

ORDINANCE NO. \_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF CATHEDRAL CITY, CALIFORNIA,  
AMENDING SECTION 9.108 OF THE CATHEDRAL CITY MUNICIPAL CODE  
RELATING TO MEDICAL CANNABIS

WHEREAS, the voters of the State of California approved Proposition 215 (codified as Health and Safety Code Section 11362.5 and entitled “The Compassionate Use Act of 1996”). The intent of Proposition 215 was to ensure that seriously ill Californians have the right to obtain and use marijuana for medical purposes where that medical use is deemed appropriate and has been recommended by a physician, and to ensure that patients and their primary caregivers who obtain and use marijuana for medical purposes upon the recommendation of a physician are not thereby subject to criminal prosecution or sanction. The Act further provides that “nothing in this section shall be construed to supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion of marijuana for non-medical purposes.” The State enacted SB 420 in 2004 (codified as Health and Safety Code Section 11362.7 et seq.) to clarify the scope of The Compassionate Use Act of 1996, facilitate the prompt identification of qualified patients and primary caregivers, avoid unnecessary arrest and prosecution of these individuals, provide needed guidance to law enforcement officers, promote uniform and consistent application of the Act, and enhance the access of patients and caregivers to medical marijuana through collective, cooperative cultivation projects and to allow local governing bodies to adopt and enforce rules and regulations consistent with SB 420; and

WHEREAS, In August 2008, the Attorney General of the State of California set forth Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use ("Guidelines"); and

WHEREAS, the California Supreme Court empowers local incorporated cities and counties to enact laws or regulations pertaining to medical marijuana cultivation, dispensing, manufacturing, or distribution pursuant to city zoning powers that the city or counties governing body allows which including either expanding and allowing such activity within its city zoning area or can restrict, ban or prohibit within its zoning area; and

WHEREAS, the State of California recently adopted AB 243, AB 266, and SB 643 to clarify legal requirements pertaining to medical cannabis;

WHEREAS, Cathedral City currently regulates medical cannabis dispensaries in the City pursuant to the Guidelines and state law;

HEREAS, Cathedral City desires to allow for the regulated cultivation of medical cannabis as allowed under the state law;

WHEREAS, it is the purpose and intent of this Chapter to regulate medical cannabis in a manner that is consistent with State law and which promotes the health, safety, and general welfare of citizens of Cathedral City and limits impacts associated with medical cannabis cultivation; and

WHEREAS, Cathedral City intends to adopt additional regulations governing commercial cannabis businesses (as such term is defined in state law; and

WHEREAS, nothing in this Section shall be construed to allow persons to engage in conduct that endangers others or causes a public nuisance as defined herein, allow the use or diversion of cannabis for nonmedical purposes, or allow any activity relating to the cultivation, distribution or consumption of cannabis that is otherwise illegal under California State law.

NOW, THEREFORE, THE CATHEDRAL CITY COUNCIL DOES ORDAIN AS FOLLOWS:

Section 1. The above recitals are true and correct and incorporated herein.

Section 2. Section 9.108 (Medical Marijuana Dispensaries) is hereby amended to read in its entirety as follows:

#### **Chapter 9.108 ~~Medical Marijuana Dispensaries~~ Commercial Cannabis Businesses**

**9.108.010 Purpose.** The purpose of this chapter is to regulate medical ~~marijuana dispensaries~~, **Commercial Cannabis Activity, as defined in the MMRSA** to the extent allowed by state law and in a way that will minimize negative impacts on the city and neighboring uses, and promote the health, safety, morals, and general welfare of residents and businesses within the city. ~~It is neither the intent nor the effect of this chapter to condone or legitimize the use of marijuana.~~ **The provisions of this Chapter 9.108 shall be known and may be cited as the Cathedral City Medical Cannabis Code. This Chapter is further adopted and established pursuant to the specific authority granted to Cathedral City in Section 7 of Article XI of the California Constitution and the MMRSA. These regulations shall govern all Commercial Cannabis Activity that occurs within the jurisdiction of Cathedral City.**

#### **9.108.020 Relationship to other laws.**

~~A. This chapter is not intended to, nor shall it be construed or given effect in a manner that causes it to apply to any activity that is regulated by federal and state law to the extent that application of this chapter would conflict with such law or would unduly interfere with the achievement of federal and state regulatory purposes.~~

~~B. This chapter is consistent with state law because of the provisions of the Compassionate Use Act, the Medical Marijuana Program Act, **California Medical Marijuana Regulation and Safety Act**, the Attorney General's Guidelines and applicable case law interpreting the application of these acts to local permitting and regulation of medical marijuana dispensaries **Commercial Cannabis Businesses**.~~

Except as otherwise specifically provided herein, this Chapter incorporates the requirements and procedures set forth in the MMRSA. In the event of any conflict between the provisions of this Chapter and the provisions of the MMRSA or any other applicable state or local law, the more restrictive provision shall control.

#### **9.108.030 Effective Date; Applicability.**

- A. On and after October 1, 2016, it shall be unlawful to operate any Commercial Cannabis Business in Cathedral City without first having obtained a Local License under this Chapter; provided, however that pre-existing Commercial Cannabis Businesses that have been issued a Dispensary conditional use permit as of January 1, 2016 and submitted applications for licensing under this Chapter may continue in operation on and after July 1, 2016 until final action on the business's Local License applications.
  
- B. Except as otherwise provided by the MMRSA, beginning January 1, 2018, it shall be unlawful for a Commercial Cannabis Business to operate in the City unless it has applied for a State License. Notwithstanding anything in this subsection 9.108.030(B) to the contrary, any person who has been continuously operating in compliance with this Chapter on or before January 1, 2018 may continue operations until its State License has been approved or denied by the State Licensing Authority. For purposes of determining whether a person is “in operation” and “in good standing” in compliance with local requirements for purposes of Article 4, Section 19321(C) of the MMRSA, a person shall be “in operation” and in good standing” if they have been issued a Commercial Cannabis Business Conditional Use Permit in accordance with this Chapter and Chapter 9.72 of the Cathedral City Municipal Code, is exercising any of the privileges of its permit, and has applied for a Local License on or before July 1, 2016.
  
- C. If the owner of any pre-existing Commercial Cannabis Business has not applied for a Local License to lawfully continue in operation prior to July 1, 2016, the business shall cease operation immediately as of that date.

**9.108.040 Definitions.**

Unless otherwise defined herein, the terms in this Chapter shall have the same meaning as set forth in the MMRSA and any rules promulgated pursuant thereto. In addition, the following terms shall be defined as follows:

- A. "City" means Cathedral City, California.
- B. “City manager” shall mean the city manager of the city of Cathedral City or duly authorized designee.
- C. “Commercial Cannabis Business Conditional Use Permit” means a conditional use permit issued by the planning commission pursuant to chapter 9.72 for use as a Commercial Cannabis Business.
- D. “Community development director” or “director” shall mean the community development director of the city of Cathedral City or duly authorized designee.
- E. “Cultivation” Conditional Use Permit” means a conditional use permit issued by the planning commission pursuant to chapter 9.72 for use as a Cultivation Site.
- F. “Dispensary Conditional Use Permit” means a conditional use permit issued by the planning commission pursuant to chapter 9.72 for use as a Dispensary.
- D. “Enclosed Locked Structure,” means a structure that: 1) does not allow for the visibility of the interior from the outside; 2) is secured with a lock; 3) is

completely surrounded on all sides by a wall; and 4) is roofed. Enclosed Locked Structures may include greenhouses and accessory buildings. Any Enclosed Locked Structure shall comply with the City Building Code, Fire Code, and all other applicable laws.

E. “Good Cause” for purposes of refusing or denying an initial Local License issuance, for revoking a Local License, or for refusing or denying a Local License renewal or reinstatement, means:

1. The Licensee or applicant has violated any of the terms, conditions or provisions of this Chapter, of State law, of any regulations and rules promulgated pursuant to State law, any applicable local rules and regulations, or any special terms or conditions placed upon its State or Local License,;
2. The Licensed Premises have been operated in a manner that adversely affects the public health, safety or welfare or the safety of the immediate neighborhood in which the establishment is located
3. The Licensee or applicant has made misrepresentations or material omissions that the Licensee or applicant knew or should have known to be false on an application form, renewal form, or any other document submitted to the City.
4. The applicant or Licensee has been convicted of an offense that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, except that if the Local Licensing Authority determines that the applicant or Licensee is otherwise suitable to be issued a License and granting the License would not compromise public safety, the Local Licensing Authority shall conduct a through review of the nature of the crime, conviction, circumstances, and evidence of rehabilitation of the applicant or Licensee, and shall evaluate the suitability of the applicant or Licensee to be issued a license based on the evidence found through the review. In determining which offenses are substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, the Local Licensing Authority shall consider the factors as set forth in Section 10, 19323(a)(5) of the MMRSA.
5. The applicant or Licensee fails to allow inspection of the security recordings, activity logs, or business records of the Licensed Premise by the City officials.

F. “Licensed Premises” means the premises specified in an application for a license under this Chapter, which are owned or in possession of the Licensee and within which the licensee is authorized to cultivate, manufacture, distribute, test, or sell cannabis in accordance with the provisions of this Chapter and the MMRSA and any rules adopted pursuant thereto.

G. “Licensee” means a person licensed or registered pursuant to this Chapter.

H. “Limited Access Area” means and shall be a building, room or other area upon the licensed premises where cannabis is grown, cultivated, stored, weighed, displayed, packaged, sold or possessed for sale, under control of the Licensee, with limited access to only authorized personnel.

I. “Local Licensing Authority” means the City Manager.

~~C. “Medical marijuana” means marijuana authorized in strict compliance with the MMRSA, Health and Safety Code Sections 11362.5 and 11362.7 et seq., as such sections may be amended from time to time.~~

J. “Medical marijuana collective or cooperative” or “cooperative or collective” means any group that is collectively or cooperatively cultivating and distributing marijuana for medical purposes that is organized in the manner set forth in the August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use (attached to the ordinance codified in this chapter as Exhibit A), as may be amended from time to time, that was issued by the office of the Attorney General for the state of California and is on file in the office of the city clerk, and subject to the provisions of California Health and Safety Code Section 11362.5 (Compassionate Use Act of 1996), and California Health and Safety Code Sections 11362.7 to 11362.83 (Medical Marijuana Program Act).

K. “Medical Marijuana Regulation and Safety Act” or “MMRSA” means Sections 144, 2220.05, 2241.5, and 2242.1 of, to add Sections 19302.1, 19319, 19320, 19322, 19323, 19324, and 19325 to, to add Article 25 (commencing with Section 2525) to Chapter 5 of Division 2 of, and to add Article 6 (commencing with Section 19331), Article 7.5 (commencing with Section 19335), Article 8 (commencing with Section 19337), and Article 11 (commencing with Section 19348) to Chapter 3.5 of Division 8 of, the Business and Professions Code, relating to medical marijuana.

~~E. “Medical marijuana dispensary” or “dispensary” means any business, office, store, or other retail “storefront” component of any medical marijuana cooperative or collective that dispenses, distributes, exchanges, sells or provides medical marijuana to members of any medical marijuana cooperative or collective consistent with the August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use, as may be amended from time to time, that was issued by the office of the Attorney General for the state of California, and for the purposes set forth in California Health and Safety Code Section 11362.5 (Compassionate Use Act of 1996) and California Health and Safety Code Sections 11362.7 to 11362.83 (Medical Marijuana Program Act), and subject to the provisions of this chapter and other applicable provisions of this code.~~

L. “Outdoors” means any location within the City that is not within an Enclosed Locked Structure.

M. “State law(s)” shall mean and include those Acts and Guidelines set forth in Section 9.108.040 of this chapter, the MMRSA, and all other applicable laws of the state of California.

N. “State Licensing Authority” shall mean the Bureau of Medical Marijuana Regulation within the Department of Consumer Affairs, the State Department of Public Health, or any other state agency responsible for the issuance, renewal, or reinstatement of a license issued under the MMRSA or the agency authorized to take disciplinary action against such license.

O. “Physicians,” as used in this chapter, shall mean a medical doctor licensed by the state of California to practice as such.

#### **9.108.040 Other definitions.**

~~— Words and phrases not specifically defined in this chapter shall have the meaning ascribed to them as defined in the following sources:~~

~~A. The Compassionate Use Act of 1996 (Health and Safety Code Section 11362.5);~~

~~B. The Medical Marijuana Program Act (Health and Safety Code Sections 11362.7 through 11362.83); and~~

~~C. The California Attorney General's Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use issued in August, 2008 (hereinafter "Attorney General's Guidelines"), as such guidelines may be revised from time to time by action of the Attorney General; and~~

~~D. The MMRSA.~~

#### **9.108.050 License and Conditional use permit required to operate.**

- A. ~~Medical marijuana dispensaries~~ **Commercial Cannabis Businesses** shall only be permitted to operate in the city following application, investigation, verification, notice and public hearing, approval and issuance of a **License by the Local Licensing Authority** and conditional use permit by the planning commission in accordance with the criteria and procedures set forth in this chapter and Chapter 9.72 of this code. No land use entitlement, permit (including building permit) approval, site plan, certificate of occupancy, zoning clearance, or other land use authorization for a ~~medical marijuana dispensary~~ **Commercial Cannabis Business** shall be granted or permitted unless a ~~medical marijuana dispensary~~ **Commercial Cannabis Business** Conditional Use Permit is first obtained and issued in conformance with the provisions of this chapter and Chapter 9.72. If there is a conflict between the requirements of Chapter 9.72 and this chapter, the requirements of this chapter shall prevail. **Notwithstanding anything herein to the contrary, any zone lot where any person who has been issued a Dispensary conditional use permit as of January 1, 2016, in accordance with this Chapter may also qualify for licensing under this section provided such Commercial Cannabis Business use is considered a compliant or nonconforming use in that location under the zoning code.**
- B. **All persons who are engaged in or who are attempting to engage in Commercial Cannabis Activity in any form shall do so only in strict compliance with the terms, conditions, limitations and restrictions the MMRSA, this Chapter, the provisions of the Chapter 9.72 of the Cathedral City Municipal Code, and all other State and local laws and regulations.**
- C. **The Local Licensing Authority is authorized to make policies and procedures consistent with the intent and spirit of this Chapter concerning the applications, the application process, the information required of applicants, the application procedures and the administration and procedures to be used and followed in the application and hearing process.**

#### **9.108.060 Permitted zones—Distance and other requirements.**

##### **A. Dispensaries.**

1. No ~~medical marijuana~~ **Dispensary** shall be established, developed, operated or located:
  - a. Within six hundred feet of a **school, public playground or park, child**

- care or day care facility, or youth center; or
  - b. ~~Within one thousand feet of any other medical marijuana dispensary;~~  
~~or~~-In any residential zone; or
  - c. Within two hundred fifty feet of East Palm Canyon Drive or a residential zone.
- 2. The restrictions in subsection 9.108.060(A)(1) shall not apply to any location where the Local Licensing Authority previously issued a Dispensary conditional use permit under Chapter 9.72 of this Code and a permitted Dispensary has existed in continuous operations at the subject location since the time of original permitting.
- 3. Subject to the distance and other requirements of this chapter, ~~a medical marijuana~~ a Dispensary may only be located or established on property within the I-1 Light Industrial District Zone, the CBP-2 Commercial Business Park District Zone or the PCC Planned Community Commercial District Zone, and following the application for and granting of a conditional use permit by the planning commission in accordance with this chapter and Chapter 9.72 of this code. In addition to the findings required by Section 9.72.010 of this code, the planning commission shall also consider whether the approval of the proposed use will violate the minimum requirements set forth in this chapter for distance separations between ~~Dispensaries and other dispensaries and~~ other specific land uses.

#### B. Cultivation Sites.

- 1. No Cultivation Site shall be located within six hundred feet of a School or within three hundred feet of a residential zone, except that the restrictions in subsection 9.108.060(B)(1) shall not apply to any location where the Local Licensing Authority previously issued a conditional use permit under Chapter 9.72 of this Code and a permitted Cultivation Site has existed in continuous operations at the subject location since the time of original permitting.
- 2. Subject to the distance and other requirements of this chapter, a Cultivation facility may only be located on a property within the I-1 Light Industrial District Zone, CBP-1 Commercial Business Park Zone, and S Open Space Zone, and following the application for and granting of a conditional use permit by the planning commission in accordance with this chapter and Chapter 9.72 of this code. In addition to the findings required by Section 9.72.010 of this code, the planning commission shall also consider whether the approval of the proposed use will violate the minimum requirements set forth in this chapter for distance separations between other dispensaries and other specific land uses.
  - a. All Cultivation of Medical Cannabis shall occur in an Enclosed Locked Structure. All outdoor cultivation of Medical Cannabis within the City is prohibited.
  - b. Cultivation Sites shall not exceed the square footage authorized pursuant to the conditional use permit.
  - c. From a public right of way, there should be no exterior evidence of the Cultivation of Medical Cannabis except for any signage authorized by this Chapter.

- d. All Medical Cannabis at the Cultivation Site shall be cultivated, processed, stored, and prepared for transport in a secured manner.
- e. A Licensee may not distribute, sell, dispense, or administer Medical Cannabis on the Licensed Premises of a Cultivation Site except for as authorized by the MMRSA and other applicable state law. Licensee's issued a Dispensary Conditional Use Permit and Cultivation Site Conditional Use Permit for the same physical address shall maintain clear separation from all cultivation and dispensing activities.
- f. All Cultivation Sites shall be alarmed with an alarm system that is operated and monitored by a reputable security company.
- g. All areas of the Cultivation Site shall be secured and locked at all times, and under the control of the staff of the Cultivation Site.
- h. All Cultivation Sites shall comply with the City's lighting standards including without limitation fixture type, wattage, illumination levels, shielding, and secure the necessary approvals and permits as needed.
- i. All windows on the Licensed Premise of the Cultivation Sites shall be appropriately secured and all Medical Cannabis securely stored.

C. All distances specified in this section shall be measured in a straight line, without regard to intervening structures, from the nearest point of the building or structure in which the ~~medical marijuana dispensary~~ **Commercial Cannabis Business** is, or will be located, to the nearest property line of those uses described herein.

~~D. A medical marijuana dispensary shall be limited in size to a maximum of two thousand square feet, inclusive of restroom facilities, unless specifically authorized otherwise in the dispensary conditional use permit, but in no event be more than two thousand five hundred square feet. Dispensary size shall be limited, as deemed appropriate and necessary, to best serve patient needs within the intent of this chapter and reduce potential adverse impacts that might otherwise occur on surrounding neighborhoods, businesses and demands on city services. A dispensary shall not be increased in size (i.e., floor area or number of patients) without a prior approval amending the existing dispensary conditional use permit.~~

~~E. No medical marijuana dispensary shall be permitted or established as an accessory use to any other use permitted by this code.~~

~~F. No more than one medical marijuana dispensary may operate out of a single building.~~

### **9.108.070 Applications and Standards**

- A. A License provided by this Chapter shall not be issued to or held by any person or entity prohibited as licensees under the provisions of this Chapter or the MMRSA.
- B. All applications for Licenses required pursuant to this Chapter shall be made upon current forms prescribed by the City Manager. All applications for Licenses must include application and permitting fees as established by resolution and adopted by the City Council as amended from time to time.



- C. An applicant shall file at the time of application for a License pursuant to this Chapter plans and specifications for the interior of the Licensed Premise if the building to be occupied is in existence at the time of the application. If the building is not in existence or alteration to the building is required at the time of the application, the applicant shall file a plot plan and a detailed sketch for the interior and shall further submit an architect's drawing of the building to be constructed.
- D. The Local Licensing Authority shall not receive or act upon an application for the issuance of a License pursuant to this Chapter until it is established that (i) the applicant is, or will be, entitled to possession of the premises for which application is made under a lease, rental agreement or other arrangement for possession of the premises, or by virtue of ownership of the premises; and (ii) the applicant has been issued a conditional use permit pursuant to this Chapter.
- E. The Local Licensing Authority may deny the grant or renewal of a License for Good Cause.
- F. The Local Licensing Authority may place conditions upon the approval of any license which are reasonably related to the furtherance, in the opinion of the Local Licensing Authority, and protection of the health, safety and welfare of the neighborhood in which the establishment is to be located and of the general public.
- G. A License issued by the Local Licensing Authority constitutes a revocable privilege. The applicant has the burden of proving its qualifications for a License at all times.
- H. Applicants must submit a complete application to the Local Licensing Authority before it will be accepted. An applicant shall have an opportunity to cure any incomplete application within thirty (30) days of written notice of incompleteness by the Local Licensing Authority. The Local Licensing authority may impose additional requirements necessary for making a determination of completeness and further submission of the application to the Local Licensing Authority for consideration of approval.
- I. The chief of police or designee shall conduct a criminal background check of any applicant for a Commercial Cannabis Business License, including background checks on any person that has ownership or financial interest in the applicant, any person who is managing or is otherwise responsible for the activities of the dispensary's related cooperative or collective, and any officer or director, and shall prepare a report to the director (for incorporation into the report provided to the Local Licensing Authority) on the acceptability of the background of the applicant and such other persons requiring background checks as set forth herein. If a change in management or of the responsible person occurs, the Commercial Cannabis Business must notify the city thereof in writing within ten business days and said new person serving as the manager or responsible person shall be subject to the same background check and approval process as the original manager. If

said person is not approved by the City, the Commercial Cannabis Business shall cease operating until a manager or person responsible for the daily operations of the Commercial Cannabis Business is approved.

- J. An applicant shall file with the Local Licensing Authority the following at the time of application for a Local License pursuant to this Chapter.
1. An operating plan for the proposed Commercial Cannabis Business including the following information:
    - a. A general description of the types of products and services to be provided by the facility.
    - b. A floor plan showing all interior dimensions of the Licensed Premises and the layout of the Commercial Cannabis Business, including all limited access areas, areas of ingress and egress, and all security cameras. Such floor plan shall also show the principal uses of the floor area depicted therein.
    - c. A description of the design of the Licensed Premises evidencing that the design conforms to applicable City laws.
    - d. A security plan indicating how the applicant intends to comply with the requirements of this Chapter and the MMRSA including but not limited to a description of how the security measures are sufficient to ensure the safety of members and employees, protect the Licensed Premises from diversion and theft, and ensure that all buildings where marijuana is cultivated or stored are secured sufficiently to prevent unauthorized entry.
    - e. ~~Verification that the dispensary~~ **Commercial Cannabis Business** shall be alarmed with an audible interior and exterior alarm system that is operated and monitored by a recognized security company, deemed acceptable by the director. Any change in the security company shall be subject to the approval of the director. All current contact information regarding the ~~dispensary's~~ **Commercial Cannabis Business**' security company shall be provided to the ~~director~~ **Local Licensing Authority**.
    - f. A description of the source of power for any Cultivation (electric utility company, solar, diesel generators), the size of the electrical service or system, and the total demand to be placed on the system by all proposed uses on site.
    - g. Verification of all water sources used by the Licensed Premises and verification that the Licensed Premise does not utilize water that has been or is illegally diverted from any stream, creek, or river.
    - h. An employee list.
    - i. For a Dispensary, an estimate of the size of the group of primary caregivers and/or qualified patients who will be served by the Dispensary and a statement confirming whether delivery service of medical marijuana cannabis to any location outside the Dispensary will be provided and the extent of such service, and in the event delivery service is a provided, a detailed delivery plan detailing how

the Dispensary will comply with all requirements of this Chapter, the MMRSA, and any other applicable law.

- j. Any additional document(s) or information reasonably requested by the Local Licensing Authority.
  2. Authorization for the Local Licensing Authority and community development director to seek verification of the information contained within the application and authorization for the chief of police to conduct background checks as set forth in Section 9.108.070(I).
  3. Evidence that the entity operating the Commercial Cannabis Business is organized as a bona fide non-profit cooperative, affiliation, association, or collective ~~of persons comprised exclusively and entirely of qualified patients and the primary caregivers of those patients in strict accordance with all state laws;~~ as required by the MMRSA
- K. A License provided and issued pursuant to this Chapter shall specify the date of issuance, the period of licensure, the name of the Licensee, and the address of the Licensed Premises. The Licensee shall conspicuously place the License at all times on the Licensed Premises.
- L. Subsequent to the issuance of a License, a Licensee shall report each transfer of ownership or change of financial interest in the license to the Local Licensing Authority and receive approval from the Local Licensing Authority prior to any transfer or change.

#### **9.108.080 Conditional use permit requirements.**

- A. Prior to initiating operations and as a continuing requisite to operating a ~~medical marijuana dispensary~~ **Commercial Cannabis Business**, the applicant (the authorized agent or other such person authorized as the lawful representative of the marijuana collective or cooperative wishing to operate such dispensary) shall obtain a ~~dispensary~~ **Commercial Cannabis Business Conditional Use Permit** under the terms and conditions set forth in this chapter and Chapter 9.72 of this code. If there is a conflict between the requirements of Chapter 9.72 and this chapter, the requirements of this chapter shall prevail. The applicant shall file an application for a ~~Dispensary~~ **Commercial Cannabis Business Conditional Use Permit** with the community development department on the official form supplied by the city and shall pay the applicable application fee as established by resolution of the city council, as may be amended from time to time. An application for a **Commercial Cannabis Business Conditional Use Permit** shall include, but shall not be limited to, the following information:
1. **For a Cultivation Site, an environmental plan indicating how Cultivation will be conducted in accordance with state and local laws related to land conversion, grading, electricity usage, water usage, and agricultural discharges.**
  2. **The address of the location of the Commercial Cannabis Business.**
  3. **A site plan and floor plan of the Commercial Cannabis Business denoting all the use of areas of the dispensary or Cultivation Site, including storage, employee areas, exterior lighting, restrooms, security cameras,**

- areas of ingress and egress, and signage.
4. A security plan that addresses how **all requirements under this Chapter and MMRSA** shall be implemented ~~or~~ **and** complied with, including the following requirements:
    - a. Security cameras shall be installed and maintained in good condition, and used in an on-going manner with at least one hundred twenty concurrent hours of digitally recorded documentation in a format approved by the community development director. The cameras shall be in use twenty-four hours per day, seven days per week. The areas to be covered by the security cameras shall include, but are not limited to, **all areas where Medical Cannabis is present, all areas of ingress and egress, point of sale**, the public areas, storage areas, all doors and windows, and any other areas as ~~determined to be necessary by the director and/or the chief of police, to an extent sufficient to ensure the safety of persons and deter crime~~ required by this Chapter and the MMRSA. However, in the interior locations, cameras shall be positioned so as not to view or otherwise record patients' protected health information, such as those patient records visible on computer screens or other printed files, the confidentiality of which shall be maintained in accordance with applicable federal or state laws.
    - b. Areas in which ~~marijuana~~ **Medical Cannabis** is dispensed to qualified patients or designated caregivers shall be secured and maintained separately from any lobby or waiting area. Any areas in which medical marijuana or related products are stored shall be under the secure control of ~~dispensary~~ **Commercial Cannabis Business** staff at all times and locked when not in use.
    - c. The business entrance(s) and all window areas shall be illuminated during evening hours. The applicant shall comply with the city's lighting standards regarding fixture type, wattage, illumination levels, shielding, etc., and secure the necessary approvals and permits as needed.
    - d. All windows on the building that houses the ~~dispensary~~ **Commercial Cannabis Business** shall be appropriately secured and all marijuana securely stored.
  5. The name and address of any person **who has an ownership interest in the applicant business entity, is** managing or responsible for the ~~dispensary~~ **Commercial Cannabis Business's** activities, the names and addresses of any employees, ~~independent contractors or~~ **volunteers, if any**, and a statement as to whether such person or persons has or have been convicted of a crime(s), the nature of such offense(s), and the sentence(s) received for such conviction(s);
  6. The name and address of the owner and lessor of the real property upon which the **Commercial Cannabis Business** is to be operated. In the event the applicant is not the legal owner of the property, the application must be accompanied by a notarized acknowledgement from the owner of the property that a **Commercial Cannabis Business** will be operated on his or her property.
  7. A statement in writing by the applicant that he or she certifies under

penalty of perjury that all the information contained in the application is true and correct.

8. Authorization for the community development director to seek verification of the information contained within the application ~~and authorization for the chief of police to conduct background checks as set forth in Section 9.108.090;~~
9. ~~Evidence that the entity operating the Commercial Cannabis Business is organized as a bona fide non-profit cooperative, affiliation, association, or collective of persons comprised exclusively and entirely of qualified patients and the primary caregivers of those patients in strict accordance with all state laws; as required by the MMRSA.~~
10. Any such additional and further information as is deemed necessary by the community development director to administer this section or this Chapter.

B. The director and appropriate city staff shall review, verify and investigate all information on the application and prepare a report for the planning commission incorporating the findings of such investigation and verification, including, but not limited to, the suitability of the proposed location, the applicant's compliance with the requirements of this chapter, this section and Chapter 9.72, and the results of the background check performed by chief of police.

C. All **Commercial Cannabis Business** shall annually provide to the director an updated application containing the information required by this section.

#### ~~9.108.090 Background check:~~

~~—The chief of police or designee shall conduct a criminal background check of any applicant for a medical marijuana dispensary conditional use permit, including background checks on any person who is managing or is otherwise responsible for the activities of the dispensary's related cooperative or collective, and any employee or volunteer, and shall prepare a report to the director (for incorporation into the report provided to the planning commission) on the acceptability of the background of the applicant and such other persons requiring background checks as set forth herein. If a change in management or of the responsible person occurs, the medical marijuana dispensary must notify the city thereof in writing within ten business days and said new person serving as the manager or responsible person shall be subject to the same background check and approval process as the original manager. If said person is not approved by the city the medical marijuana dispensary shall cease operating until a manager or responsible person is approved.~~

#### **9.108.090 Grounds for denial of conditional use permit—Additional conditions imposed.**

A. Following the public hearing, the planning commission shall deny an application for a **Commercial Cannabis Business** conditional use permit **for Good Cause and/or** upon making any of the following findings: **1) that the findings required by Section 9.72.010 of this code for the granting of a conditional use permit**

cannot be made or 2) that the Cultivation Site, if permitted, would not comply with all applicable laws, including but not limited to the Building, Planning, Housing, Fire, and Health Codes of the City, including the provisions of this Chapter and regulations issued by the City pursuant to this Chapter ; or, which shall be made part of the record of the meeting/public hearing:

- 1.— ~~The applicant has made one or more false or misleading statements or omissions on the application or during the application process; or~~
- 2.— ~~The proposed dispensary's related cooperative or collective is not organized in strict compliance with state laws or any other applicable law, statute, ordinance, or regulation; or~~
- 3.— ~~The applicant is not a primary caregiver or qualified patient or a duly authorized agent or legal representative of the members of the dispensary's related cooperative or collective; or~~
- 4.— ~~The applicant, or any person who is managing or is otherwise responsible for the activities of the dispensary, or any employee(s) or volunteer(s), if any, has been convicted of a felony, or convicted of a misdemeanor involving moral turpitude, or the illegal use, possession, transportation, distribution or similar activities related to controlled substances, with the exception of marijuana related offenses for which the conviction occurred prior to passage of Compassionate Use Act ("CUA"), and which would be defensible today under the CUA. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere; or~~
- 5.— ~~that the findings required by Section 9.72.010 of this code for the granting of a conditional use permit cannot be made;~~
- 6.— ~~The applicant, or any person who is managing or is otherwise responsible for the activities of the proposed dispensary has engaged in unlawful, fraudulent, unfair, or deceptive business acts or practices, or is currently in violation of any city ordinance or regulation or has an unpaid obligation to the city or any of its departments which is or has become due.~~

B. Based on the information set forth in the application and city staff's report, the planning commission may impose reasonable terms and conditions on the proposed operations in addition to those specified in and required to be included in every **Commercial Cannabis Business** conditional use permit granted under this chapter. All such additional terms and conditions shall be supported by written findings that substantiate a need for the additional terms and conditions to mitigate or eliminate any potential secondary effects associated with the public health, safety and welfare.

#### **9.108.100 Limitations on city's liability.**

To the fullest extent permitted by law, the city shall not assume any liability whatsoever, with respect to approving any **Commercial Cannabis Business License** or conditional use permit pursuant to this chapter or the operation of any **Commercial Cannabis Business** approved for such permit or **License** pursuant to this chapter. As a condition of approval a **Commercial Cannabis Business License and** conditional use permit granted under this chapter, the applicant or its legal representative shall:

- A. Execute an agreement indemnifying and holding the city harmless from any and all claims, damages, legal or enforcement actions, including, but not limited to, any actions or claims associated with violation of federal law associated with the operation of the **Commercial Cannabis Business**; and
- B. Maintain insurance in the amounts and of the types that are acceptable to the city **pursuant to guidelines and policies set forth by the Local Licensing Authority**; and
- C. Name the city as an additionally insured on all city required insurance policies; and
- D. Agree to defend, at its sole expense, any action against the city, its agents, officers, and employees related to the approval of a **Commercial Cannabis Business** conditional use permit or the operation of the dispensary; and
- E. Agree to reimburse the city for any court costs and attorney fees that the city may be required to pay as a result of any legal challenge (or federal enforcement action) related to the city's approval of a **Commercial Cannabis Business** conditional use permit. The city may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve the operator of its obligation hereunder.

**9.108.120 Other operating requirements (conditions of approval).**

- A. In addition to any terms and conditions imposed by the planning commission **and Local Licensing Authority pursuant to this Chapter and** Section 9.108.100 and Chapter 9.72, **Commercial Cannabis Business** operations shall only be established and managed in compliance with the following standards, which shall be included as conditions of approval in each **Commercial Cannabis Business License**:
  1. All **Commercial Cannabis Business** shall comply fully with all of the applicable restrictions and mandates set forth in state and **local laws** ~~federal law~~.
  2. All **Dispensaries** may only be open to the public and serve patients between the hours of eight a.m. and ten p.m., seven days a week.
  3. Physician's referrals shall be verified by the cooperative prior to inclusion into the cooperative and at least every six months thereafter.
  4. All **Commercial Cannabis Businesses** shall maintain patient records in a secure location within the territorial jurisdiction of the city and available for the director or the city manager to review within forty eight (48) hours of demand for purposes of determining compliance with the requirements of this Chapter and state law. Such records shall include, without limitation, a copy of the physician's referral, proof of membership in the related collective or cooperative and, if using a primary caregiver, a notarized written authorization from the patient to be represented by such primary caregiver. The information

provided for purposes of this subsection shall be maintained by the city as confidential information, and shall not be disclosed as public records unless pursuant to subpoena issued by a court of competent jurisdiction.

5. All **Commercial Cannabis Businesses** shall maintain a current register of the names of all volunteers and employees currently working at or employed by the dispensary, and shall disclose such register for inspection by any city officer or official for purposes of determining compliance with the requirements of this chapter.
6. Medical ~~marijuana~~ **Cannabis** shall be kept in a secured manner **in a Limited Access Area or Restricted Access Area at all times** ~~during business and non-business hours~~, in accordance with the required security plan, **this Chapter, and the MMRSA.**
7. Each **Commercial Cannabis Business** that prepares, dispenses, or in any manner distributes ~~edible medical marijuana products~~ **Manufactured Cannabis** (including without limitation, brownies, cookies, lollipops, etc.) must comply with the provisions of all relevant state and local laws regarding the preparation, distribution, and sale of food.
8. Dispensaries may sell or otherwise provide Medical ~~marijuana~~ **Cannabis** related equipment, supplies, and general information to any members of the Dispensary's collective or cooperative, provided that such material is only displayed in the ~~medical marijuana distribution area of the dispensary.~~ **Restricted Access Area.**
9. ~~Dispensaries~~ **Commercial Cannabis Businesses** shall have an electronic point of sale system that produces historical transactional data for review by the city manager for auditing purposes. For purposes of this subsection, an "electronic point of sale system" shall mean an electronically operated register or computer system that produces an electronic or automatic paper record for all transactions associated with any product sold, rented or otherwise provided to the ~~dispensary's~~ **Commercial Cannabis Businesses** ~~members~~ or purchased or received from them, **produces electronic shipping manifests, and tracks all Medical Cannabis inventory in possession of the Commercial Cannabis Business.**
10. Any ~~dispensaries~~ **Commercial Cannabis Businesses** must pay any applicable sales tax pursuant to federal, state, and local law.
11. On-site smoking, ingestion, or consumption of marijuana or alcohol shall be prohibited on the premises of all ~~dispensaries~~ **Commercial Cannabis Businesses**. The term "premises" as used in this subsection includes the actual building, as well as any accessory structures and parking areas. The building entrance to a ~~dispensary~~ **Commercial Cannabis Businesses** shall be clearly and legibly posted with a notice indicating that smoking, ingesting, or consuming marijuana on the premises or in the vicinity of the cooperative or collective is prohibited.
12. Unless otherwise provided in this chapter, signage for the ~~dispensary~~ **Commercial Cannabis Businesses** which is viewable from the exterior of the dispensary shall be limited to name of the business only and its hours of operation. No drawings or pictures shall be permitted on signage that is viewable from the exterior of the dispensary, except that a green "Swiss Cross" may be viewable.



13. Alcoholic beverages shall not be sold, provided, stored, distributed, or consumed on the premises of a ~~dispensary~~ **Commercial Cannabis Businesses**. No ~~dispensary or its related collective or cooperative~~ **Commercial Cannabis Businesses** shall hold or maintain a license from the State Department of Alcohol Beverage Control to sell alcoholic beverages, or operate a business that sells alcoholic beverages.
14. ~~A dispensary shall be sited in a visible location that provides good views of the dispensary entrance, windows and the exterior of the premises from the public street.~~
15. No person under eighteen years of age shall be permitted in a **Dispensary or other Commercial Cannabis Businesses**, unless that person is a verified member of the **Dispensary's** related collective or cooperative and is accompanied by a parent or legal guardian.
16. A **Dispensary** shall not have a physician on-site to evaluate patients or to provide a recommendation for medical ~~marijuana~~ **cannabis**. Potential patients or caregivers shall not be permitted to enter the Restricted Access Area of a **Dispensary** without first having obtained a valid written recommendation from their physician recommending use of medical marijuana.
17. The building in which the ~~dispensary~~ **Commercial Cannabis Business** is located as well as all operations as conducted therein, shall fully comply with all applicable rules, regulations, and laws including, but not limited to, zoning and building codes, Chapter 3.28 of this code requiring application and issuance of a business license, the Revenue and Taxation Code, the Americans with Disabilities Act, and all applicable state laws.
18. A **Dispensary** shall not distribute, sell, dispense, or administer medical ~~marijuana~~ to cannabis anyone other than qualified patient members of the **Dispensary's** related cooperative or collective and their primary caregivers.
19. The ~~dispensary~~ **Commercial Cannabis Business** must provide the director with the name, phone number, facsimile number, and email address of an on-site community relations representative or staff person or other representative to whom the city can provide notice if there are operating problems associated with the ~~dispensary~~ **Commercial Cannabis Business** or refer members of the public who may have complaints or concerns regarding the ~~dispensary~~ **Commercial Cannabis Business**. The ~~dispensary~~ **Commercial Cannabis Business** shall also provide this contact information to all neighboring businesses located within one hundred feet of the ~~dispensary~~ **Commercial Cannabis Business**, as measured in a straight line without regard to intervening structures, between the front doors of each establishment.
20. Fully comply with and meet all operating criteria required pursuant to state laws, the provisions of this code, and any specific, additional operating procedures and measures as may be imposed as conditions of approval in the ~~dispensary~~ **Commercial Cannabis Business** conditional use permit, in order to ensure that the operation of the dispensary is consistent with the protection of the health, safety, and welfare of the community, qualified patients, and primary caregivers, and will not adversely affect surrounding uses.
21. The ~~dispensary~~ **Commercial Cannabis Business** shall be required to utilize software approved by the city manager or designee that tracks all marijuana from the time of planting through sale (seed to sale).

22. Each person licensed pursuant to this Chapter shall keep and maintain all records specified in the MMRSA and this Chapter and shall make the same available for inspection and examination of the Local Licensing Authority or its duly authorized representatives at all times of apparent operation. A failure to maintain such records and to allow for inspection of the same as well as a failure to allow the inspection of the Licensed Premises by the Local Licensing Authority shall constitute a violation of this Chapter and such violation may, in the discretion of the Local Licensing Authority, form or constitute the basis for a suspension, a suspension, fines and/or revocation of the Licensee's license.
23. All Commercial Cannabis Businesses shall display copies of its License and conditional use permit issued pursuant to this Chapter in a conspicuous place at the entrance to the Licensed Premises.
24. A Licensee shall notify the City Manager in writing of any felony criminal charge or felony conviction against any person with ownership interest in the Licensee, manager, or employee of Licensee within ten days of such person's arrest, felony summons, and within ten days of the disposition of any arrest summons. Failure to make proper notification to the City Manager may be grounds for disciplinary action. Licensees shall cooperate in any investigation conducted by the City Manager.

B. ~~Dispensaries~~ **Commercial Cannabis Businesses** shall also be required to install/provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the dispensary that is distinctive to its operation is not detected outside the ~~dispensary~~ **Commercial Cannabis Business**, anywhere on adjacent property or public rights-of-way, on or about any exterior or interior common area walkways, hallways, breeze-ways, foyers, lobby areas, or any other areas available for common use by tenants or the visiting public, or within any other unit located within the same building as the ~~dispensary~~ **Commercial Cannabis Business**.

1. As such, ~~dispensary~~ **Commercial Cannabis Businesses** must install and maintain the following equipment or any other equipment which the planning commission determines has the same or better effectiveness:
  - a. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally; or
  - b. An air system that creates negative air pressure between the ~~dispensary~~ **Commercial Cannabis Businesses'** interior and exterior so that the odors generated inside the dispensary are not detectable outside the ~~dispensary~~ **Commercial Cannabis Business**.
2. For enforcement purposes, the standard for determining what constitutes an unlawful odor under this subsection shall be whether such an odor would be deemed offensive to a reasonable number of persons on an ongoing or periodic basis and personally detectable by city staff or law enforcement personnel.

#### **9.108.130 Inspections and enforcement.**

- A. Recordings made by security cameras at any ~~dispensary~~ **Commercial Cannabis**

**Business** shall be confidential and not subject to public inspection or disclosure; except that such recordings shall be made immediately available to the director, the city manager, the chief of police or their designee upon verbal request for law or regulatory enforcement and criminal investigation purposes.

- B. The director, the city manager, or their designated code enforcement officers shall have the right to enter all ~~dispensary~~ **Commercial Cannabis Business** from time to time unannounced for the purpose of making reasonable inspections to observe and enforce compliance with this chapter. Such inspections shall be limited to observing the premises of the dispensary for purposes of determining whether the ~~dispensary~~ **Commercial Cannabis Business** is being operated or maintained in compliance with this code, state law, and other applicable laws and regulations.
- C. The director or the city manager shall have the right to inspect membership records pursuant to Section 9.108.120 for the sole purpose of determining whether all members of the dispensary's related collective or cooperative are qualified. Such inspections of membership records shall not be used for any other purposes, nor shall the records be removed off-site by the city without a court order.
- D. Operation of the ~~dispensary~~ **Commercial Cannabis Business** in non-compliance with any conditions of approval or the provisions of this chapter or Chapter 9.72 shall constitute a violation of the municipal code and shall be enforced pursuant to the provisions of this chapter and this code.
- E. The planning commission or the city council, in accordance with the provisions and procedures set forth in Section 9.72.130 of this code, may revoke a ~~dispensary~~ **Commercial Cannabis Business** ~~marijuana dispensary~~ **Conditional Use Permit** if any of the following occur:
  - 1. The planning commission and/or the city council determine that the ~~dispensary~~ **Commercial Cannabis Business** has failed to comply with this chapter or any condition of approval or a circumstance or situation has been created that would have permitted the planning commission to initially deny the ~~dispensary~~ **Commercial Cannabis Business License or** conditional use permit under Section 9.108.100 or Chapter 9.72 of this code; or
  - 2. ~~Operations cease for more than ninety calendar days;~~ or
  - 3. The **Commercial Cannabis Business License** fails to maintain one hundred twenty continuous hours of security recordings **without good cause**; or
  - 4. The **Commercial Cannabis Business License** fails to allow inspection of the security recordings, membership records, the employee register, the point of sale transaction data or inspection of the premises, as provided for herein above, by authorized city officials; or
  - 5. Any of the findings set forth in subsection C of this section are made.
- F. Prior to any initiating revocation proceedings, the subject **Commercial Cannabis Business License** shall be given a compliance period of at least fourteen days, which may be extended by the director upon a finding that the subject

**Commercial Cannabis Business License** is attempting in good faith to resolve the non-compliance issue.

- G. In addition to any other civil or criminal sanction prescribed by California law or rules promulgated pursuant thereto, the Local Licensing Authority has the power, on its own motion or on complaint, after investigation and opportunity for a public hearing at which the Licensee shall be afforded an opportunity to be heard, to fine, restrict, suspend or revoke a Local for a violation by the Licensee or by any of the agents or employees of the Licensee of the provisions of this Chapter, the MMRSA and/or of any of the other terms, conditions or provisions of the State or Local License.

#### **9.108.140 Appeals.**

Any decision regarding the planning commission's approval, denial, or revocation of a dispensary **Commercial Cannabis Business** conditional use permit may be appealed to the city council in accordance with the provisions of Section 9.72.080, and is subject to de novo review by the city council pursuant to Section 9.72.090 of this code.

#### **9.108.150 Application Required to Alter or Modify Premises.**

A Licensee shall not make physical change, alteration, or modification of the Licensed Premise that materially or substantially alters the Licensed Premise from the plans approved by the Local Licensing Authority without the prior written approval of the Local Licensing Authority. Material changes include, but are not limited to: an increase or decrease in the total square footage of the Licensed Premise or the addition, sealing off, or relocation of a wall, common entryway, doorway, or other means of public ingress and/or egress.

#### ~~**9.108.150 Cessation of operations.**~~

~~— In the event a properly permitted dispensary ceases to operate for any reason, and the number of allowable dispensaries falls below the number permitted in Section 9.108.070(A), city staff shall initiate the procedure set forth in Section 9.108.070(B)(2) of this chapter.~~

#### ~~**9.108.160 Automatic termination of permit upon change of ownership.**~~

~~— A conditional use permit issued to a dispensary pursuant to this chapter shall automatically terminate upon a change of ownership.~~

#### **9.108.160 Testing, Packaging and Labeling Requirements.**

RESERVED

#### **9.108.170 Pre-existing dispensaries unlawful.**

Any ~~medical marijuana~~ **Dispensary or Cultivation Site** established or operating in the city in violation of the ban established by Ordinance Nos. 675 and 677, shall not be

considered a lawful or permitted nonconforming use, and no such **Dispensary or Cultivation Site** shall be eligible for issuance of a ~~dispensary~~-**Commercial Cannabis Business**-conditional use permit. Further, any such unlawfully established ~~dispensary~~ **Commercial Cannabis Business** shall constitute a public nuisance subject to abatement by the city.

#### **9.108.180 Violations.**

- A. **Public Nuisance.** It is unlawful and it shall be a public nuisance subject to the provisions of Chapter 13.90 of this code, to establish, maintain, or operate a ~~medical marijuana dispensary~~-**Commercial Cannabis Business** within the city without having received a ~~dispensary~~-**Commercial Cannabis Business** License and conditional use permit pursuant to, in this chapter and Chapter 9.72 of this code.
- B. **Misdemeanor.** Any violation of the provisions of this chapter by any person responsible for committing, causing or maintaining such violation shall constitute a misdemeanor violation which shall be subject to the provisions set forth in Chapter 13.70, including, but not limited to, the imposition of any and all criminal penalties set forth therein.
- C. **Civil Fines.** Any person convicted of a misdemeanor violation under this chapter shall, for each separate violation of the provisions of this chapter, be subject to a fine in an amount not to exceed: (1) five hundred dollars for the first conviction of an offense; (2) seven hundred fifty dollars for a second conviction of the same offense within a twelve-month period of the date of the first offense; and (3) one thousand dollars for the third conviction of the same offense within a twelve-month period of the date of the first offense. The fine for a fourth and subsequent convictions of the same offense within a twelve-month period of the date of the first offense shall be one thousand five hundred dollars.
- D. In lieu of issuing a misdemeanor citation, the city may issue an administrative citation, pursuant to Chapter 13.58, to any person responsible for committing, causing or maintaining a violation of this chapter. Nothing in this subsection section shall preclude the city from also issuing a misdemeanor citation upon the occurrence of the same offense on a separate day against the same person or entity.
- E. Any person issued an administrative citation for violating any provision of the chapter shall for each separate violation be subject to an administrative fine in an amount not to exceed: (1) five hundred dollars for the first citation; (2) seven hundred fifty dollars for a second citation issued for the same offense within a twelve-month period of the date of the first offense; and (3) one thousand dollars for a third and any subsequent citation issued for the same offense within a twelve-month period of the date of the first offense.

**Section 3. Section 9.40.030 of the Cathedral City Municipal ode is hereby amended to read in its entirety as follows:**

#### **Chapter 9.42 OS OPEN SPACE DISTRICT**

#### **9.42.030 Conditional uses.**

The following uses may be permitted subject to a conditional use permit:

- A. Public utility structures and public service facilities; however transmission lines serving only the immediate area are permitted without a conditional use permit;
- B. **Medical Cannabis Cultivation Sites**
- C. Public parks and recreation facilities;
- D. Private recreational facilities and ancillary commercial uses;
- E. Other uses not involving buildings or other permanent improvements, and not involving undue present or future hazard to life or property, within the judgment of the planning commission.
- F. Public buildings; when the public building is ancillary to a public park and/or recreation facility.

**Section 4. Section 9.30.040 of the Cathedral City Municipal Code is hereby amended to read in its entirety as follows:**

#### **Chapter 9.40 I-1 LIGHT INDUSTRIAL DISTRICT**

##### **9.40.040 Conditional uses.**

The following uses may be permitted subject to the issuance of a conditional use permit pursuant to Chapter 9.72.

- Animal boarding kennels and dog kennels;
- Carwash, coin operated-manual, self-serve and full-serve permitted;
- Corporation yards;
- Feed and fuel yards;
- Fuel storage yards;
- Lumber yards;
- Manufacturing and industrial uses which will not be extremely offensive or obnoxious by reason of emission of odor, dust, smoke, gas, light, noise or vibration;
- ~~Medical marijuana~~ **Cannabis Dispensaries and Cultivation Sites**, subject also to compliance with all provisions of Chapter 9.108;
- Public buildings;
- Public utility structures;
- Recycling center;
- Recycling collection facility (large);
- Residential uses for caretakers;
- Retail sales and services operated on the same property and in conjunction with uses specifically allowable in this district;
- Retail store, used;
- Rubber sales, or fabrication of products made from finished rubber;
- Tire rebuilding, recapping and retreading;
- Truck and automobile service stations;
- Vehicle rental establishments and used vehicle sales (except used vehicles sold in conjunction with the operation of a manufacturer licensed new vehicle sales dealership) subject to the provisions of Section 9.96.170 pertaining to special provisions applying to miscellaneous problem uses.