



## Cathedral City

January 9, 2017

Alan Cooper  
Sunshine Botanicals  
67782 E. Palm Canyon Drive, Suite B104-452  
Cathedral City CA. 92234

### **Re: Suspension & Modification of Sunshine Botanicals' Medical Cannabis License**

Mr. Cooper:

On January 3, 2017 at 9:00 a.m. you attended a hearing at City Hall regarding the City's proposed revocation of the medical cannabis license issued to Sunshine Botanicals. The grounds for the proposed revocation were that the licensed premises is within 250 feet of a residential zone, which was not discovered until after the license had been issued. As you are aware, medical cannabis dispensaries are not permitted within 250 feet of residential zones, as measured from the closest point of the suite in which the dispensary will be located to the closest point of any legally permitted structure in a residential zone.

At the hearing, you presented a revised site plan for Sunshine Botanicals that would create a separate suite at the rear of the building ("Suite D") that would not be occupied by Sunshine Botanicals. You have indicated that Suite D will add enough space between Sunshine Botanicals and the nearest residence to satisfy the 250 foot setback requirement.

Under Section 5.88.050(B) of the Cathedral City Municipal Code and Section 2.7 of the City's Medical Cannabis Administrative Rules, after a medical cannabis license is granted any substantial changes to the licensed premises, including decreases in total square footage, must be approved by the City through a modification to the medical cannabis license. Based on the information that you presented at the license revocation hearing, it appears that you would like to process a modification to Sunshine Botanical's medical cannabis license, and that the modification you are seeking may resolve the basis for the City seeking a revocation of the license.

Accordingly, I have determined that Sunshine Botanical's medical cannabis license should be suspended, rather than revoked, and that you should be allowed to apply for a modification to the

license. During the suspension, you may not operate a dispensary or engage in any other commercial cannabis activity on the licensed premises. If you receive approval of a modification to the medical cannabis license, the suspension will automatically lift. If you do not receive approval of a modification to the medical cannabis license, then the suspension will remain in place until such time as the City either formally revokes the license or the license expires by its own terms. The decision to suspend Sunshine Botanicals' medical cannabis license may be appealed to the City Council pursuant to Section 2.04.100 of the Cathedral City Municipal Code. A Notice of Appeal letter must be submitted within ten days of the date of this letter along with the applicable appeal fee of \$460.00.

Please note that you will need to submit a new map from a licensed surveyor showing that the modified premises meet the 250 foot setback requirement. Per Section 2.3(j) of the Medical Cannabis Administrative Rules, Suite D must be legally established and approved by the City prior to the submission of the application for modification. You may contact Pat Milos, Community Development Director, to discuss any additional supporting documentation that will be needed to process the modification.

Finally, assuming that you intend to seek a modification to the medical cannabis license, the City suggests that you agree a stay of your appeal of the Planning Commission's denial of Sunshine Botanicals' conditional use permit until after a decision is made on the license modification application. The grounds for the denial of the conditional use permit were the same as the reasons for the proposed revocation of the medical cannabis license. Therefore, the City's decision on the license modification application will have a substantial, if not dispositive, impact on the outcome of the conditional use permit appeal. The license modification process should be allowed to run its course before a final decision is made on the conditional use permit. Please let me know as soon as possible whether you agree to stay the appeal, as it is currently scheduled to go to the City Council on January 11, 2017.

Sincerely,



Charles P. McClendon  
City Manager