDITION OF SECTION 5.22.09 (COMMERCIAL CANNABIS TESTING)**

Section 5.22.09 is hereby added to Chapter 5.22, of Title 5, of the Clovis Municipal Code to read as follows:

**Section 5.22.09 Commercial cannabis testing operations.**

Notwithstanding the prohibition on commercial cannabis operations set forth in Section 5.22.05, commercial cannabis testing operations may be allowed in the City as set forth in this Section.

(a) Permitted Uses. Businesses meeting the requirements of this Section, and otherwise allowed by the applicable zoning, shall be allowed to conduct the following commercial cannabis operations in the City:

- Testing as allowed by the Medicinal and Adult Use Cannabis Regulation and Safety Act.

(b) Minimum Operational Requirements and Restrictions. The following operational requirements and restrictions shall apply to commercial cannabis testing operations:

(1) The business shall be an International Organization for Standardization ISO/IEC 17025:2005 certified lab. If the ISO standard is updated, the business shall meet the updated standard.

(2) The business shall at all times be in compliance with the Act and the implementing regulations, as they may be amended from time to time, as well as all State license(s) required under the Act, and any other applicable State law. The business shall obtain all license(s) required under the Act prior to opening for business.

(3) There shall be no signage or markings on the business premises or off-site, which in any way evidences that a commercial cannabis operation is occurring on the property. Interior building signage is permissible provided the signage is not visible outside of the building.

(4) No cannabis shall be smoked, ingested or otherwise consumed on the premises. Adequate signage of this prohibition shall be displayed throughout the facility.

(5) Transportation shall only be conducted as permitted by State law.

(6) There shall be no deliveries of cannabis or cannabis-containing products to or from the premises, except in connection with delivering cannabis products for testing.

(7) The cultivation, manufacturing, extraction, processing or retail sale of cannabis is expressly prohibited.

(8) There shall be no public access to the premises.

(9) The business shall not allow anyone under twenty-one (21) years of age to handle cannabis or cannabis products.

(10) The business shall comply with any distance separation requirements from schools as required by State law.

(11) The business shall comply with all applicable building and fire codes relating to the commercial cannabis operation.

(12) The business shall comply with all environmental laws and regulations pertaining to the commercial cannabis operation, including the storage, use and disposal of chemicals and waste product, and shall otherwise use best practices to avoid environmental harm.

(13) The business shall provide a sufficient odor-absorbing ventilation and exhaust system, so that odor generated inside the facility that is distinctive to its commercial cannabis operation is not detected outside the premises, outside the building housing the commercial cannabis operation, or anywhere on adjacent property or public rights-of-way.

(14) The business shall comply with any security measures required by the Police Chief reasonably relating to the commercial cannabis operation. Security measures may relate to controlled building access (exterior and interior), alarms, security lighting, security cameras, and delivery of cannabis products. The security measures shall be approved in writing by the Police Chief prior to commencing operations. The Police Chief may supplement these security requirements once operations begin.

(15) Delivery vehicles shall not have any markings indicating that deliveries are being made to a cannabis operation. The transportation of cannabis samples to and from the premises shall be in unmarked vehicles with no indication that the vehicles are transporting cannabis samples and/or products.

(16) The business shall make and maintain complete, accurate and legible records of the permitted commercial cannabis operation evidencing compliance with the requirements of this Section. Those records shall be maintained for a minimum of five (5) years.

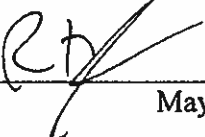
(17) The commercial cannabis operation shall be open for inspection by any City law enforcement officer at any time the business is operating, at any other time upon responding to a call for service related to the property where the commercial cannabis operations is occurring, or otherwise upon reasonable notice.

(18) In authorizing commercial cannabis testing operations under this section, the City makes no guarantees or promises as to the lawfulness of the approved activity under State or federal law, and the business owner, operator and all responsible parties are obligated to comply with all applicable laws and regulations. To the fullest extent permitted by law, the City shall not assume any liability whatsoever with respect to the adoption of this Ordinance or the operation of any commercial cannabis operation approved pursuant to this Ordinance, or under State or federal law. The business owner, operator and all responsible parties shall defend, hold harmless, release, and indemnify the City, its agents, officers, and employees, from any liability associated with the approved use or adverse determinations made by the State or federal government. An adverse determination could include cessation of operations.

SECTION 5: EFFECTIVE DATE.

This ordinance shall take effect and be in full force and effect from and after thirty (30) days after its final passage and adoption. Within fifteen (15) days after its adoption, the ordinance, or a summary of the ordinance, shall be published once in a newspaper of general circulation.

APPROVED: November 6, 2017

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
City Clerk

The foregoing ordinance was introduced at a regular meeting of the City Council of the City of Clovis held on the 6th day of November 2017 and passed and adopted at a regular meeting of the City Council held on the 13th day of November 2017 by the following vote:

AYES: Councilmembers Ashbeck, Bessinger, Flores, Mouanoutoua, Mayor Whalen

NOES: None

ABSENT: None

ABSTAIN: None

DATED: November 13, 2017

  
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City Clerk





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# EXHIBIT 13

**ORDINANCE NO. 2018-1045**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CERES, AMENDING  
ORDINANCES NO. 2017-1039 AND 2017-1043 – CHAPTER 9.120, CANNABIS  
BUSINESSES, OF THE CERES MUNICIPAL CODE**

**WHEREAS**, in 2015, the Ceres City Council (the “City Council”) adopted Ordinance No. 2015-1035, adding Chapter 9.120 to the Ceres Municipal Code, banning all commercial cannabis activity and cultivation, thereby deeming those activities nuisances; and

**WHEREAS**, on May 22, 2017, the City Council (the “City Council”) adopted Ordinance No. 2017-1039 to establish a comprehensive policy to regulate medicinal cannabis business within the City of Ceres (the “City”) through a pilot program (“Medical Cannabis Business Pilot Program”); and

**WHEREAS**, at that time, the City Council determined that allowing only medicinal cannabis businesses in the City through the Medical Cannabis Business Pilot Program was prudent until the State of California completed regulations for all cannabis businesses; and

**WHEREAS**, on December 7, 2017, the Bureau of Cannabis Control, Department of Agriculture, and the Department of Public Health issued final emergency regulations relating to all cannabis businesses allowed under the Medicinal and Adult-Use Cannabis Regulation and Safety Act (collectively, the “Emergency Regulations”). These Emergency Regulations include licensing and operating requirements that are nearly identical for medicinal and adult-use cannabis businesses alike; and

**WHEREAS**, the City Council now desires a comprehensive policy to address both medicinal and adult-use cannabis businesses within the City of Ceres; and

**WHEREAS**, the City Council finds that allowing for continued limited cannabis businesses in the City through a pilot program (“Cannabis Business Pilot Program”) is in the best interest of the health, welfare, and safety of the public; and

**WHEREAS**, the City Council desires to amend Ordinance 2017-1039 to allow and regulate medicinal and adult-use cannabis operations under the Cannabis Business Pilot Program; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CERES DOES ORDAIN  
AS FOLLOWS:**

**SECTION 1. Title 9, Public Peace, Safety and Morals, of the Ceres Municipal Code is amended to replace Chapter 9.120, Medical Cannabis Businesses, which shall read as follows:**

Chapter 9.120 – Cannabis Business Pilot Program.

9.120.010 – Declaration of Purpose.

- A. The City finds and declares that the purpose of this chapter is to regulate all commercial cannabis activity in the City of Ceres, to the extent authorized by state law and in a manner designed to minimize negative impacts on the City, and to promote the health, safety, morals, and general welfare of residents and businesses within the City.
- B. It is the purpose and intent of the City Council to implement state law by regulating cannabis businesses and to ensure that commercial medical cannabis activity does not result in the diversion of cannabis for illicit purposes.
- C. The regulations in this chapter do not interfere with a qualified patient's right to obtain and use cannabis as authorized under state law, nor do they criminalize the possession or cultivation of cannabis by qualified patients or their primary caregivers. Cannabis businesses shall comply with all provisions of the Ceres Municipal Code, state law, and all other applicable local and state regulations. It is neither the intent nor the effect of this chapter to condone or legitimize the illegal use, consumption, or cultivation of cannabis under federal, state, or local law.

9.120.020 – Definitions.

- A. "Adult Use of Marijuana Act" or "AUMA" has the same meaning as Proposition 64, the Control, Regulate, and Tax Adult Use of Marijuana Act approved by California voters at the November 8, 2016, election, and any applicable rules and regulations promulgated thereafter.
- B. "Business" means a profession, trade, occupation, gainful activity, and all and every kind of calling whether or not carried on for profit.
- C. "City Manager" shall mean the Ceres City Manager or designee.
- D. "Commercial cannabis activity" includes the cultivation, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, or sale of cannabis or cannabis products that requires a state license.
- E. "Cannabis business" shall mean any person or business that engages in commercial cannabis activity.
- F. "Cannabis business permit" shall mean any permit issued to a medical cannabis business









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# EXHIBIT 14

























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# EXHIBIT 15









































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# EXHIBIT 16



















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# EXHIBIT 18













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# EXHIBIT 19













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# EXHIBIT 20











