

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY CALIFORNIA AMENDING CHAPTERS 9.08, 9.30, 9.36, 9.40, 9.42 AND 9.108 OF THE CATHEDRAL CITY MUNICIPAL CODE TO ALLOW ADULT-USE CANNABIS BUSINESSES AND MAKE OTHER AMENDMENTS RELATED TO CANNABIS BUSINESSES

WHEREAS, in 1996, California voters enacted Proposition 215, which was entitled the Compassionate Use Act (the “CUA”) of 1996, and was codified in California Health and Safety Code Section 11362.5, which decriminalized the possession and cultivation of medical marijuana for limited personal medical purposes; and

WHEREAS, in 2004, the California legislature enacted Senate Bill 420, the Medical Marijuana Program (the “MMP”), which, as codified in California Health and Safety Code Section 11362.7 *et seq.*, was intended to clarify the CUA’s scope and immunize from criminal prosecution, under specified state laws, certain activities and conduct related to the provision of medical marijuana to qualified patients; and

WHEREAS, on October 9, 2015, Assembly Bills 243 and 266 and Senate Bill 643 (collectively, the “Medical Cannabis Regulation and Safety Act” or “MCRSA”) were enacted to create a state regulatory and licensing system governing the cultivation, testing, and distribution of medical cannabis, the manufacturing of medical cannabis products, and physician recommendations for medical cannabis; and

WHEREAS, MCRSA expressly preserved local control over medical cannabis facilities and land uses; and

WHEREAS, on November 8, 2016, the voters of the State of California approved Proposition 64, entitled the “Control, Regulate and Tax Adult Use of Marijuana Act” (the “AUMA”), which legalizes and regulates the adult use of non-medical marijuana in California; and,

WHEREAS, on June 27, 2017, the Governor signed Senate Bill 94, which repealed MCRSA and included certain provisions from MCRSA regarding medical marijuana in the AUMA; and

WHEREAS, Senate Bill 94 renamed the AUMA as the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”); and

WHEREAS, Business and Professions Code section 26200, which is part of MAUCRSA, expressly recognizes the ability of cities to adopt and enforce ordinances to regulate cannabis businesses, including, but not limited to, local zoning and land use requirements; and,

WHEREAS, Article XI, Section 7 of the California Constitution provides a city may make and enforce within its limits all police, sanitary and other ordinances and regulations not in conflict with general laws; and

WHEREAS, Cathedral City has adopted land use regulations of medical cannabis businesses as permitted by state law;

WHEREAS, Cathedral City desires to amend its existing land use regulations to allow cannabis businesses that engage in adult-use related activities in addition to medical cannabis businesses as permitted by state law;

WHEREAS, Cathedral City has a legitimate interest in maintaining an appropriate balance of land uses within its borders, and Cathedral City desires to ensure that there is an appropriate balance of cannabis businesses and other uses; and

WHEREAS, it is the purpose and intent of this ordinance to regulate cannabis businesses 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 such businesses; and

WHEREAS, nothing in this ordinance shall be construed to allow persons to engage in conduct that endangers others or causes a public nuisance or allow any activity that is otherwise illegal under California state law.

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

SECTION 1. Amendment of Section 9.08.020.

Section 9.08.020 (Definitions) of the Cathedral City Municipal Code is amended to:

- A. Delete the definitions of “Distribution,” “Distributor,” “Medical cannabis business,” “Transportation site,” and “Transporter.”
- B. Insert the following definition so as to maintain the alphabetical order of the section:

“Cannabis business” means any person engaged in commercial cannabis activity as defined in California Business and Professions Code section 26001.
- C. Revise the following existing definitions to read as follows:

“Cultivation site” has the same meaning as that term is defined by Section 26001 of the California Business and Professions Code.

“Dispensary” means a cannabis business that engages in the retail sale and delivery of cannabis or cannabis products to customers. A dispensary, as that term is used in this title, is a “retailer” under the Medicinal and Adult-Use Cannabis Regulation and Safety Act (California Business and Professions Code section 26000 et seq.)

“Distribution site” means a facility where cannabis and cannabis products are stored or inspected by a licensed cannabis distributor for the purposes of distribution and transportation between licensed cannabis businesses.

“Manufacturing site” means a premises where a licensed cannabis manufacturer engages in the manufacture of cannabis products.

“Testing laboratory” has the same meaning as that term is defined by Section 26001 of the California Business and Professions Code.

SECTION 2. Amendment of Section 9.30.030, 9.36.040, 9.40.040, and 9.42.030.

The lists of conditionally permitted uses in Sections 9.30.030, 9.36.040, 9.40.040, and 9.42.030 are revised to read as shown in Exhibit A to this Ordinance. These amendments fix typographical errors, replace “Transportation site” with “Testing laboratories” in the list of

conditionally permitted uses for the PCC, CBP-2 and I-1 districts, and remove all cannabis businesses from the list of conditionally permitted uses in the OS district.

SECTION 3. Amendment of Chapter 9.108.

Chapter 9.108 is hereby renamed “Cannabis Businesses” and the Chapter is hereby repealed in its entirety and replaced with the provisions shown in Exhibit B to this Ordinance.

SECTION 4. CEQA.

The adoption of this Ordinance is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to California Business and Professions Code section 26055(h), which provides that CEQA “does not apply to the adoption of an ordinance, rule, or regulation by a local jurisdiction that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity.”

SECTION 5. Effect on Existing Conditional Use Permits.

Upon the effective date of this Ordinance, any valid conditional use permit previously approved by the City for a medical cannabis business shall be deemed to allow the use to engage in commercial cannabis activity related to adult-use of cannabis consistent with State law and the use’s cannabis business license from the City.

SECTION 6. Effective Date.

This Ordinance shall be effective 30 days from and after its final passage.

SECTION 7. Severability.

If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, then such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Cathedral City hereby declare they would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that anyone or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 8. Publication.

The City clerk is authorized and directed to cause this Ordinance to be published within fifteen (15) days after its passage in a newspaper of general circulation and circulated within the City in accordance with Government Code Section 36933(a) or, to cause this Ordinance to be published in the manner required by law using the alternative summary and pasting procedure authorized under Government Code Section 39633(c).

INTRODUCED at the regular meeting of Cathedral City City Council on the 11th day of October, 2017.

APPROVED AND ADOPTED this 25th day of October, 2017.

Stanley E. Henry, Mayor

ATTEST:

APPROVED AS TO FORM:

Gary F. Howell, City Clerk

Eric S. Vail, City Attorney

EXHIBIT "A"

Chapter 9.30 Planned Community Commercial District

9.30.030 Conditional uses.

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

Any use involving outdoor activity or storage except those permitted uses listed in Section 9.30.020, parking appurtenant to other permissible uses;

Auctions;

Automobile repair shops;

Automobile service stations;

Carwashes, limited to self-serve and full-serve only;

Commercial recreation facilities;

Cultivation sites;

Dispensaries;

Distribution sites;

Fast-food restaurants and drive-thrus;

Game arcades;

Private clubs and lodges;

Public service facilities and public utility structures;

Retail store—used;

Tattooing establishments (as defined by Chapter 5.34 of this code);

Testing laboratories;

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;

Such other similar uses as are approved by the planning commission.

Chapter 9.36 CBP-2 COMMERCIAL BUSINESS PARK DISTRICT

9.36.040 Conditional uses.

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

Any permitted use proposing outside storage or outdoor activities other than outdoor off-street parking;

Automobile body and collision shops;

Automobile service stations;
Cocktail lounges and bars not located within three hundred feet of any residential district;
Cultivation sites;
Dispensaries;
Distribution sites;
Manufacturing sites;
Mini-warehouses;
Public service facilities and public utility structures;
Recycling center;
Recycling collection facility (large);
Retail store, used;
Tattooing establishments (as defined by Chapter 5.34 of this code);
Testing laboratories;
Such other uses as are listed as conditional uses in the CBP-1 and PCC districts.

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;
Cultivation sites;
Dispensaries;
Distribution sites;
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;
Manufacturing sites;
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;

Testing laboratories;

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.

Chapter 9.42 OS OPEN SPACE DISTRICT

9.42.030 Conditional uses.

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

Private recreational facilities and ancillary commercial uses;

Public buildings; when the public building is ancillary to a public park and/or recreation facility.

Public parks and recreation facilities;

Public utility structures and public service facilities; however transmission lines serving only the immediate area are permitted without a conditional use permit;

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.

EXHIBIT B

Chapter 9.108 CANNABIS BUSINESSES

9.108.010 Purpose.

A. The purpose of this chapter is to regulate cannabis business land uses, as permitted by in Section 26200 of the California Business and Professions Code, in a manner designed to 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.

B. 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 Section 26200 of the California Business and Professions Code. This chapter shall govern all cannabis businesses within the jurisdiction of Cathedral City.

9.108.020 Relationship to other laws.

A. In the event of any conflict between the provisions of this chapter and the provisions of MAUCRSA or any other applicable state or local law, the more restrictive provision shall control.

B. Except as expressly stated herein, cannabis businesses must comply with all other city codes and regulations. Nothing in this chapter shall be construed as permitting a cannabis business to operate at any time in a manner that is in violation of all other applicable state and local laws.

9.108.030 Definitions.

Unless otherwise defined herein or in Section 9.08.020 of this code, the terms in this chapter shall have the same meaning as set forth in the MAUCRSA and any rules promulgated pursuant thereto. In addition, the following terms shall be defined as follows:

“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, provided that only the roof of the greenhouse is made of transparent glass, and accessory buildings.

“Excessive concentration” means either of the following: (a) for proposed dispensaries south of Interstate 10, the approval of the conditional use permit would result in more than twenty (20) dispensaries being approved to operate south of Interstate 10; or (b) for proposed dispensaries north of Interstate 10, the proposed dispensary is located less than five hundred (500) feet from another approved dispensary, measured in accordance with Section 9.108.070(C).

“Limited access area” means a building, room or other area that is part of the premises where cannabis is grown, cultivated, stored, weighed, displayed, packaged, or sold to other cannabis businesses with limited access to only authorized personnel.

“Local license” means a license granted by the local licensing authority pursuant to Chapter 5.88 of this code.

“Local licensing authority” means the city manager or designee.

“Medicinal and Adult-Use Cannabis Regulation and Safety Act” or “MAUCRSA” means Division 10 of the California Business and Professions Code.

“Outdoors” means any location within the city that is not within an enclosed locked structure.

“Residential zone” means any zoning district listed in Division II of this title where any residential use other than a “caretaker’s residence” is permitted by right.

“State law(s)” shall mean and include California Health and Safety Code Section 11362.5 (Compassionate Use Act of 1996); California Health and Safety Code Sections 11362.7 to 11362.85 (Medical Marijuana Program Act); MAUCRSA, and all other applicable laws and regulations of the state of California.

“Youth center” means any facility that is operated by a public agency or non-profit entity with the sole purpose of providing educational and/or recreational services to minors.

9.108.040 Conditional use permit required.

A. Where one or more types of cannabis businesses are listed as a conditionally permitted use in a zoning district in Division II of this Title 9 of the code, a cannabis business of the type conditionally permitted in the subject zone may only operate after obtaining a conditional use permit pursuant to this chapter and Chapter 9.72 of this code. No person may operate any cannabis business that is a conditionally permitted use without having first obtained a conditional use permit.

B. All cannabis businesses must be operated in strict compliance with the terms, conditions, limitations and restrictions of the MAUCRSA, the provisions of Chapter 5.88, this chapter, Chapter 9.72 of this code, and all other applicable state and local laws and regulations, as well as the terms and conditions of its local license and conditional use permit.

C. The community development director 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.

D. Chapter 9.72 of this code shall govern and apply to conditional use permits for cannabis businesses applied for or obtained pursuant to this chapter unless this chapter expressly states otherwise. All requirements contained in this chapter shall be in addition to the applicable requirements of Chapter 9.72.

9.108.050 Conditional use permit application.

A. All applications for a conditional use permit shall be filed with the community development director on the official form supplied by the city and shall be accompanied by the application fee established by resolution of the city council, as may be amended from time to time.

B. An application for a conditional use permit shall include, but shall not be limited to, the following information:

1. Proof that the applicant has received a local license for the proposed premises, and the local license is in good standing, or a statement that the applicant is applying for a local license for the proposed premises concurrently with the conditional use permit application.

2. Confirmation that that the proposed premises is not currently permitted by the state or county for the production of non-cannabis infused food products.

3. The address of the proposed cannabis business.

4. A site plan and floor plan of the cannabis business denoting all the use of areas of the cannabis business, including storage, employee areas, exterior lighting, restrooms, security cameras, areas of ingress and egress, signage, limited access areas, and restricted access areas, if included.

5. Plans and specifications for the interior of the proposed premises 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.

6. The name and address of the person that owns the real property upon which the cannabis business is to be operated. In the event the applicant does not legally own the property, the application must be accompanied by a notarized acknowledgement from the person that owns the property that a cannabis business will be operated on his or her property.

7. A description of the design of the proposed premises evidencing that the design conforms to applicable city laws.

8. For a Cultivation Site or Manufacturing Site:

a. An environmental plan indicating how cultivation and/or manufacturing will be conducted in accordance with state and local laws related to hazardous material disposal, land conversion, grading, electricity usage, water usage, and agricultural discharges.

b. An emergency response plan which complies with Title 8 of this code and California Fire Code Section 401, and sets out standard operating procedures to be followed by all individuals in case of a fire, chemical release, chemical spill, or other emergency.

c. A description of the source of power (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.

d. For a cultivation site, verification of all water sources used by the proposed premises and verification that the proposed premises does not utilize water that has been or is illegally diverted from any stream, creek, or river.

e. For a manufacturing site, a report from a professional engineer that details the type of equipment that will be used to extract cannabinoids from cannabis. If flammable gas, flammable liquefied gas, flammable and combustible liquids, or compressed carbon dioxide (CO₂) are used for extraction, then the report must certify that only closed-loop extraction system(s), that are UL or ETL listed or have a sign off by a professional engineer, capable of recovering the solvent are utilized.

f. For a manufacturing site, a separate diagram of any room where extraction occurs that details the location of the extraction equipment, areas of ingress and egress, emergency eye-wash station, any other fire suppression or emergency equipment required by Title 8 of this code, city and California building codes, fire codes, electrical codes and all other applicable laws.

9. 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.

10. Authorization for the community development director to seek verification of the information contained within the application.

11. Any such additional and further information as is deemed necessary by the community development director to administer this section or this chapter.

C. The community development 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, and the applicant's compliance with the requirements of this chapter, Chapter 5.88 and Chapter 9.72.

9.108.060 Findings for approval or denial of conditional use permit.

A. The planning commission shall not hold a public hearing on or approve any application for a conditional use permit to operate a cannabis business unless the applicant holds a local license in good standing.

B. In addition to the findings set forth in Section 9.72.010 of this code, a conditional use permit for a cannabis business shall only be granted subject to the following findings:

1. The cannabis business as well as all operations as conducted therein, fully comply with all applicable building, electrical, zoning and fire codes, accessibility requirements of the Americans with Disability Act, and all relevant city and state law; and

2. The cannabis business fully complies with and meets all operating criteria required pursuant to state laws, Chapter 5.88 of this code, any other provisions of this code, and any specific, additional operating procedures and measures as may be imposed as conditions of approval in the conditional use permit; and

3. The cannabis business will be located in a zoning district where cannabis businesses of the type proposed are conditionally permitted, and all of the applicable locational restrictions in Section 9.108.070 are satisfied.

4. For dispensaries, the issuance of a conditional use permit to the applicant will not result in or add to an excessive concentration of dispensaries and/or result in a need for additional law enforcement resources.

C. The planning commission may deny an application for a conditional use permit if it determines that one or more of the findings required by Section 9.72.010 or subsection B of this section for the granting of a conditional use permit cannot be made.

D. Based on the information set forth in the application and city staff's report and testimony presented at the public hearing, the planning commission may impose reasonable terms and conditions on the proposed cannabis business in addition to those specified in and required to be included in every conditional use permit granted under this chapter.

9.108.070 Locational requirements.

A conditional use permit for a cannabis business shall not be approved unless the proposed cannabis business will be located in a zoning district in which cannabis businesses of the type proposed are conditionally permitted. In addition, a conditional use permit shall not be approved for a cannabis business unless all of the following locational requirements applicable to the type of cannabis business proposed are satisfied:

A. Dispensaries. No dispensary shall be or located:

1. Within six hundred feet of a school, day-care center, or youth center; or

2. Within two hundred fifty feet of East Palm Canyon Drive or a residential zone.

B. Cultivation, Manufacturing and Distribution Sites. No cultivation, manufacturing, or distribution site shall be located:

1. Within six hundred feet of a school, day-care center, or youth center; or
2. Within three hundred feet of a residential zone; or
3. Within two hundred fifty feet of East Palm Canyon Drive.

C. All distances specified in this section shall be measured in a straight line, without regard to intervening structures or topography, from the nearest point of the building or structure in which the cannabis business is, or will be located, to the following locations, or until the city limit is reached. If the cannabis business is, or will be located, in a multi-unit building, the distances shall be measured from the nearest point of the suite in which the cannabis business is or will be located.

1. Setbacks from schools, day-care centers and youth centers, shall be measured to the nearest property line of the parcel where such use is located.

2. Setbacks from East Palm Canyon Drive shall be measured to the nearest edge of the right-of-way for East Palm Canyon Drive.

3. Setbacks from residential zones shall be measured to:

a. The nearest point of any legally permitted structure located in a residential zone; or

b. If there is land within a residential zone with no legally permitted structure, the measurement shall be to the nearest property line unless the nearest property line is within the public right-of-way, in which case the measurement shall be to the edge of the right-of-way furthest from the proposed cannabis business.

9.108.080 Conditions of Approval

A. All Cannabis Businesses. Every cannabis business conditional use permit shall include the following conditions of approval.

1. The premises must be equipped with an odor absorbing ventilation and exhaust system so that odor generated inside the cannabis business that is distinctive to its operation is not detected outside the 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 cannabis business. As such, cannabis businesses must install and maintain the following equipment or any other equipment which local licensing authority 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 cannabis businesses' interior and exterior so that the odors generated inside the cannabis business are not detectable outside the cannabis business.

2. The applicant or its legal representative shall:

a. Indemnify and hold 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 cannabis business;

defend, at its sole expense, any action against the city, its agents, officers, and employees related to the approval of a conditional use permit or the operation of the cannabis business; 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 conditional use permit, and to execute a separate agreement to this effect.

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 name the city as an additionally insured on all city-required insurance policies.

3. All windows on the premises of the cannabis business shall be appropriately secured and cannabis securely stored.

4. All cannabis businesses 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.

5. All cannabis businesses and all equipment used in the conduct of the business, must be operated in compliance with all applicable state and local laws and regulations, including all building, electrical, and fire codes, and in compliance with the businesses' state and local licenses.

6. From a public right-of-way, there should be no exterior evidence of the cannabis business except for any permitted on-site signage.

B. Manufacturing Sites. Every conditional use permit for a manufacturing site shall include the following conditions of approval:

1. All manufacturing of cannabis products shall occur in an enclosed locked structure.

2. Manufacturing activities shall only occur in the areas depicted on the floor plan submitted by the applicant and shall not exceed the square footage authorized pursuant to the conditional use permit.

3. If hazardous materials, flammable gas, flammable liquefied gas, flammable and combustible liquids, or other flammable material, as those terms are defined in CFC Section 202, are to be used in the processing of cannabis, then the provisions of CFC Section 407 shall be applicable where hazardous materials subject to permits under CFC Section 50 (Hazardous Materials) are located on the premises or where required by the fire department official.

4. Storage, use and handling of compressed gases in compressed gas containers, cylinders, tanks and systems shall comply with CFC Chapter 53, including those gases regulated elsewhere in the Cathedral City Municipal Code. Partially full compressed gas containers, cylinders or tanks containing residual gases shall be considered as full for the purposes of the controls required. Compressed gases classified as hazardous materials shall also comply with CFC Chapter 50 for general requirements and CFC Chapter 53 addressing specific hazards, including CFC Chapter 58 (Flammable Gases), CFC Chapter 60 (Highly Toxic and Toxic Materials), CFC Chapter 63 (Oxidizers, Oxidizing Gases and Oxidizing Cryogenic Fluids) and CFC Chapter 64 (Pyrophoric Materials). Prevention, control and mitigation of dangerous conditions related to storage, use, dispensing, mixing and handling of flammable and combustible liquids shall be in accordance with CFC Chapters 50 and 57.

5. Manufacturing sites are a Group F-1 (Factory Industrial Moderate-Hazard) Occupancy under the Fire Code. All new construction is required to be fire sprinkled per the Fire Code. For manufacturing sites that will be sited in an existing structure, an

automatic sprinkler system shall be provided throughout all buildings containing a Group F-1 occupancy where one of the following conditions exists:

- a. A Group F-1 fire area exceeds twelve thousand square feet.
- b. A Group F-1 fire area is located more than three stories above grade plane.
- c. The combined area of all Group F-1 fire areas on all floors, including any mezzanines, exceeds twenty-four thousand square feet.

C. Cultivation Sites. Every conditional use permit for a cultivation site shall include the following conditions of approval:

1. All cultivation of cannabis shall occur in an enclosed locked structure.
2. Cultivation activities shall only occur in the areas shown on the floor plan submitted by the applicant, and shall not exceed the square footage authorized pursuant to the conditional use permit.
3. Areas where cannabis is cultivated are wet locations, and the electrical system in such areas must comply with Title 8 of this code, Article 300.6(D) of the National Electric Code, city and California building codes, fire codes, electrical codes and all other applicable laws.

4. Cultivation sites are a Group F-1 (Factory Industrial Moderate-Hazard) Occupancy under the Fire Code. All new construction is required to be fire sprinkled per the Fire Code. For cultivation sites that will be sited in an existing structure, an automatic sprinkler system shall be provided throughout all buildings containing a Group F-1 occupancy where one of the following conditions exists:

- a. A Group F-1 fire area exceeds twelve thousand square feet.
- b. A Group F-1 fire area is located more than three stories above grade plane.
- c. The combined area of all Group F-1 fire areas on all floors, including any mezzanines, exceeds twenty-four thousand square feet.

D. Distribution Sites. Every conditional use permit for a distribution site shall include the following conditions of approval

1. Distribution sites shall store all cannabis and cannabis products in a locked safe room, safe, or vault and in a manner to prevent diversion, theft, and loss.
2. The storage of cannabis and cannabis products shall only occur in the areas shown on the floor plan submitted by the applicant, and shall not exceed the square footage authorized pursuant to the conditional use permit.

9.108.090 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 conditional use permit pursuant to this chapter or the operation of any cannabis business approved for such permit pursuant to this chapter.

9.108.100 Inspections.

A. Recordings made by security cameras at any cannabis business shall be made immediately available to the community development director upon verbal request for the

purposes of determining compliance with this chapter and the cannabis business' conditional use permit.

B. The community development director shall have the right to enter all cannabis businesses from time to time unannounced for the purpose of making reasonable inspections to observe and enforce compliance with this chapter and the cannabis business' conditional use permit. Such inspections shall be limited to observing the premises for purposes of determining whether the cannabis business is being operated or maintained in compliance with this code, state law, and other applicable laws and regulations.

C. Applicants and permittees must cooperate with employees and investigators of the city who are conducting inspections or investigations relevant to the enforcement of this chapter. No applicant or permittee shall by any means interfere with, obstruct or impede the any city official from exercising their duties under the provisions of this chapter and all rules promulgated pursuant to it.

9.108.130 Enforcement.

The operation of a cannabis business in violation of any conditions of approval or the provisions of this chapter or Chapter 9.72 is a violation of this code, and a public nuisance. The city may seek to remedy such violations by any means provided for in law or equity, including but not limited to the enforcement mechanisms and remedies provided for in Title 13 of this code, or take action to revoke the conditional use permit pursuant to Section 9.72.130.