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Attorneys for Plaintiffs  
COUNTY OF SANTA CRUZ, et al

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF FRESNO

COUNTY OF SANTA CRUZ; CITY OF  
AGOURA HILLS; CITY OF ANGELS CAMP;  
CITY OF ARCADIA; CITY OF ATWATER;  
CITY OF BEVERLY HILLS; CITY OF CERES;  
CITY OF CLOVIS; CITY OF COVINA; CITY  
OF DIXON; CITY OF DOWNEY; CITY OF  
MCFARLAND; CITY OF NEWMAN; CITY OF  
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 4 (EXHIBITS 23-25)**

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 23

CITY OF PALMDALE  
COUNTY OF LOS ANGELES, CALIFORNIA  
ORDINANCE NO. 1504

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALMDALE AMENDING  
AND RESTATING CHAPTER 5.05 OF THE PALMDALE MUNICIPAL CODE  
REGARDING CANNABIS**

WHEREAS, the People of the State of California approved Proposition 215, which was codified as California Health and Safety Code § 11362.5 and entitled the Compassionate Use Act of 1996 ("the Compassionate Use Act"); and

WHEREAS, the Compassionate Use Act made certain provisions of California law prohibiting possession and cultivation of marijuana inapplicable to a qualified patient, or to a patient's primary caregiver, who possesses or cultivates marijuana for the personal medical use of the patient upon the recommendation of a physician, and prohibiting the criminal prosecution or punishment of a physician for having recommended marijuana to a patient for medical purposes; and

WHEREAS, thereafter, the Legislature of the State of California enacted Senate Bill 420 (the "Medical Marijuana Program"), codified as California Health and Safety Code § 11362.7 et seq., which required the State Department of Health Services to establish and maintain a voluntary program for the issuance of identification cards to qualified patients and primary caregivers, and prohibits the arrest of a qualified patient or a primary caregiver with a valid identification card for the possession, transportation, delivery, or cultivation of medical marijuana; and

WHEREAS, in 2015, the Legislature of the State of California enacted Senate Bill 643 and Assembly Bills 266 and 243 (collectively called the "Medical Marijuana Regulation and Safety Act") establishing a comprehensive statewide regulatory scheme related to medical marijuana, and authorizing the State of California to license and regulate commercial medical marijuana activities such as cultivation, testing, distribution and delivery; and

WHEREAS, in response to the Medical Marijuana Regulation and Safety Act, the City Council adopted Ordinance No. 1480 banning commercial medical marijuana activities and prohibiting medical marijuana delivery within the city of Palmdale; and

WHEREAS, on November 8, 2016, the People of the State of California approved the Control, Regulate and Tax Adult Use of Marijuana Act ("AUMA"), which purports to

"establish a comprehensive system to legalize, control and regulate the cultivation, processing, manufacture, distribution, testing, and sale of nonmedical marijuana, including marijuana products, for use by adults 21 years and older, and to tax the commercial growth and retail sale of marijuana."

WHEREAS, in June of 2017, Senate Bill 94 consolidated the regulatory schemes governing medical and recreational uses of marijuana, now referred to as "cannabis," into a single regulatory and licensing scheme called the Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA"); and

WHEREAS, notwithstanding the passage of the Compassionate Use Act; the Medical Marijuana Program; the Medical Marijuana Regulation and Safety Act; the Control, Regulate and Tax Adult Use of Marijuana Act; and the Medicinal and Adult-Use Cannabis Regulation and Safety Act; the cultivation, possession, and use of marijuana is prohibited by the Controlled Substances Act, 21 U.S.C. § 841; and

WHEREAS, neither the Compassionate Use Act; the Medical Marijuana Program; the Medical Marijuana Regulation and Safety Act; the Control, Regulate and Tax Adult Use of Marijuana Act; nor the Medicinal and Adult-Use Cannabis Regulation and Safety Act require cities to allow commercial cannabis land uses or activities such as cultivation, processing, testing and/or distributing cannabis; and

WHEREAS, in 2008, the City of Palmdale expressly prohibited medical marijuana dispensaries, citing reported negative secondary effects in communities, which effects included: illegal drug activity and drug sales in the vicinity of dispensaries; robbery of persons leaving dispensaries; driving under the influence of a controlled substance by persons who have obtained marijuana from a dispensary; persons acquiring marijuana from a dispensary and then selling it to a non-qualified person; burglaries and robberies; and an increase in vacancies in the commercial areas in the vicinity of such businesses; and

WHEREAS, in 2016, the City of Palmdale expressly prohibited all commercial marijuana activities and directed the State of California Department of Food and Agriculture not to issue a state license to cultivate, manufacture, test, dispense, sell, or distribute marijuana within the City of Palmdale; and

WHEREAS, while the City may continue to prohibit outdoor cultivation and commercial indoor cultivation, it is cognizant that it may not prohibit private indoor cultivation of up to six living marijuana plants within a person's private residence; and

WHEREAS, the City of Palmdale intends to continue to prohibit commercial cannabis activities for the preservation and protection of the public health, safety and welfare of the City and its citizenry.

**THE CITY COUNCIL OF THE CITY OF PALMDALE DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** Chapter 5.05 "Medical Marijuana Dispensaries" is hereby amended and replaced with the following:

Chapter 5.05

Cannabis

Sections:

- |          |   |
|----------|---|
| 5.05.010 | Purpose and findings.                               |
| 5.05.020 | Definitions.  |
| 5.05.030 | Commercial cannabis activities prohibited.          |
| 5.05.040 | Cannabis delivery prohibited.                       |
| 5.05.050 | Cannabis cultivation prohibited.                    |
| 5.05.060 | Use or activity prohibited by state or federal law. |
| 5.05.070 | Public Nuisance.                                    |
| 5.05.080 | Enforcement.  |

5.05.010 Purpose and findings.

A. The City Council finds that prohibitions on commercial cannabis activities, including, but not limited to, cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, delivery and sale of cannabis, are necessary for the preservation and protection of the public health, safety and welfare of the City and its citizenry. The City of Palmdale is authorized by its Charter and state law to prohibit such activities.

B. The City Council finds that it is the intent of the City Council, in adopting these prohibitions, to retain local control over all commercial cannabis activities.

C. The City Council finds that this chapter expressly prohibits the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, delivery and sale of cannabis within the city of Palmdale.

D. It is the intent and desire of the City Council of the City of Palmdale that the State of California Department of Food and Agriculture not approve, pursuant to California Business and Professions Code Section 26055(d), any application for a state license for any commercial cannabis activity within the city of Palmdale.

5.05.020 Definitions. Except as otherwise expressly set forth herein, the following words and terms as used in this chapter shall have the following meanings:

A. "Cannabis" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.

B. "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.

C. "Commercial Cannabis Activity" means the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of Cannabis or Cannabis Products.

D. "Cultivate" or "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of Cannabis. For purposes of this Chapter, "Cultivate" or "Cultivation" shall not include the indoor personal cultivation of Cannabis pursuant to California Health & Safety Code Section 11362.1(a)(3), provided that such activity is done in compliance with California Health & Safety Code Section 11362.2 and any other applicable state or local regulations.

E. "Deliver" or "Delivery" means the commercial transfer of Cannabis or Cannabis Products to a customer. "Deliver" or "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer.

5.05.030 Commercial cannabis activities prohibited. It shall be unlawful for any person or entity to own, manage, conduct, or operate any Commercial Cannabis Activity or to participate as an employee, contractor, agent or volunteer, or in any other manner or capacity, in any Commercial Cannabis Activity in the city of Palmdale.

5.05.040 Cannabis delivery prohibited. It shall be unlawful for any person or entity to Deliver Cannabis or Cannabis Products in the city of Palmdale.

5.05.050 Cannabis cultivation prohibited.

A. It shall be unlawful for any person or entity to Cultivate Cannabis in the city of Palmdale.

5.05.060 Use or activity prohibited by state or federal law. Nothing contained in this chapter shall be deemed to permit or authorize any use or activity which is otherwise prohibited by any state or federal law.

5.05.070 Public nuisance. Any violation of this chapter is hereby declared to be a public nuisance.

5.05.080 Enforcement. Any person violating any of the provisions of this chapter shall be punishable as set forth in Title 1 of this Code. Where the conduct constituting the violation is of a continuing nature, each day that the conduct continues shall be deemed a separate and distinct violation.

**SECTION 2. Severability.** If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one (1) or more subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, or invalid, or ineffective, provided the basic purposes of this Ordinance and the benefits to the City and the public are not substantially impaired.

**SECTION 3.** The City Council finds the approval of this ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly. Alternatively, the City Council finds the approval of this ordinance is not a project under CEQA Regulation Section 15061 (b)(3) because it has no potential for causing a significant effect on the environment.

**SECTION 4.** The City Clerk shall certify to the adoption of this ordinance and shall cause this ordinance to be published or posted as required by law.

**PASSED, APPROVED and ADOPTED** this third day of October, 2017 effective on the third day of November, 2017 by the following vote:

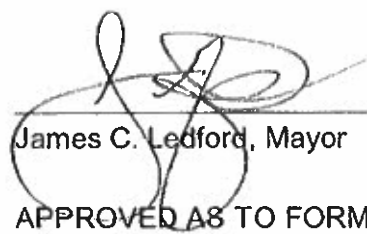
AYES: Ledford, Hofbauer, Bettencourt, Carrillo, Bishop

NOES: None

ABSTAIN: None ABSENT: None

ATTEST:

  
\_\_\_\_\_  
Rebecca J. Smith, City Clerk

  
\_\_\_\_\_  
James C. Ledford, Mayor

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Wm. Matthew Ditzhazy, City Attorney





# PALMDALE

*a place to call home*

## CITY COUNCIL

### CLERK'S CERTIFICATE

I, Rochelle Scott, Deputy City Clerk of the City of Palmdale, State of California, do hereby certify as follows:

The attached is a full, true, and correct copy of Ordinance No. 1504 duly adopted at the Regular meeting of the City Council of the City of Palmdale duly held at the Regular meeting place thereof, on October 3, 2017 at which meeting all of the members of said City Council had due notice and at which a majority thereof was present.

I further certify that I have carefully compared the same with the original Ordinance No. 1504 on file and of record in my office and that said Ordinance No. 1504 is a full, true, and correct copy of the original Ordinance No. 1504 adopted at said meeting.

At said meeting, Ordinance No. 1504 was adopted by the following vote:

AYES: Mayor Ledford, and Councilmembers Hofbauer, Bettencourt, Carrillo, and Bishop

NOES: None

ABSTAIN: None

ABSENT: None

WITNESS my hand and the seal of the City of Palmdale this 30th day of January, 2020.

  
Rochelle Scott  
Deputy City Clerk

STEVEN D. HOFBAUER  
Mayor

RICHARD J. LOA  
Mayor Pro Tem

LAURA BETTENCOURT  
Councilmember

AUSTIN BISHOP  
Councilmember

JUAN CARRILLO  
Councilmember

38300 Sierra Highway

Palmdale, CA 93550-4798

Tel: 661/267-5100

Fax: 661/267-5122

TDD: 661/267-5167

Auxiliary aids provided for

communication accessibility

upon 72 hours notice and request.

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## EXHIBIT 24

**CITY OF PATTERSON**

**ORDINANCE NO. 806**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PATTERSON  
AMENDING CHAPTER 6.56, MARIJUANA CULTIVATION, DELIVERY AND  
DISPENSARIES, OF, AND ADDING CHAPTER 6.57, CANNABIS FOR PERSONAL  
USE TO, TITLE 6, HEALTH AND SAFETY, OF THE PATTERSON MUNICIPAL  
CODE, TO REGULATE CANNABIS**

**WHEREAS**, on October 9, 2015, Governor Jerry Brown signed three bills into law (Assembly Bill 266, Assembly Bill 243, and Senate Bill 643), which are collectively referred to as the Medical Cannabis Regulation and Safety Act ("MCRSA"). MCRSA established the first statewide regulatory system for medical cannabis businesses; and

**WHEREAS**, in 2016, the voters of California approved Proposition 64 entitled the "Control, Regulate and Tax Adult Use of Marijuana" ("AUMA"). AUMA legalized the adult-use and possession of cannabis by persons 21 years of age and older and the personal cultivation of up to six cannabis plants within a private residence; and

**WHEREAS**, on June 27, 2017, Governor Jerry Brown signed into law the Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA"), which created a single regulatory scheme for both medical and adult-use cannabis businesses. MAUCRSA retains the provisions in the MCRSA and AUMA that granted local jurisdictions control over whether businesses engaged in commercial cannabis activity may operate in a particular jurisdiction; and

**WHEREAS**, the City Council finds that (1) regulating the personal cultivation of adult-use cannabis is appropriate; (2) outdoor cannabis cultivation, whether for medicinal or adult-use purposes, can adversely affect the health, safety, and well-being of city residents and shall be prohibited both commercially and personally; and (3) a Cannabis Pilot Program to regulate a small number of cannabis businesses is proper to determine whether if in the long-term these businesses are proper for the community; and

**WHEREAS**, the City Council of the City of Patterson finds that this ordinance is in the best interest of the health, welfare, and safety of the public.

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



**SECTION 1:** Chapter 6.56, Marijuana Cultivation, Delivery and Dispensaries, of the Patterson Municipal Code is hereby deleted in its entirety and amended to read as follows:

**Chapter 6.56. Cannabis Business Pilot Program.**

**6.56.010 Purpose.**

- A. The purpose and intent of this Code is to establish a cannabis business pilot program containing a comprehensive set of regulations with regulatory permits applicable to the operation of cannabis businesses and to protect the health, safety, and welfare of the residents of the City of Patterson. It is the intent of the city to encourage responsible commercial cannabis activities and to discourage violations of related state laws, especially those that prohibit the sale, use, or distribution of cannabis and cannabis products to minors. It is not the intent of the city to expand, reduce, or alter the penalties for violations of state cannabis laws.
- B. The city finds and declares that the outdoor cultivation of cannabis can adversely affect the health, safety, and well-being of city residents by increasing the risks of criminal activity, degradation of the natural environment, malodorous smells that may result from such activities.
- C. This chapter is not intended to conflict with federal or state law, nor is this chapter intended to answer or invite litigation over the unresolved legal questions posed by the existing conflict between state and federal law regarding the legality of cannabis. It is the intention of the city council that this chapter be interpreted to be compatible with existing federal and state enactments and in furtherance of the public purposes that those enactments encompass.

**6.56.020 Definitions.**

- A. "Cannabis" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. "Cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code.
- B. "Cannabis business" means any business engaged in commercial cannabis activity. "Cannabis business" does not include any of the following:
  - 1. A clinic licensed pursuant to Chapter 1 of Division 2 of the Health and Safety Code.



2. A residential care facility for persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code.
  3. A residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code.
  4. A residential hospice or a home health agency licensed pursuant to Chapter 8 and Chapter 8.5 of Division 2 of the Health and Safety Code.
  5. The cultivation, delivery, gift, or furnishing of cannabis by a qualified patient, a primary caregiver, or other person with an identification card as defined by Section 11362.7 of Health and Safety Code provided such activity complies strictly with all applicable state law, including but not limited to, Sections 11362.5 and 11362.765 of the Health and Safety Code.
- C. "Cannabis cultivation business" means any cannabis business that, pursuant to a Type 1, Type 1A, Type 1B, Type 1C, Type 2, Type 2A, Type 2B, Type 3, Type 3A, Type 3B, Type 4, Type 5, Type 5A, Type 5B, or Type 12 state cannabis license, cultivates cannabis or cannabis products.
- D. "Cannabis delivery business" means any cannabis business that, pursuant to a Type 10 state cannabis license, delivers, makes available, or distributes cannabis and cannabis products to a consumer.
- E. "Cannabis manufacturing business" means any cannabis business that, pursuant to a Type 6, Type 7, or Type 12 state cannabis licenses manufactures cannabis or cannabis products.
- F. "Cannabis product" 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. "Cannabis testing laboratory" means a cannabis business that tests cannabis or cannabis products pursuant to a Type 8 state cannabis license.
- H. "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.
- I. "Commercial cannabis waste" means cannabis plants and plant materials that are discarded by a cannabis business, including but not limited to extra vegetative plants, failed clones, and harvest waste.
- J. "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.
- K. "Dispensary" means any cannabis business where medicinal or adult-use cannabis or cannabis products are sold at retail to customers, pursuant to a Type 10 state cannabis license.

- L. "Indoor cultivation" means the cultivation of cannabis for personal use within a fully enclosed and secure structure that has a complete roof in which cannabis plants cannot be seen from any public right of way. Indoor cultivation does not include any commercial cannabis activity.
- M. "Manufacture" means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.
- N. "Outdoor cultivation" means the cultivation of cannabis that does not meet the definition of indoor cultivation.
- O. "Primary caregiver" has the same meaning as that term is defined by Section 11362.7 of the Health and Safety Code.
- P. "Qualified patient" has the same meaning as that term is defined by Section 11362.7 of the Health and Safety Code.

#### **6.56.030 State and Local Requirements.**

- A. Any cannabis business that does not have an applicable state license is prohibited within the city.
- B. Any cannabis business allowed in the city shall obtain a development agreement, a city business license, and a conditional use permit, as set forth in this chapter. A cannabis business shall apply for all of these requirements with the Community Development Department.
- C. At the time of application to the city, every cannabis business applicant shall submit to the Community Development Department a copy of its state license or state license application required for its operation.
- D. Any cannabis business allowed in the city shall maintain strict compliance with applicable cannabis state laws or regulations, as they might be amended from time to time.

#### **6.56.040 Commercial Cannabis Cultivation.**

- A. Not more than one (1) cannabis cultivation business(es) may be permitted within city limits pursuant to a development agreement, pursuant to Section 3.64.030, and conditional use permit, pursuant to Section 18.18.020.
- B. Additionally, not more than one (1) cannabis business that operates as both a cannabis cultivation business and a cannabis manufacturing business may be permitted within city limits pursuant to the requirements of subsection A. Any such cannabis business shall comply with the requirements of this section and Section 6.56.070.
- C. A cannabis cultivation business shall only be allowed in a Light Industrial (LI), Heavy Industrial (HI), West Patterson Industrial Business Park (IBP), or West Patterson Light

Industrial (IL) District, or in other districts as specified in a development agreement, conditional use permit and applicable zoning code provisions.

- D. A commercial cannabis cultivation business shall not cultivate outdoors anywhere within the city.
- E. All commercial cannabis cultivation businesses shall maintain any applicable state permit, city business license, conditional use permit, and comply with all of the following:
  - 1. **Secure Building.** All commercial cannabis activity shall occur entirely inside of a building that is secure, locked, and fully enclosed, with a ceiling, roof, or other enclosure. The building, including all walls, doors, and the roof, shall be of solid construction meeting the minimum building code requirements for industrial structures (commercial greenhouse structures are not allowed), and include material strong enough to prevent entry except through an open door. Notwithstanding the foregoing, the roof may be of solid material provided other security measures exist to ensure that the commercial cannabis activity cannot be seen, heard, or smelled beyond the property line.
  - 2. **Security.** A cannabis cultivation business shall comply with security requirements acceptable to the Police Chief on an individual project basis. At a minimum, the Dispensary security system shall consist of:
    - i. **Security surveillance cameras.** Security surveillance cameras and a video recording system shall be installed to monitor all doors into the buildings on the business site, the parking lot, loading areas, and all exterior sides of the property adjacent to the public rights of way. The cameras and recording system shall be of adequate quality, color rendition, and resolution to allow the identification of any individual present on the cultivation site. The recording system shall be capable of exporting the recorded video in standard MPEG formats to another common medium, such as a DVD or USB drive.
    - ii. **Security video retention.** Video from the security surveillance cameras shall be recording at all times (twenty-four (24) hours a day, seven (7) days a week) and the recording shall be maintained for at least thirty (30) days. The video recordings shall be made available to the City upon request.
    - iii. **Alarm system.** Professionally and centrally-monitored fire, robbery, and burglar alarm systems shall be installed and maintained in good working condition. The alarm system shall include a private security company that is required to respond to every alarm.
    - iv. **Law enforcement.** Any security plan shall comply with the applicable regulations required by law enforcement at the time of operation.
  - 3. **Odor control.** A detailed plan shall be submitted describing the air treatment system, or other methods that will be implemented to prevent cannabis odors from being detected outside the business site.



4. **Insurance.** A cannabis cultivation business shall maintain insurance in the amounts and of the types that are acceptable to the City Manager or his or her designee. The city shall be named as additional insured on all city-required insurance policies.
5. **Waste Management Plan.** A cannabis cultivation business shall submit a cannabis waste management plan to, and have that plan approved by, the Public Works Department describing how commercial cannabis waste will be disposed. A cannabis cultivation business shall comply with its cannabis waste management plan at all times. If applicable, the plan shall include a description of measures to be taken relating to light bulb recycling.

#### **6.56.050 Cannabis Testing Laboratory.**

- A. Up to two (2) cannabis testing laboratories may be permitted within city limits pursuant to a development agreement, pursuant to Section 3.64.030, and conditional use permit, pursuant to Section 13.18.020.
- B. A cannabis testing laboratory shall only be located in Light Industrial (LI), Heavy Industrial (HI), West Patterson Industrial Business Park (IBP), or West Patterson Light Industrial (IL) District districts, or in other districts as specified in a development agreement, conditional use permit and applicable zoning code provisions.
- C. A cannabis testing laboratory shall meet the accreditation criteria in the International Organization for Standardization (ISO) guidelines known as ISO 17025.
- D. All cannabis testing laboratories shall maintain any applicable state permits, city business license, conditional use permit, and maintain compliance with all of the following:
  1. **Secure Building.** All commercial cannabis activity shall occur entirely inside of a building that is secure, locked, and fully enclosed, with a ceiling, roof, or other enclosure. The building, including all walls, doors, and the roof, shall be of solid construction meeting the minimum building code requirements for industrial structures, and include material strong enough to prevent entry except through an open door. Notwithstanding the foregoing, the roof may be of solid material provided other security measures exist to ensure that the commercial cannabis activity cannot be seen, heard, or smelled beyond the property line.
  2. **Security.** A cannabis testing laboratory shall comply with security requirements acceptable to the Police Chief on an individual project basis. At a minimum, the cannabis manufacturing businesses security system shall consist of:
    - i. **Security surveillance cameras.** Security surveillance cameras and a video recording system shall be installed to monitor all doors into the buildings on the business site, the parking lot, loading areas, and all exterior sides of the property adjacent to the public rights of way. The cameras and recording

system shall be of adequate quality, color rendition, and resolution to allow the identification of any individual present on the cultivation site. The recording system shall be capable of exporting the recorded video in standard MPEG formats to another common medium, such as a DVD or USB drive.

- ii. **Security video retention.** Video from the security surveillance cameras shall be recording at all times (twenty-four (24) hours a day, seven (7) days a week) and the recording shall be maintained for at least thirty (30) days. The video recordings shall be made available to the City upon request.
  - iii. **Alarm system.** Professionally and centrally-monitored fire, robbery, and burglar alarm systems shall be installed and maintained in good working condition. The alarm system shall include a private security company that is required to respond to every alarm.
  - iv. **Law enforcement.** Any security plan shall comply with the applicable regulations required by law enforcement at the time of operation.
3. **Odor control.** A detailed plan shall be submitted describing the air treatment system, or other methods that will be implemented to prevent cannabis odors from being detected outside the business site.
4. **Insurance.** A cannabis testing laboratory business shall maintain insurance in the amounts and of the types that are acceptable to the City Manager or his or her designee. The city shall be named as additional insured on all city-required insurance policies.
5. **Waste Management Plan.** A cannabis testing laboratory shall submit a cannabis waste management plan to, and have that plan approved by, the Public Works Department describing how commercial cannabis waste will be disposed. A cannabis testing laboratory shall comply with its cannabis waste management plan at all times.

#### **6.56.060 Dispensary.**

- A. Up to three (3) dispensaries may be permitted within city limits pursuant to a development agreement, pursuant to Section 3.64.030, and conditional use permit, pursuant to Section 18.18.020.
- B. A dispensary shall only be located in Light Industrial (LI), Heavy Industrial (HI), West Patterson Industrial Business Park (IBP), or West Patterson Light Industrial (IL) District, or in other districts as specified in a development agreement, conditional use permit and applicable zoning code provisions.
- C. A cannabis delivery business is prohibited within the city. Any commercial cannabis activity related to delivery is prohibited unless that activity is performed by a dispensary

permitted by this chapter. The city reserves the right to prohibit a dispensary from performing delivery services.

D. All dispensaries shall obtain any applicable state permit, obtain a city business license, and maintain compliance with all of the following:

1. **Secure Building.** All commercial cannabis activity shall occur entirely inside of a building that is secure, locked, and fully enclosed, with a ceiling, roof, or other enclosure. The building, including all walls, doors, and the roof, shall be of solid construction meeting the minimum building code requirements for industrial structures, and include material strong enough to prevent entry except through an open door. Notwithstanding the foregoing, the roof may be of solid material provided other security measures exist to ensure that the commercial cannabis activity cannot be seen, heard, or smelled beyond the property line.
2. **Security** A dispensary shall comply with security requirements acceptable to the Police Chief on an individual project basis. At a minimum, the dispensary security system shall consist of:
  - i. **Security surveillance cameras.** Security surveillance cameras and a video recording system shall be installed to monitor all doors into the buildings on the business site, the parking lot, loading areas, and all exterior sides of the property adjacent to the public rights of way. The cameras and recording system shall be of adequate quality, color rendition, and resolution to allow the identification of any individual present on the cultivation site. The recording system shall be capable of exporting the recorded video in standard MPEG formats to another common medium, such as a DVD or USB drive.
  - ii. **Security video retention.** Video from the security surveillance cameras shall be recording at all times (twenty-four (24) hours a day, seven (7) days a week) and the recording shall be maintained for at least thirty (30) days. The video recordings shall be made available to the City upon request.
  - iii. **Alarm system.** Professionally and centrally-monitored fire, robbery, and burglar alarm systems shall be installed and maintained in good working condition. The alarm system shall include a private security company that is required to respond to every alarm.
  - iv. **Law enforcement.** Any security plan shall comply with the applicable regulations required by law enforcement at the time of operation.
3. **Odor control.** A detailed plan shall be submitted describing the air treatment system, or other methods that will be implemented to prevent cannabis odors from being detected outside the business site.



4. **Insurance.** A dispensary shall maintain insurance in the amounts and of the types that are acceptable to the City Manager or his or her designee. The city shall be named as additional insured on all city-required insurance policies.
5. **Waste Management Plan.** A dispensary shall submit a cannabis waste management plan to, and have that plan approved by, the Public Works Department describing how commercial cannabis waste will be disposed. A dispensary shall comply with its cannabis waste management plan at all times.

#### **6.56.070 Cannabis Manufacturing Business.**

- A. Not more than one (1) cannabis manufacturing business(es) may be permitted within city limits pursuant to a development agreement, pursuant to Section 3.64.030, and conditional use permit, pursuant to Section 13.18.020.
- B. Additionally, not more than one (1) cannabis business(es) that operates as both a cannabis cultivation business and a cannabis manufacturing business may be permitted within city limits pursuant to the requirements of subsection A. Any such cannabis business shall comply with the requirements of this section and Section 6.56.040.
- C. A cannabis manufacturing business shall only be located in Light Industrial (LI), Heavy Industrial (HI), West Patterson Industrial Business Park (IBP), or West Patterson Light Industrial (IL) District, or in other districts as specified in a development agreement, conditional use permit and applicable zoning code provisions.
- D. All cannabis manufacturing business shall obtain any applicable state permit, obtain a city business license, and maintain compliance with all of the following:
  1. **Secure Building.** All commercial cannabis activity shall occur entirely inside of a building that is secure, locked, and fully enclosed, with a ceiling, roof, or other enclosure. The building, including all walls, doors, and the roof, shall be of solid construction meeting the minimum building code requirements for industrial structures, and include material strong enough to prevent entry except through an open door. Notwithstanding the foregoing, the roof may be of solid material provided other security measures exist to ensure that the commercial cannabis activity cannot be seen, heard, or smelled beyond the property line.
  2. **Security.** A cannabis manufacturing business shall comply with security requirements acceptable to the Police Chief on an individual project basis. At a minimum, the cannabis manufacturing businesses security system shall consist of:
    - i. **Security surveillance cameras.** Security surveillance cameras and a video recording system shall be installed to monitor all doors into the buildings on the business site, the parking lot, loading areas, and all exterior sides of the property adjacent to the public rights of way. The cameras and recording system shall be of adequate quality, color rendition, and resolution to allow

the identification of any individual present on the cultivation site. The recording system shall be capable of exporting the recorded video in standard MPEG formats to another common medium, such as a DVD or USB drive.

- ii. **Security video retention.** Video from the security surveillance cameras shall be recording at all times (twenty-four (24) hours a day, seven (7) days a week) and the recording shall be maintained for at least thirty (30) days. The video recordings shall be made available to the City upon request.
  - iii. **Alarm system.** Professionally and centrally-monitored fire, robbery, and burglar alarm systems shall be installed and maintained in good working condition. The alarm system shall include a private security company that is required to respond to every alarm.
  - iv. **Law enforcement.** Any security plan shall comply with the applicable regulations required by law enforcement at the time of operation.
3. **Odor control.** A detailed plan shall be submitted describing the air treatment system, or other methods that will be implemented to prevent cannabis odors from being detected outside the business site.
  4. **Insurance.** A cannabis manufacturing business shall maintain insurance in the amounts and of the types that are acceptable to the City Manager or his or her designee. The city shall be named as additional insured on all city-required insurance policies.
  5. **Waste Management Plan.** A cannabis manufacturing business shall submit a cannabis waste management plan to, and have that plan approved by, the Public Works Department describing how commercial cannabis waste will be disposed. A cannabis manufacturing business shall comply with its cannabis waste management plan at all times.
  6. **Manufacturing Site Compliance.** A cannabis manufacturing business shall at all times comply with any applicable volatile or non-volatile regulations imposed by state law or regulation. A cannabis manufacturing business shall not open their manufacturing site to the public. A cannabis manufacturing business shall not allow anyone on the manufacturing site, except for managers, staff, and other persons with a bona fide business or regulatory purpose for being there, such as contractors, inspectors, and cannabis transporters. A manager must be on the manufacturing site at all times that any other person, except for a security guard, is on the site. A juvenile shall not be on the manufacturing site or operate a cannabis manufacturing business in any capacity, including, but not limited to, as a manager, staff, employee, contractor, or volunteer.

#### **6.56.080 Penalties.**

- A. Any use or condition caused, or permitted to exist, in violation of any provision of this chapter shall be, and hereby is declared to be, a public nuisance and may be summarily abated by the City pursuant to Section 731 of the Code of Civil Procedure or any other remedy available to the City.
- B. In addition to any other enforcement permitted by this chapter, the City Attorney may bring a civil action for injunctive relief and civil penalties against any person or entity that violates this chapter. In any civil action brought pursuant to this chapter, a court of competent jurisdiction may award reasonable attorney's fees and costs to the prevailing party.
- C. Violations of this chapter shall be subject to an administrative penalty. The amount of the administrative penalty shall be two hundred and fifty dollars (\$250) for the first offense, five hundred dollars (\$500) for the second offense, and one thousand dollars (\$1,000.00) for any subsequent offense.

#### **6.56.090 Appeals**

- A. Any permit applicant may appeal any adverse action taken under this chapter to the City Council.
- B. All appeals taken under this chapter must be taken within thirty (30) days after the adverse action by filing with the office of the City Clerk a written notice of appeal specifying the grounds thereof. An appeal shall be accompanied by a non-refundable filing fee, as established by resolution adopted by the City Council from time to time.
- C. The City Clerk, upon the filing of such appeal and payment of an appeal fee, shall place the matter upon the agenda for the next regular meeting of the City Council occurring not earlier than five days after the filing of the appeal, and shall notify the appealing permit applicant by letter of the meeting date and place at which the appeal will be heard.

#### **6.56.100 Cost Recovery.**

- A. The city shall be entitled to recover its abatement and enforcement costs incurred in obtaining compliance with this chapter. Costs incurred by the city are recoverable even if a public nuisance, Municipal code, or other violation of law is corrected by the property owner or other responsible party.
- B. The cost of abating a public nuisance or enforcing this chapter shall either be a special assessment and lien on the subject property or the personal obligation of the owner of the subject property or the responsible party. If there is more than one responsible party, each party shall be jointly and severally liable for the costs.
- C. For purposes of this chapter, the following additional definitions shall apply:
  - 1. "Abatement costs" include the actual and reasonable costs incurred by the city to abate a public nuisance. These costs include all direct and indirect costs to the city that result from the total abatement action, including but not limited to,

investigation costs, costs to enforce the Municipal code and any applicable State or County law, clerical and administrative costs to process paperwork, costs incurred to provide notices and prepare for and conduct administrative appeal hearings, and costs to conduct actual abatement of the nuisance. Costs include personnel costs, administrative overhead, costs for equipment such as cameras and vehicles, staff time to hire a contractor, and reasonable attorneys' fees incurred by city.

2. "Enforcement costs" include all actual and reasonable costs incurred by the city to enforce compliance with the Municipal code and any applicable State, County, or city public health and safety law that are not included within abatement costs. Enforcement costs shall also include, but are not limited to, costs of fringe benefits for personnel, administrative overhead, costs of equipment, costs of materials, costs related to investigations, costs related to issuing and defending administrative or court citations, costs incurred investigating and abating violations of the Municipal code or State or County law violations, and reasonable attorneys' fees related to these activities.
3. "Responsible party" means a person or entity responsible for creating, causing, committing, or maintaining the violation of this chapter or State or County law.
4. "Subject property" means the real property that is the subject of any abatement or enforcement action by the city for which the city incurred costs and seeks recovery under this chapter.

#### **6.56.110 Severability.**

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this chapter, or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portion of this chapter or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase be declared unconstitutional.

**SECTION 2:** Chapter 6.57, Cannabis for Personal Use, of the Patterson Municipal Code is hereby added to read as follows:

**6.57.010 Purpose.**

- A. It is the intent of the city to encourage responsible personal cannabis cultivation and to discourage violations of related state laws, especially those that prohibit the sale, use, or distribution of cannabis and cannabis products to minors. It is not the intent of the city to expand, reduce, or alter the penalties for violations of state cannabis laws.
- B. The city finds and declares that the outdoor cultivation of cannabis can adversely affect the health, safety, and well-being of city residents by increasing the risks of criminal activity, degradation of the natural environment, malodorous smells that may result from such activities.
- C. This chapter is not intended to conflict with federal or state law, nor is this chapter intended to answer or invite litigation over the unresolved legal questions posed by the existing conflict between state and federal law regarding the legality of cannabis. It is the intention of the city council that this chapter be interpreted to be compatible with existing federal and state enactments and in furtherance of the public purposes that those enactments encompass.

**6.57.020 Definitions.**

- A. "Cannabis" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. "Cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code.
- B. "Cannabis for personal use" means the use or possession of cannabis that does not require a license pursuant to Chapter 1 of Division 10 of the Business and Professions Code.
- C. "Cannabis product" 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.
- D. "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.



- E. "Cultivation site" means the location where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a location where any combination of those activities occur.
- F. "Day care" means a facility, center, or home requiring a license that is issued by the State of California which provides for the care, health, safety, supervision, or guidance of a child's social, emotional, and educational growth on a regular basis, in a place other than the child's own home, or any facility meeting the definition of Section 1596.76 of the Health and Safety Code.
- G. "Group home" means any community care facility regulated and licensed by a Federal or State agency. Unlicensed community care facilities or those community care facilities the regulation of which is not otherwise preempted by State or Federal law shall not constitute group homes.
- H. "Indoor cultivation" means the cultivation of cannabis for personal use within a fully enclosed and secure structure that has a complete roof in which cannabis plants cannot be seen from any public right of way. Indoor cultivation does not include any commercial cannabis activity.
- I. "Manufacture" means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.
- J. "Outdoor cultivation" means the cultivation of cannabis that does not meet the definition of indoor cultivation.
- K. "Private residence" means a house, an apartment unit, a mobile home, or other similar dwelling.
- L. "Primary caregiver" has the same meaning as that term is defined by Section 11362.7 of the Health and Safety Code.
- M. "Qualified patient" has the same meaning as that term is defined by Section 11362.7 of the Health and Safety Code.
- N. "Youth center" means any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

#### **6.57.030 Administrative Cultivation Permit Required.**

- A. Outdoor cultivation for personal use is prohibited within the city.
- B. All indoor cultivation is prohibited within the city unless a person first secures an Administrative Cultivation Permit from the Community Development Department.

**6.57.040 Application for an Administrative Cultivation Permit.**

- A. An applicant shall be at least twenty-one (21) years of age.
- B. The Administrative Cultivation Permit application shall require all of the following:
  - 1. Written consent signed by the property owner or legal tenant of the intended cultivation site.
  - 2. Identification of any chemicals, fertilizers, or pesticides that will be used for indoor cultivation. This information shall be used to aid public safety officials in case of an emergency response to the location.
- C. An applicant shall pay a nonrefundable Administrative Cultivation Permit application fee as established by resolution of the City Council.
- D. Within sixty (60) calendar days of receipt of a complete application, the city shall provide written notification to the applicant indicating whether the application has been approved or denied and the reason for denial, if any.
- E. In their application, an applicant may provide information to verify their status as a qualified patient or primary caregiver.

**6.57.050 Regulations for an Administrative Cultivation Permit.**

- A. A person shall be limited to a maximum of one (1) Administrative Cultivation Permit at a time.
- B. An Administrative Cultivation Permit is not transferable. The Administrative Cultivation Permit shall only be used by the permittee to whom it is issued.
- C. An Administrative Cultivation Permit shall expire one (1) year from the date of approval and may be renewed annually.
- D. A private residence shall not include more than one cultivation site.
- E. A person shall not cultivate more than six (6) cannabis plants at a private residence. All cannabis plants and anything produced by the plants shall be kept within the permit holder's private residence and not be visible by normal unaided vision from a public place.
- F. A private residence shall not also be used for a day care, youth center, or group home. The private residence shall remain occupied and is required to maintain a functioning kitchen and bathroom.
- G. Each of the following shall apply to the cultivation site:
  - 1. The cultivation site shall be located within the private residence.
  - 2. Greenhouses are prohibited.
  - 3. To prevent safety hazards, the private residence shall not have plumbing, electrical, or other utilities that violate applicable local or state regulations.

4. To prevent persons under twenty one (21) years of age from entering the cultivation site, the cultivation site shall have one lockable door.
  5. The cultivation site shall not produce odors, sounds, or other emissions that are detectable outside of the private residence by persons with reasonable sensitivity.
- H. All of the following shall be prohibited in the cultivation site:
1. Volatile solvents including, but not limited to explosive gases, such as Butane, Propane, Xylene, Styrene, Gasoline, or Kerosene.
  2. Dangerous poisons, toxins, or carcinogens, such as Methanol, Iso-propyl Alcohol, Methylene Chloride, Acetone, Benzene, Toluene, and Trichloro-ethylene, unless evidence of a current license to operate such solvents is provided.
  3. Generators or gas products used to power electrical or lighting fixtures or equipment.
- I. Multiple Administrative Cultivation Permit holders may cultivate marijuana at the same private residence; however, the private residence shall not include more than one cultivation site or more than a total of six (6) plants at one time.
- J. Each applicant shall pass an inspection of their cultivation site by a city building inspector to ensure that the private residence meets the requirements of section 6.57.060 and does not pose a health or safety risk to the applicant or public. If the inspection is denied, the applicant will have ten (10) calendar days to have the cultivation site re-inspected.

#### **6.57.060 Expiration and Renewal of an Administrative Cultivation Permit.**

- A. An Administrative Cultivation Permit may be renewed within no sooner than sixty (60) days of expiration.
- B. The Administrative Cultivation Permit holder shall pass a re-inspection of the cultivation site by the Community Development Department.
- C. Renewal of an Administrative Cultivation Permit is subject to a renewal fee as approved by resolution by the City Council.

#### **6.57.070 Suspension and Termination.**

- A. The city may suspend or terminate an Administrative Cultivation Permit at any time for failure to comply with this chapter or any local or state law or regulation. A person's continued indoor cultivation upon suspension, termination, or expiration of that person's Administrative Cultivation Permit shall be a violation of this chapter.
- B. A person may appeal any suspension or termination of an Administrative Cultivation Permit pursuant to section 6.57.100 Appeals.

#### **6.57.080 Multiple Administrative Cultivation Permit Applications.**

##### **A. Application for Administrative Cultivation Permit in a New Private Residence.**

1. An Administrative Cultivation Permit holder may apply for an Administrative Cultivation Permit for a private residence other than the private residence specified on the existing permit. If the application is approved, the former Administrative Cultivation Permit shall be immediately null and void. If the application is denied, the existing Administrative Cultivation Permit shall continue under its applicable terms and conditions. If the applicant appeals a denial of the application, the existing Administrative Cultivation Permit shall continue under its applicable terms and conditions.

##### **B. Application for a Different Cultivation Site within the Same Private Residence.**

1. If a current Administrative Cultivation Permit holder applies for an Administrative Cultivation Permit for the private residence on the existing permit but for a cultivation site other than the one specified on the existing permit, the existing permit will terminate upon approval of the application.

##### **C. Application for the Same Cultivation Site in Same Private Residence.**

1. If an additional person applies for an Administrative Cultivation Permit for the same cultivation site within the same private residence of a current Administrative Cultivation Permit holder, a permit shall not be issued if the existing permit has been terminated or suspended. If the Administrative Cultivation Permit is approved for the additional Applicant, the total number of cannabis plants within a single private residence shall be limited to six (6). In no event shall the number of cannabis plants exceed six (6).
2. An additional Administrative Cultivation Permit for the same cultivation site shall only be issued if all Administrative Cultivation Permits related to that cultivation site are in good standing with the City.

#### **6.57.090 Penalties.**

- A. In addition to any other enforcement permitted by this chapter, any use or condition caused, or permitted to exist, in violation of any provision of this chapter shall be, and hereby is declared to be, a public nuisance and may be summarily abated by the City pursuant to Section 731 of the Code of Civil Procedure or any other remedy available to the City.
- B. In addition to any other enforcement permitted by this chapter, the City Attorney may bring a civil action for injunctive relief and civil penalties against any person or entity that violates this chapter. In any civil action brought pursuant to this chapter, a court of competent jurisdiction may award reasonable attorney's fees and costs to the prevailing party.
- C. In addition to any other enforcement permitted by this chapter, violations of this chapter shall be subject to an administrative penalty. The amount of the administrative penalty shall



be two hundred and fifty dollars (\$250) for the first offense, five hundred dollars (\$500) for the second offense, and one thousand dollars (\$1,000.00) for any subsequent offense.

#### **6.57.100 Appeals**

- A. Any permit applicant may appeal any adverse action taken under this chapter to the City Council.
- B. All appeals taken under this chapter must be taken within thirty (30) days after the adverse action by filing with the office of the City Clerk a written notice of appeal specifying the grounds thereof. An appeal shall be accompanied by a non-refundable filing fee, as established by resolution adopted by the City Council from time to time.
- C. The City Clerk, upon the filing of such appeal and payment of an appeal fee, shall place the matter upon the agenda for the next regular meeting of the City Council occurring not earlier than five days after the filing of the appeal, and shall notify the appealing permit applicant by letter of the meeting date and place at which the appeal will be heard.

#### **6.57.110 Cost Recovery.**

- A. The city shall be entitled to recover its abatement and enforcement costs incurred in obtaining compliance with this chapter. Costs incurred by the city are recoverable even if a public nuisance, Municipal code, or other violation of law is corrected by the property owner or other responsible party.
- B. The cost of abating a public nuisance or enforcing this chapter shall either be a special assessment and lien on the subject property or the personal obligation of the owner of the subject property or the responsible party. If there is more than one responsible party, each party shall be jointly and severally liable for the costs.
- C. For purposes of this chapter, the following additional definitions shall apply:
  - 1. "Abatement costs" include the actual and reasonable costs incurred by the city to abate a public nuisance. These costs include all direct and indirect costs to the city that result from the total abatement action, including but not limited to, investigation costs, costs to enforce the Municipal code and any applicable State or County law, clerical and administrative costs to process paperwork, costs incurred to provide notices and prepare for and conduct administrative appeal hearings, and costs to conduct actual abatement of the nuisance. Costs include personnel costs, administrative overhead, costs for equipment such as cameras and vehicles, staff time to hire a contractor, and reasonable attorneys' fees incurred by city.
  - 2. "Enforcement costs" include all actual and reasonable costs incurred by the city to enforce compliance with the Municipal code and any applicable State, County, or city public health and safety law that are not included within abatement costs. Enforcement costs shall also include, but are not limited to, costs of fringe benefits for personnel, administrative overhead, costs of equipment, costs of materials, costs related to investigations, costs related to issuing and defending administrative or court citations, costs incurred investigating and abating violations of the Municipal

code or State or County law violations, and reasonable attorneys' fees related to these activities.

3. "Responsible party" means a person or entity responsible for creating, causing, committing, or maintaining the violation of this chapter or State or County law.
4. "Subject property" means the real property that is the subject of any abatement or enforcement action by the city for which the city incurred costs and seeks recovery under this chapter.

#### **6.57.120 Severability.**

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this chapter, or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portion of this chapter or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase be declared unconstitutional.

**SECTION 3.** If any section, subdivision, sentence, clause, phrase or portion of this Ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

**SECTION 4:** This Ordinance shall become effective thirty (30) days from and after its final passage and adoption, provided it is published in a newspaper of general circulation at least fifteen (15) days prior to its effective date or a summary of the Ordinance is published in a newspaper of general circulation at least five (5) days prior to adoption and again at least fifteen (15) days prior to its effective date.

The foregoing Ordinance was introduced at a special meeting of the City Council of the City of Patterson held on the 30th day of October 2017, by Mayor Pro Tem McCord, who moved its introduction, which motion being duly seconded by Councilmember Parham. Said Ordinance was given a second reading at a regular meeting of the City Council held on the 7th day of November 2017, and after such reading, Mayor Pro Tem McCord moved its adoption, seconded by Councilmember Parham, and said Ordinance was thereupon adopted by the following roll call vote:

AYES: Councilmembers McCord, Naranjo, Farinha, Parham and Mayor Novelli

NOES: None

EXCUSED: None

ATTEST:

A handwritten signature in blue ink, appearing to read "Maricela L. Vela", written over a horizontal line.

Maricela L. Vela  
City Clerk

APPROVED:

A handwritten signature in blue ink, appearing to read "Deborah M. Novelli", written over a horizontal line.

Deborah M. Novelli  
Mayor

APPROVED AS TO FORM:

A handwritten signature in blue ink, appearing to read "Tom Hallinan", written over a horizontal line.

Tom Hallinan, City Attorney

## CERTIFICATION OF ORDINANCE

I hereby certify that the foregoing is a full, correct and true copy of Ordinance No. 806, Adopted by the City Council of the City of Patterson, a Municipal Corporation in the County of Stanislaus, State of California, at a regular meeting held on the 7th day of November 2017.

This Ordinance shall be published by one insertion in the Patterson Irrigator, a newspaper of general circulation printed and published in the City of Patterson, within fifteen (15) days after its final passage, and shall take effect and be in force thirty (30) days from and after its final passage..

Dated: January 29, 2020



Maricela L. Vela  
City Clerk  
City of Patterson



City Seal



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## EXHIBIT 25

**CITY OF RIVERBANK**

**ORDINANCE NO. 2017-007**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIVERBANK,  
CALIFORNIA, AMENDING TITLE XI: BUSINESS REGULATIONS, BY REPEALING  
CHAPTER 120: BAN ON MEDICAL MARIJUANA DISPENSARIES AND  
COMMERCIAL AND OUTDOOR CULTIVATION IN ITS ENTIRETY AND  
SUBSTITUTING IN ITS PLACE A NEW CHAPTER 120: CANNABIS REGULATIONS;  
AND REPEALING SECTION 110.19: DELIVERY BY VEHICLE IN CHAPTER 110:  
BUSINESS LICENSE TAX OF THE RIVERBANK MUNICIPAL CODE OF  
ORDINANCES**

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**WHEREAS**, on October 9, 2015, Governor Jerry Brown signed three bills into law (Assembly Bill 266, Assembly Bill 243, and Senate Bill 643) which are collectively referred to as the Medical Cannabis Regulation and Safety Act (“MCRSA”). MCRSA establishes a statewide regulatory system for medical cannabis cultivation, manufacturing, delivery, testing, and dispensing; and

**WHEREAS**, in 2016, the voters of the State of California approved Proposition 64 entitled “Control, Regulate and Tax Adult Use of Marijuana” (“AUMA” or “Prop 64”); and

**WHEREAS**, Prop 64 has legalized the nonmedical use and possession of cannabis by persons 21 years of age and older and the personal cultivation of up to six (6) cannabis plants within a residence; and

**WHEREAS**, on June 27, 2017, the Governor signed into law Senate Bill 94 which repealed MCRSA, included certain provisions of MCRSA in the licensing provisions of AUMA, and created a single regulatory scheme for both medical and non-medical cannabis known as the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”). MAUCRSA retains the provisions in the MCRSA and AUMA that granted local jurisdictions control over whether businesses engaged in commercial cannabis activity could operate in a particular jurisdiction. Specifically, California Business and Professions Code section 26200 provides that MAUCRSA shall not be interpreted to supersede or limit the authority of a local jurisdiction to adopt and enforce local ordinances that completely prohibit the establishment or operation of one or more businesses licensed under the State, within that local jurisdiction. Furthermore, MAUCRSA provides that a State licensing authority shall not approve an application for a State license for a cannabis business if approval of the State license will violate the provisions of any local ordinance or regulation; and

**WHEREAS**, Local decisions on the regulation of cannabis activities should be made prior to January 1, 2018, when the State of California will begin issuing cannabis licenses; and

**WHEREAS**, the City Council finds that (1) outdoor cannabis cultivation, whether for medicinal or adult-use purposes, can adversely affect the health, safety, and well-being of city residents and shall be prohibited both commercially and personally; (2) city-wide regulation of indoor cannabis activities is proper and necessary to avoid the risks of criminal activity and the degradation of the natural environment that could result from indoor cultivation; and (3) that cannabis activity without adequate security increases the risk that surrounding homes or businesses may be negatively impacted by nuisance activity such as loitering or crime; and

**WHEREAS**, the City Council of the City of Riverbank finds that this ordinance is consistent with the city's current prohibition of outdoor cultivation and that keeping cannabis activities indoors is in the best interest of the health, welfare and safety of the public.

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

**SECTION 1:** Chapter 120: Ban on Medical Marijuana Dispensaries and Commercial and Outdoor Cultivation, of Title XI: Business Regulations, of the Riverbank Municipal Code shall be repealed in its entirety and replaced with a new Chapter 120: Cannabis Regulations, which shall read as follows:

## **CHAPTER 120: CANNABIS REGULATIONS**

### **Section**

#### ***General Provisions***

- 120.01 Legislative intent
- 120.02 Cannabis definitions
- 120.03 All state and local licenses required

#### ***Regulations for Cultivation of Cannabis for Personal Use***

- 120.10 Cultivation of cannabis for personal use: administrative cultivation permit
- 120.11 Application for administrative cultivation permit
- 120.12 Regulations for administrative cultivation permit
- 120.13 Expiration and renewal of an administrative cultivation permit
- 120.14 Suspension and termination
- 120.15 Multiple administrative cultivation permit applications

### ***Regulations for Commercial Cannabis Cultivation***

120.20 Commercial cannabis cultivation

### ***Regulations for Cannabis Testing Laboratories***

120.30 Cannabis testing laboratory

### ***Regulations for Cannabis Dispensaries***

120.40 Cannabis dispensaries

### ***Regulations for Cannabis Delivery***

120.50 Cannabis delivery

### ***Appeals and Enforcement***

120.60 Appeals procedure.

120.61 Penalties

120.62 Cost recovery

## ***GENERAL PROVISIONS***

### **§ 120.01 LEGISLATIVE INTENT.**

It is the intent of the city to encourage responsible personal and commercial cannabis activities and to discourage violations of related state laws, especially those that prohibit the sale, use, or distribution of cannabis and cannabis products to minors. It is not the intent of the city to expand, reduce, or alter the penalties for violations of state cannabis laws.

### **§ 120.02 CANNABIS DEFINITIONS.**

(A) ***Definitions.*** For the purposes of this chapter, the following definitions shall apply.

(1) ***CANNABIS*** has the same meaning as that term is defined by Cal. Business and Professions Code § 26001.

(2) ***CANNABIS BUSINESS*** means any business engaged in commercial cannabis activity including, but not limited to, a cannabis dispensary, and a cannabis testing laboratory.

(3) **CANNABIS BUSINESS** shall not include any of the following, as long as the location of such uses are otherwise regulated by this code or applicable law including Cal. Health and Safety Code §§ 1136.7 et seq.:

1. A clinic licensed pursuant to Cal. Health and Safety Code Division 2, Chapter 1.

2. A residential care facility for persons with chronic life-threatening illness licensed pursuant to Cal. Health and Safety Code Division 2, Chapter 3.01.

3. A residential care facility for the elderly licensed pursuant to Cal. Health and Safety Code Division 2, Chapter 3.2.

4. A residential hospice or a home health agency licensed pursuant to Cal. Health and Safety Code Division 2, Chapter 8 and Chapter 8.5.

(4) **CANNABIS BUSINESS** as defined herein is not intended, nor shall it be construed, to apply to the cultivation, delivery, gift, or furnishing of cannabis by a qualified patient, a primary caregiver, or other person with an identification card as defined in Cal. Health and Safety Code § 11362.7 provided such activity complies strictly with all applicable state law, including but not limited to, Cal. Health and Safety Code §§ 11362.5 and 11362.765.

(5) **CANNABIS DELIVERY.** Any cannabis business that, pursuant to a Type 10 or Type 12 state cannabis license, delivers, makes available, or distributes cannabis and cannabis products to a consumer.

(6) **CANNABIS DISPENSARY.** Any physical location where medicinal or adult-use cannabis or cannabis products are sold at retail to customers pursuant to Business and Professions Codes § 26000 et seq.

(7) **CANNABIS TESTING LABORATORY.** A laboratory licensed pursuant to Business and Professions Codes § 26100 et seq. that meets the accreditation criteria in the International Organization for Standardization (ISO) guidelines known as ISO 17025. A Cannabis Testing Laboratory may test for cannabinoids, pesticides, water activity (microbial growth), and other substances in cannabis and cannabis products. A Cannabis Testing Laboratory may conduct other testing unrelated to cannabis.

(8) **COMMERCIAL CANNABIS WASTE** means cannabis plants and plant materials that are discarded by a cannabis business, including but not limited to extra vegetative plants, failed clones, and harvest waste. Said waste shall be documented, shredded, blended 50/50

with shredded cardboard or paper, bagged up, and taken to a transfer station/landfill. Any reuse or recycling of the shredded materials for hemp paper or cloth shall be covered under a development agreement or conditional use permit. This definition shall not apply to indoor cultivation.

(9) **COMMERCIAL CANNABIS ACTIVITY** includes the cultivation, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, including industrial manufacturing activities, or sale of cannabis or cannabis products that require a state license pursuant to Medicinal and Adult-Use Cannabis Regulation and Safety Act (Cal. Business & Professions Code § 26000 *et seq.*).

(10) **CULTIVATION** means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

(11) **CULTIVATION SITE** means the location where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a location where any combination of those activities occur.

(12) **DAY CARE** means a facility, center, or home requiring a license that is issued by the State of California which provides for the care, health, safety, supervision, or guidance of a child's social, emotional, and educational growth on a regular basis, in a place other than the child's own home, or any facility meeting the definition of California Health and Safety Code Section 1596.76.

(13) **GROUP HOME** means any community care facility regulated and licensed by a Federal or State agency. Unlicensed community care facilities or those community care facilities the regulation of which is not otherwise preempted by State or Federal law shall not constitute group homes.

(14) **INDOOR CULTIVATION** means the cultivation of cannabis for personal use within a fully enclosed and secure structure that has a complete roof in which cannabis plants cannot be seen from any public right of way. Indoor cultivation does not include any commercial cannabis activity.

(15) **OUTDOOR CULTIVATION** means the cultivation of cannabis that does not meet the definition of indoor cultivation.

(16) **CANNABIS FOR PERSONAL USE** means the use or possession of cannabis that does not require a license pursuant to Cal. Business and Professions Code §§ 26000 *et seq.*



(17) **PRIMARY CAREGIVER** has the same meaning as that term is defined by Cal. Health and Safety Code §§ 11362.7.

(18) **QUALIFIED PATIENT** has the same meaning as that term is defined by Cal. Health and Safety Code §§ 11362.7.

(19) **YOUTH CENTER** means any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

### **§ 120.03 ALL STATE AND LOCAL LICENSES REQUIRED.**

(A) Any cannabis business that does not have all applicable state licenses is prohibited within the city.

(B) Any cannabis business allowed in the city shall be permitted pursuant a development agreement, a city business license, a conditional use permit, or a combination of the three, as set forth in this chapter.

(C) At the time of application to the city, every cannabis business applicant shall submit to the Director of Community Development or his/her designee a copy of its state license or state license application required for its operation.

### ***REGULATIONS FOR CULTIVATION OF CANNABIS FOR PERSONAL USE***

### **§ 120.10 CULTIVATION OF CANNABIS FOR PERSONAL USE: ADMINISTRATIVE CULTIVATION PERMIT.**

(A) It shall be unlawful for any person to cultivate cannabis outdoors for personal use within the City.

(B) It shall be unlawful for any person to cultivate cannabis for personal use within a private residence without first having secured an Administrative Cultivation Permit from the Community Development Department.

(C) A person shall be limited to a maximum of one (1) Administrative Cultivation Permit at a time.

(D) An Administrative Cultivation Permit is not transferable. The Administrative Cultivation Permit shall only be used by the permittee to whom it is issued.

(E) Administrative Cultivation Permit shall expire one (1) year from the date of approval and may be renewed annually.

#### **§ 120.11 APPLICATION FOR ADMINISTRATIVE CULTIVATION PERMIT.**

(A) An applicant shall be at least twenty-one (21) years of age.

(B) The Administrative Cultivation Permit application shall require all of the following:

(1) Written consent signed by the legal property owner of the intended cultivation.

(2) Identification of any chemicals, fertilizers, or pesticides that will be used to cultivate plants to aid public safety officials in case of an emergency response to the location.

(C) An Applicant shall pay a nonrefundable Administrative Cultivation Permit application fee as established by resolution of the City Council.

(D) Within sixty (60) calendar days, the city will provide written notification of the complete application to the applicant, indicating whether the application has been approved or denied.

#### **§ 120.12 REGULATIONS FOR ADMINISTRATIVE CULTIVATION PERMIT.**

(A) A private residence shall not include more than one cultivation site.

(B) A person shall not cultivate more than six (6) living plants at a private residence. All marijuana plants and anything produced by the plants shall be kept within the permit holder's private residence, or upon the grounds of that private residence, and not be visible by normal unaided vision from a public place.

(C) A private residence shall not also be used for a day care, youth center, or group home. The private residence shall remain occupied and is required to maintain a functioning kitchen, bathroom(s), and the use of the two-car garage for their intended purposes.

(D) Each of the following shall apply to the cultivation site:

(1) The cultivation site shall be located within the private residence.



(2) To prevent safety hazards, the private residence shall not have plumbing, electrical, or other utilities that violate applicable local or state regulations. To prevent persons under twenty one (21) years of age from entering the cultivation site, the cultivation site shall have lockable door(s).

(3) The cultivation site shall not produce odors, sounds, or other emissions that are detectable by persons with reasonable sensitivity.

(E) All of the following shall be prohibited in the cultivation site:

(1) Volatile solvents including, but not limited to explosive gases, such as Butane, Propane, Xylene, Styrene, Gasoline, Kerosene, O<sub>2</sub> or H<sub>2</sub>.

(2) Dangerous poisons, toxins, or carcinogens, such as Methanol, Iso-propyl Alcohol, Methylene Chloride, Acetone, Benzene, Toluene, and Trichloro-ethylene, unless evidence of a current license to operate such solvents is provided.

(3) Generators or gas products used to power electrical or lighting fixtures or equipment.

(F) Not more than six (6) living plants may be planted, cultivated, harvested, dried, or processed within a single private residence at any one (1) time.

(G) Each applicant shall pass an initial inspection of their cultivation site by a city inspector to ensure that the private residence meets the requirements of § 120.07 and does not pose a health or safety risk to the Applicant or public. If the inspection is denied, the applicant will have ten (10) calendar days to have the cultivation site re-inspected.

### **§ 120.13 EXPIRATION AND RENEWAL OF AN ADMINISTRATIVE CULTIVATION PERMIT.**

(A) An Administrative Cultivation Permit may be renewed no sooner than sixty (60) days of expiration.

(B) The Administrative Cultivation Permit holder may be subject to a re-inspection of the cultivation site by the city inspector upon twenty-four (24) hours' notice.

(C) Renewal of an Administrative Cultivation Permit is subject to a renewal fee as approved by resolution by the City Council.

#### **§ 120.14 SUSPENSION AND TERMINATION.**

(A) The City may suspend or terminate an Administrative Cultivation Permit at any time for failure to comply with this chapter or state law or regulation.

(B) If a person's Administrative Cultivation Permit is suspended, terminated, or expired, the permit holder's marijuana plants that exceed 28.5 grams may be assessed fines by the City until both of the following are met:

(1) The person reinstates their Administrative Cultivation Permit.

(2) The person pays an administration penalty pursuant to § 120.15 PENALTIES.

(C) A person may appeal any suspension or termination of an Administrative Cultivation Permit pursuant to § 120.14 APPEALS PROCEDURE.

#### **§ 120.15 MULTIPLE ADMINISTRATIVE CULTIVATION PERMIT APPLICATIONS.**

(A) Application for Administrative Cultivation Permit in a New Private Residence.

(1) An Administrative Cultivation Permit holder may apply for an Administrative Cultivation Permit for a private residence other than the private residence specified on the existing permit. If the application is approved, the former Administrative Cultivation Permit shall be immediately null and void. If the application is denied, the existing Administrative Cultivation Permit shall continue under its applicable terms and conditions. If the applicant appeals a denial of the application, the existing Administrative Cultivation Permit shall continue under its applicable terms and conditions.

(B) Application for a Different Cultivation Site within the Same Private Residence.

(1) If a current Administrative Cultivation Permit holder applies for an Administrative Cultivation Permit for the private residence on the existing permit but for a cultivation site other than specified on the existing permit, the existing permit will terminate upon approval of the application.

(C) Application for the Same Cultivation Site in Same Private Residence.

(1) If an additional person applies for an Administrative Cultivation Permit for the same cultivation site within the same private residence of a current Administrative Cultivation Permit holder, a permit shall not be issued if the existing permit has been terminated or suspended.

If the Administrative Cultivation Permit is approved for the additional Applicant, the total number of marijuana plants within a single private residence shall be limited to six (6). In no event shall the number of marijuana plants exceed six (6).

(2) An additional Administrative Cultivation Permit for the same cultivation site shall only be issued if all Administrative Cultivation Permits related to that cultivation site are in good standing with the City.

## ***REGULATIONS FOR COMMERCIAL CANNABIS CULTIVATION***

### **§ 120.20 COMMERCIAL CANNABIS CULTIVATION.**

(A) A commercial cannabis cultivation business may be permitted within the city pursuant to a development agreement pursuant to California Government Code section 65864 *et seq.*, known as the Development Agreement Statute. The Development Agreement shall include a Risk Management Plan.

(B) A commercial cannabis cultivation business shall only be allowed in a Cannery District (CD), Industrial District (I), or Light Industrial (M-1) zoning district.

(C) A commercial cannabis cultivation business shall not cultivate outdoors anywhere within the city.

(D) All commercial cannabis cultivation businesses shall comply with all of the following:

(1) *Conditional Use Permit.* Concurrently with applying for a development agreement, the applicant shall obtain a conditional use permit pursuant to RMC §153.216 USE PERMIT of the Riverbank Municipal Code. Information that may be duplicative in the two applications can be incorporated by reference. The conditional use permit shall run with the development agreement and not the land.

(2) *Secure Building.* All commercial cannabis activity shall occur entirely inside of a building that is secure, locked, and fully enclosed, with a ceiling, roof, or other enclosure. The building shall include a burglar alarm monitored by an alarm company or private security company. The building, including all walls, doors, and the roof, shall be of solid construction meeting the minimum building code requirements for industrial structures (including, without limitation, commercial greenhouse structures), and include material strong enough to prevent entry except through an open door. Notwithstanding the foregoing, the roof may be of solid translucent

material provided other security measures exist to ensure that the cannabis operation cannot be seen, heard or smelled beyond the property line.

(3) *Security Plan.* A commercial cannabis cultivation business shall comply with security requirements acceptable to the Police Chief on an individual project basis. The security requirements will specify at a minimum provisions for perimeter fencing plan, interior and exterior lighting plan, security camera layouts, security team plan, alarm system details, transportation, remote monitoring, electronic track and trace, fire suppression plan, and record keeping.

(4) *Insurance.* A commercial cannabis cultivation business shall maintain insurance in the amounts and of the types that are acceptable to the City Manager or his or her designee. The city shall be named as additional insured on all city-required insurance policies.

(5) *Waste Management Plan.* A commercial cannabis cultivation business shall submit and comply with an approved commercial cannabis waste management plan describing how cannabis waste will be documented, shredded, blended 50/50 with shredded cardboard or paper, bagged up, and taken to a transfer station/landfill. Any reuse or recycling of the shredded materials for hemp paper and cloth or other uses shall be addressed under a development agreement or conditional use permit. If applicable, the plan shall include a description of measures to be taken relating to light bulb recycling.

(6) *Risk Management Plan.* A commercial cannabis cultivation business shall submit and comply with an approved risk management plan, which is used for identifying, analyzing and responding to risk factors throughout the life of the project. The risk management plan shall contain at a minimum these five (5) steps:

- (a) Step 1 – An identification of the risks;
- (b) Step 2 – An analysis of the risks;
- (c) Step 3 – An evaluation or ranking of the risks;
- (d) Step 4 – Recommended treatment for the risks; and
- (e) Step 5 – Discussion of a method to monitor and review the risks.

(7) *Signage.* Signage informing the public of a commercial cannabis cultivation business shall conform to the applicable zoning district requirements and include one (1) “green cross” logo, maximum four (4) square feet in size, lighted or unlighted, on the structure near the main entrance to each building for wayfinding. If unlighted, the sign shall be reflective. The green



cross shall not count towards the maximum square footage of signage permitted for the site nor restrict the use of green crosses on other signage.

## ***REGULATIONS FOR CANNABIS TESTING LABORATORIES***

### **§ 120.30 CANNABIS TESTING LABORATORY.**

(A) A cannabis testing laboratory may be permitted with a conditional use permit pursuant to RMC §153.216 USE PERMITS.

(B) Cannabis testing laboratories shall only be located in a General Commercial (C-2), Commercial-Industrial (CM), Downtown General (DG), Cannery District (CD), or Research and Development (R&D) zoning districts.

(C) All cannabis testing laboratories shall obtain the proper state permit(s), maintain a city business license, and maintain compliance with all of the following:

(1) *Standard Operating Procedures.* All commercial cannabis activities shall provide a copy of their State-required standard operating procedures.

(2) *Secure Building.* All commercial cannabis activity shall occur entirely inside of a building that is secure, locked, and fully enclosed, with a ceiling, roof, or other enclosure. The building shall include a burglar alarm monitored by an alarm company or private security company. The building, including all walls, doors, and the roof, shall be of solid construction meeting the minimum building code requirements for industrial structures and include material strong enough to prevent entry except through an open door.

(3) *Security Plan.* A cannabis testing laboratory shall comply with security requirements acceptable to the Police Chief on an individual project basis. The security requirements will specify at a minimum provisions for perimeter fencing plan, interior and exterior lighting plan, security camera layouts, security team plan, alarm system details, transportation, remote monitoring, electronic track and trace, fire suppression plan, and record keeping.

(4) *Insurance.* A cannabis testing laboratory shall maintain insurance in the amounts and of the types that are acceptable to the City Manager or his or her designee. The city shall be named as additional insured on all city-required insurance policies.

(5) *Waste Management Plan.* A cannabis testing laboratory shall submit and comply with an approved commercial cannabis waste management plan describing how cannabis waste will be documented, shredded, blended 50/50 with shredded cardboard or paper, bagged up,

and taken to a transfer station/landfill. Any reuse or recycling of the shredded materials for hemp paper and cloth or other uses shall be addressed under the conditional use permit.

(6) *Signage.* Signage informing the public of a cannabis testing laboratory shall conform to the applicable zoning district requirements and include one (1) “green cross” logo, maximum four (4) square feet in size, lighted or unlighted, on the structure near the main entrance to each building for wayfinding. If unlighted, the sign shall be reflective. The green cross shall not count towards the maximum square footage of signage permitted for the site nor restrict the use of green crosses on other signage.

(D) This section shall not apply to cannabis testing laboratories established pursuant to a development agreement and conditional use permit.

## ***REGULATIONS FOR CANNABIS DISPENSARIES***

### **§ 120.40 CANNABIS DISPENSARIES.**

(A) A cannabis dispensary may be permitted pursuant only to a development agreement.

(B) Cannabis dispensaries shall only be located in a General Commercial (C-2), Commercial-Industrial (CM), Cannery District (CD), Highway Boulevard (HB), Downtown General (DG), Downtown Core (DC), Light Industrial (M-1) or Research and Development (R&D) zoning district and at least six hundred (600) feet from a school, day care facility, or youth center. Therefore it shall be prohibited and no permit shall be issued in any other zoning district or planned development zone.

(C) All cannabis dispensaries shall obtain any applicable state permit, obtain a city business license, and maintain compliance with all of the following:

(1) *Security Plan.* A cannabis dispensary shall comply with security requirements acceptable to the Police Chief on an individual project basis. The security requirements will specify at a minimum provisions for perimeter fencing plan, interior and exterior lighting plan, security camera layouts, security team plan, alarm system details, transportation, remote monitoring, electronic track and trace, fire suppression plan, and record keeping.

(2) *Waste Management Plan.* A cannabis dispensary shall submit and comply with an approved commercial cannabis waste management plan describing how cannabis waste will be documented, shredded, blended 50/50 with shredded cardboard or paper, bagged up, and taken to a transfer station/landfill. Any reuse or recycling of the shredded materials for hemp paper and cloth or other uses shall be addressed under a development agreement or conditional use permit.



If applicable, the plan shall include a description of measures to be taken relating to light bulb recycling.

(3) *Risk Management Plan.* A commercial cannabis dispensary shall submit and comply with an approved risk management plan, which is used for identifying, analyzing and responding to risk factors throughout the life of the project. The risk management plan shall contain at a minimum these five (5) steps:

- (a) Step 1 – An identification of the risks;
- (b) Step 2 – An analysis of the risks;
- (c) Step 3 – An evaluation or ranking of the risks;
- (d) Step 4 – Recommended treatment for the risks; and
- (e) Step 5 – Discussion of a method to monitor and review the risks.

(4) *No Loitering Signage.* A cannabis dispensary shall be posted with “No Loitering” signage and enforce it pursuant to RMC §130.02 Loitering.

## ***REGULATIONS FOR CANNABIS DELIVERY***

### **§ 120.50 CANNABIS DELIVERY.**

All cannabis delivery is prohibited within the city unless the cannabis business obtains a city business license and maintains compliance with §120.12 and RMC §110.19 DELIVERY BY VEHICLE.

## ***APPEALS AND ENFORCEMENT***

### **§ 120.60 APPEALS PROCEDURE.**

(A) Any permit applicant may appeal any adverse action taken under this chapter to the City Council.

(B) All appeals taken under this chapter must be taken within 30 days after the adverse action by filing with the office of the City Clerk a written notice of appeal specifying the grounds

thereof. An appeal shall be accompanied by a non-refundable filing fee, as established by resolution adopted by the City Council from time to time.

(C) The City Clerk, upon the filing of such appeal and payment of an appeal fee, shall place the matter upon the agenda for the next regular meeting of the City Council occurring not earlier than five days after the filing of the appeal, and shall notify the appealing permit applicant by letter of the meeting date and place at which the appeal will be heard.

#### **§ 120.61 PENALTIES.**

(A) Any use or condition caused, or permitted to exist, in violation of any provision of this chapter shall be, and hereby is declared to be, a public nuisance and may be summarily abated by the City pursuant to Cal. Code of Civil Procedure § 731 or any other remedy available to the City.

(B) In addition to any other enforcement permitted by this chapter, the City Attorney may bring a civil action for injunctive relief and civil penalties against any person or entity that violates this chapter. In any civil action brought pursuant to this chapter, a court of competent jurisdiction may award reasonable attorney's fees and costs to the prevailing party.

(C) Violations of this chapter shall be subject to an administrative penalty. The amount of the administrative penalty shall be two hundred and fifty dollars (\$250) for the first offense, five hundred dollars (\$500) for the second offense, and one thousand dollars (\$1,000.00) for any subsequent offense.

#### **§ 120.62 COST RECOVERY.**

(A) The city shall be entitled to recover its abatement and enforcement costs incurred in obtaining compliance with this chapter. Costs incurred by the city are recoverable even if a public nuisance, Municipal Code, or other violation of law is corrected by the property owner or other responsible party.

(B) The cost of abating a public nuisance or enforcing this chapter shall either be a special assessment and lien on the subject property or the personal obligation of the owner of the subject property or the responsible party. If there is more than one responsible party, each party shall be jointly and severally liable for the costs.

(C) For purposes of this chapter, the following additional definitions shall apply:

(1) *Abatement costs* include the actual and reasonable costs incurred by the city to abate a public nuisance. These costs include all direct and indirect costs to the City that result from

the total abatement action, including but not limited to, investigation costs, costs to enforce the Municipal Code and any applicable State or County law, clerical and administrative costs to process paperwork, costs incurred to provide notices and prepare for and conduct administrative appeal hearings, and costs to conduct actual abatement of the nuisance. Costs include personnel costs, administrative overhead, costs for equipment such as cameras and vehicles, staff time to hire a contractor, and reasonable attorneys' fees incurred by city.

(2) *Enforcement costs* include all actual and reasonable costs incurred by the city to enforce compliance with the Municipal Code and any applicable State, County, or city public health and safety law that are not included within abatement costs. Enforcement costs shall also include, but are not limited to, costs of fringe benefits for personnel, administrative overhead, costs of equipment, costs of materials, costs related to investigations, costs related to issuing and defending administrative or court citations, costs incurred investigating and abating violations of the Municipal Code or State or County law violations, and reasonable attorneys' fees related to these activities.

(3) *Responsible party* means a person or entity responsible for creating, causing, committing, or maintaining the violation of this chapter or State or County law.

(4) *Subject property* means the real property that is the subject of any abatement or enforcement action by the city for which the city incurred costs and seeks recovery under this chapter.

**SECTION 3:** **SEVERABILITY.** If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this chapter, or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portion of this chapter or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase be declared unconstitutional.

**SECTION 2:** Amending Title XI: Business Regulations by repealing in its entirety Section 110.19: Delivery by Vehicle of Chapter 110: Business License Tax, which shall be replaced by a new Section 110.19, and shall read as follows:

## **CHAPTER 110: BUSINESS LICENSE TAX**

### **Section**

110.19 Delivery by vehicle

### **§ 110.19 DELIVERY BY VEHICLE.**

(A) Every person not having a fixed place of business within the city, and not being herein otherwise licensed or classified, who delivers goods, wares, or merchandise of any kind by the use of vehicles in the city, shall pay a license fee at a rate set by the City Council, as amended time to time.

(B) Subsection (A) shall apply to all cannabis businesses that provide delivery service within the city unless that business is expressly exempt from this section.

**SECTION 3.** If any section, subdivision, sentence, clause, phrase or portion of this Ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

**SECTION 4:** This Ordinance shall become effective thirty (30) days from and after its final passage (09/22/2017), provided it is published pursuant to GC § 36933 in a newspaper of general circulation within fifteen (15) days after its adoption.

The foregoing ordinance was given its first reading and introduced by title only at a regular meeting of the City Council of the City of Riverbank on August 8, 2017. Said ordinance was given a second reading by title only and adopted.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Riverbank at a regular meeting on the 22<sup>nd</sup> day of August, 2017; motioned by Vice Mayor Leanne Jones Cruz, seconded by Councilmember District 4 Darlene Barber-Martinez, and moved said ordinance by a City Council roll call vote of 5-0:

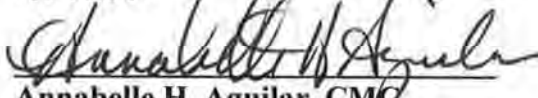
**AYES:** Fosi, Barber-Martinez, Campbell, Jones Cruz, and Mayor O'Brien

**NAYS:** None

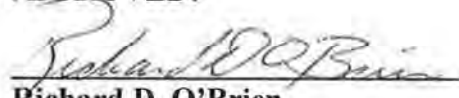
**ABSENT:** None

**ABSTAINED:** None

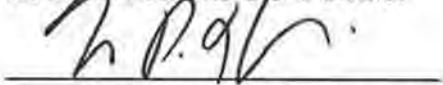
**ATTEST:**

  
Annabelle H. Aguilar, CMC  
City Clerk

**APPROVED:**

  
Richard D. O'Brien  
Mayor

**APPROVED AS TO FORM:**

  
Tom P. Hallinan, City Attorney