

ORDINANCE NO. _

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUISUN CITY, CALIFORNIA, AMENDING CHAPTER 18.49 (CANNABIS REGULATORY PROGRAM) OF THE SUISUN CITY CODE TO REGULATE COMMERCIAL CANNABIS OPERATIONS AND PERSONAL CANNABIS CULTIVATION IN THE CITY OF SUISUN CITY, AND FINDING AN EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

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WHEREAS, in 1996 California voters approved Proposition 215, the Compassionate Use Act (“CUA”), codified as Health and Safety Code §11362.5, to exempt certain patients and their primary caregivers from criminal liability under state law for the possession and cultivation of cannabis for medical purposes; and

WHEREAS, in 2003 the California legislature enacted Senate Bill 420, the Medical Marijuana Program Act (“MMPA”), codified as Health & Safety Code §§ 11362.7, *et seq.*, and as later amended, to clarify the scope of the Compassionate Use Act of 1996 relating to the possession and cultivation of cannabis for medical purposes, and to authorize local governing bodies to adopt and enforce laws consistent with its provisions; and

WHEREAS, in 2015, the State of California adopted AB 266, AB 243, and SB 643, collectively referred to as the Medical Cannabis Regulation and Safety Act (“MCRSA”), which established a comprehensive regulatory and licensing scheme for commercial medical cannabis operations; and

WHEREAS, at the November 8, 2016 general election, the Control, Regulate and Tax Adult Use of Marijuana Act (“AUMA”) was approved by California voters as Proposition 64, which established a comprehensive regulatory and licensing scheme for commercial recreational (adult-use) cannabis operations, and which also legalized limited personal recreational cannabis use, possession, and cultivation; and

WHEREAS, on June 27, 2017, Governor Brown signed Senate Bill 94, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”), which merged the regulatory regimes of the MCRSA and the AUMA; and

WHEREAS, pursuant to the MAUCRSA, the State of California began issuing licenses late 2017 and early 2018 for both medical and adult-use cannabis businesses in over 20 different categories, which are found in Business & Professions Code § 26050 and the regulations promulgated pursuant thereto, and which categories include cannabis cultivator, manufacturer, testing, retailer, distributor, and microbusiness; and

WHEREAS, the MAUCRSA, at Business & Professions Code § 26200(a)(1), provides that local jurisdictions may completely prohibit the establishment or operation of any or all of the different medical and recreational business operations to be licensed by the state under Business & Professions Code § 26050; and

WHEREAS, the MAUCRSA, at Business & Professions Code § 26055(d), provides that a State commercial cannabis license may not be issued to an applicant whose operations would violate the provisions of any local ordinance or regulation; and

WHEREAS, the MAUCRSA, at Business & Professions Code Section 26200(a)(1), provides that local jurisdictions may adopt and enforce local ordinances to regulate any or all of the 20 different medical and recreational business operations to be licensed by the state under Business & Professions Code Section 26050, including, but not limited to, local zoning and land use requirements; and

WHEREAS, the MAUCRSA, at Business & Professions Code Section 26201, provides that any standards, requirements, and regulations regarding health and safety, environmental protection, testing, security, food safety, and worker protections established by the state for the different medical and recreational business operations to be licensed by the state under Business & Professions Code Section 26050, shall be the minimum standards, and a local jurisdiction may establish additional standards, requirements, and regulations; and

WHEREAS, the AUMA, Health & Safety Code § 11362.1(a)(3), makes it lawful for any person 21 years of age or older to “[p]ossess, plant, cultivate, harvest, dry, or process not more than six living cannabis plants and possess the cannabis produced by the plants”; and

WHEREAS, the AUMA, Health & Safety Code § 11362.2(b), explicitly allows a city to “enact and enforce reasonable regulations to reasonably regulate” the cultivation of cannabis permitted under Health & Safety Code § 11362.1(a)(3), so long as the city does not completely prohibit the cultivation of up to six plants; and

WHEREAS, on November 16, 2017, the California Bureau of Cannabis Control (“BCC”), Department of Food and Agriculture (“CDFA”), and Department of Public Health (CDPH) released proposed emergency regulations pursuant to the MAUCRSA, which specify the process and requirements for obtaining state licenses to engage in all types of commercial medicinal and adult-use cannabis activities in the State of California (“Regulations”); and

WHEREAS, the Regulations establish multiple new state license classifications, additional to those specified in Business & Professions Code § 26050, including one for “Non-Storefront Retailers,” or commercial cannabis operations which conduct sales of cannabis solely by delivery; and

WHEREAS, the Regulations were submitted to the State Office of Administrative Law (“OAL”) for review on November 28, 2017, and were subject to a public comment period that ended on December 4, 2017; and

WHEREAS, the Regulations were approved by the OAL on December 7, 2017; and

WHEREAS, the BCC began accepting applications for temporary state licenses for commercial cannabis retailers, distributors, microbusinesses, testing laboratories, and cannabis events in December, 2017, and is now accepting annual state licenses for such activities; and

WHEREAS, the CDPH began accepting applications for temporary state licenses for commercial cannabis manufacturers in December, 2017, and is now accepting applications for annual state licenses for such activities; and

WHEREAS, the CDFA began accepting applications for temporary state licenses for commercial cannabis cultivators, nurseries and processors in December, 2017, and is now accepting applications for annual state licenses for such activities; and

WHEREAS, the City of Suisun City (“City”) is a general law city and a political subdivision of the State of California; and

WHEREAS, Article XI, Section 7 of the California Constitution grants the City authority to make and enforce all local, police, sanitary, and other ordinances and regulations not in conflict with general laws.

WHEREAS, the City Council of Suisun City now desires to permit and regulate various types of commercial medicinal and adult-use cannabis activities, and to prohibit others, within the City of Suisun City; and

WHEREAS, pursuant to the above-described express statutory authority and the City’s police power, the City now desires to regulate all commercial cannabis activities (whether not-for-profit or for-profit) that may otherwise be permitted by the State of California under the AUMA and the MAUCRSA, by adding a new Chapter 18.49 (“Cannabis Regulatory Program”) to the Suisun City Code to regulate commercial medicinal and adult-use cannabis activities and the cultivation of cannabis for personal use; and

WHEREAS, this ordinance is enacted, consistent with the CUA, MCRSA, MAUCRSA, AUMA and all other applicable state laws, to protect the health, safety, and welfare of the public in relation to commercial medicinal and adult-use cannabis activities and to cultivation of cannabis for personal use; and

WHEREAS, the City Council finds that this Ordinance is not subject to the California Environmental Quality Act (“CEQA”), pursuant to both Section 26055(h) of the Business & Professions Code and Section 15061(b)(3) of the CEQA Guidelines; and

WHEREAS, nothing in this Ordinance shall be construed to allow any person to engage in conduct that endangers others or causes a public nuisance; and

WHEREAS, in November of 2017, the City adopted Ordinance No. 745, which added Chapter 5.42 (“Marijuana Uses and Activities Prohibited”) to the Suisun City Code to prohibit all commercial cannabis activities in the City, and which provided that it shall expire on July 1, 2018; and

WHEREAS, Chapter 18.59 (“Prohibited Businesses”) of the Suisun City Code prohibits the establishment and operation of businesses involving the cultivation, sale, delivery or distribution of cannabis other than personal cultivation and use of cannabis for medicinal purposes as permitted by the Compassionate Use Act of 1996 (“CUA”) and the AUMA; and

WHEREAS, the subject matter of Suisun City Code Chapters 5.42 and 18.59 is superseded by this Ordinance, and the City Council therefore sees fit to repeal Chapters 5.42 and 18.59 of the Suisun City Code in their entirety in order to avoid conflicts and inconsistencies in the Suisun City Code; and

WHEREAS, the Planning Commission of the City of Suisun City did hold a duly noticed public hearing on April 30, 2018 and, following discussion, consideration and public comment, voted 6-0 (one absent) in favor of recommending that the City Council adopt this Ordinance; and

WHEREAS, all legal pre-requisites to adoption of this Ordinance have occurred; and

WHEREAS, nothing in this Ordinance shall be construed to allow any person to engage in conduct that endangers others or causes a public nuisance.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUISUN CITY, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. THE CITY COUNCIL OF THE CITY OF SUISUN CITY HEREBY MAKES THE FOLLOWING FINDINGS:

- A. The recitals set forth above are all true and correct and are incorporated herein.
- B. The regulation of, and prohibitions on, commercial cannabis activities established by this ordinance are necessary to protect the public health, safety and welfare, and are enacted pursuant to the authority granted to the City of Suisun City by state law.
- C. The regulations of personal cultivation of cannabis established by this Ordinance are reasonable and necessary to protect the public health, safety and welfare, and are enacted pursuant to the authority granted to the City of Suisun City by state law.

SECTION 2. A new Chapter 18.49, "CANNABIS REGULATORY PROGRAM," is hereby added to the SUISUN City Code to read in its entirety as follows:

Chapter 18.49 CANNABIS REGULATORY PROGRAM

- Section 18.49.010 Purpose and Intent.
- Section 18.49.020 Definitions.
- Section 18.49.030 Commercial Cannabis Operations Prohibited without Permit.
- Section 18.49.040 Prohibited Types of Commercial Cannabis Operations.
- Section 18.49.050 Permitted Types of Commercial Cannabis Operations.
- Section 18.49.060 Cannabis Business Zone; Establishment and Criteria.
- Section 18.49.070 Cannabis Business Zone Development Agreements.
- Section 18.49.080 Commercial Cannabis Business Permit Required for All Commercial Cannabis Operations.
- Section 18.49.090 Application for Commercial Cannabis Business Permit.

Section 18.49.100	Director Review of Application for Commercial Cannabis Business Permit.
Section 18.49.110	Planning Commission Review of Application for Commercial Cannabis Business Permit.
Section 18.49.120	City Council Review of Application for Commercial Cannabis Business Permit.
Section 18.49.130	Continuing Obligations of Commercial Cannabis Operations.
Section 18.49.140	Renewal of Commercial Cannabis Business Permit.
Section 18.49.150	General Operating Standards and Restrictions.
Section 18.49.160	Commercial Cannabis Retailer (Storefront and Non-Storefront): Establishment, Operating Standards and Restrictions.
Section 18.49.170	Commercial Cannabis Distribution Operating Standards and Restrictions.
Section 18.49.180	Commercial Cannabis Manufacturing Operating Standards and Restrictions.
Section 18.49.190	Commercial Cannabis Testing Operating Standards and Restrictions.
Section 18.49.200	Commercial Cannabis Cultivation Operating Standards and Restrictions.
Section 18.49.210	Application Fees.
Section 18.49.220	Commercial Cannabis Business Permit Suspension and Revocation.
Section 18.49.230	Cultivation of Cannabis for Personal Use.
Section 18.49.240	Administration.
Section 18.49.250	Violations and Penalties.
Section 18.49.260	Prohibitions.
Section 18.49.270	Nonconforming Use.

Section 18.49.010 Purpose and Intent.

The purpose and intent of this chapter is to protect and promote the public health, safety and welfare of residents and visitors of the City by establishing a comprehensive set of regulations and prohibitions regarding various types of commercial medicinal and adult-use cannabis activities and the cultivation of cannabis for personal use in the City, in a manner that is consistent with the Compassionate Use Act of 1996, the Medical Marijuana Program Act of 2003, the Medical Cannabis Regulation and Safety Act of 2015, the Adult-Use of Marijuana Act of 2016, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) and other applicable state laws governing cannabis activities.

Section 18.49.020 Definitions.

As used in this chapter, the following words and phrases shall have the following meanings:

- A. “Adult-use” (or non-medicinal) refers to an activity involving cannabis or cannabis products that is restricted to adults 21 years of age and over and who do not possess physician’s recommendations, in contrast to activities involving medicinal cannabis or medicinal cannabis products.

- B. "Applicant" means a person applying for any City permit or approval pursuant to this chapter.
- C. "Application" means an application for a commercial cannabis business permit pursuant to this chapter.
- D. "Cannabis" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.
- E. "Cannabis Business Zone" or "CBZ" refers to an overlay zoning designation that is intended to facilitate the use and development of property for commercial cannabis activities on non-residential-zoned land within the City, subject to section 18.49.060 and other applicable provisions of this chapter.
- F. "Cannabis concentrate" means cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product's potency. Resin from granular trichomes from a cannabis plant is a concentrate for purposes of this chapter. A cannabis concentrate is not considered food, as defined by Section 109935 of the Health & Safety Code, or a drug, as defined by Section 109925 of the Health & Safety Code.
- G. "Cannabis products" means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.
- H. "CDTFA" means the California Department of Tax and Fee Administration, formerly known as the Board of Equalization.
- I. "City Manager" means the City Manager of the City of Suisun City, or his or her designee(s).
- J. "Commercial cannabis activity" or "commercial cannabis operation" includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, or sale (including retail and wholesale) of cannabis and cannabis products, except cultivation and possession of cannabis for personal use as set forth in this chapter or as preempted by state law.

K. “Commercial cannabis business permit” means a permit issued by the City pursuant to this Chapter which authorizes the permittee to operate a specific type of commercial cannabis operation in the City subject to the requirements of this chapter, state law, and the specific terms and conditions of the permit.

L. “Consumption cafe/lounge,” for the onsite retail sale and consumption of cannabis or cannabis products. A consumption cafe/lounge shall have a licensed premises that is a physical location from which commercial cannabis activities are conducted. The consumption cafe/lounge shall only sell cannabis or cannabis products to adults 21 years of age or older for onsite consumption, either through smoking, vaping, or ingestion of edible or topical products. The space occupied by a consumption cafe/lounge shall be definite and distinct from the space where other activities licensed under this division are exercised, and shall be accessed through a separate entrance.

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M. “CSF” means the City’s Commercial Services Fabrication Zone.

N. “Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading or trimming of cannabis.

O. “Cultivation site” means a location where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a location where any combination of these activities occurs.

P. “Day care center” means, as the term is understood in Business & Professions Code Section 26001(o), as may be amended, any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, and school age child care centers.

Q. “Delivery” means the commercial transfer of cannabis or cannabis products to a customer, and includes the use by a retailer of any technology platform.

R. “Director” means the City Manager of the City of Suisun City, or his or her designee(s).

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S. “Distribution” means the procurement, sale and transport of cannabis and cannabis products between persons possessing state licenses.

T. “Employee” means any person, whether paid or unpaid, who provides regular labor or regular services for a commercial cannabis operation, including, but not limited to, at the location of a commercial cannabis operation. The term “employee” includes managers and owners as used in this chapter.

U. “Extraction” means the process of obtaining cannabis concentrates from cannabis plants, including but not limited to through the use of solvents such as butane, alcohol or carbon dioxide.

- V. “Ground lease” means a real property lease whereby the lessee is authorized to undertake significant development or make significant improvements to the leased property.
- W. “Indoor,” in the context of cultivation, refers to cultivation using exclusively artificial lighting and no natural lighting.
- X. “License” or “State license” means a State of California commercial cannabis operation license, as provided for in Division 10 of the Business and Professions Code (and attendant state regulations), and as may be amended.
- Y. “Live scan” means a system for inkless electronic fingerprinting and the automated background check developed by the California Department of Justice (DOJ) which involves digitizing fingerprints and electronically transmitting the fingerprint image data along with personal descriptor information to computers at the DOJ for completion of a criminal record check; or such other comparable inkless electronic fingerprinting and automated background check process as determined by the City Council.
- Z. “Manager” means an employee responsible for management and/or supervision of a commercial cannabis operation or its employees.
- AA. “Manufacture” means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.
- BB. “Manufacturer” means a licensee that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or re-labels its container; “Manufacturer” includes the activity of manufacturing.
- CC. “Medicinal cannabis” or “medicinal cannabis product” means cannabis or a cannabis product used in compliance with state law for medical/medicinal purposes, pursuant to the Compassionate Use Act (Health and Safety Code § 11362.5), the Medical Marijuana Program Act (Health and Safety Code §§ 11362.7, et seq.), and the Medicinal and Adult-Use Cannabis Regulation and Safety Act (Business and Professions Code §§ 26000, et seq.).
- DD. “Minor” means a person under twenty-one (21) years of age.
- EE. “Mixed-light” refers to cultivation using a combination of natural and supplemental artificial lighting.
- FF. “Non-storefront retailer” means a retailer operating pursuant to a Type 9 State license and which engages in the retail sale of cannabis and cannabis products exclusively by delivery.

- GG. “Owner” means an owner of a commercial cannabis operation.
- HH. “Person” includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and includes the plural as well as the singular.
- II. “Physician’s recommendation” means a determination from a physician that a patient’s medicinal cannabis use is deemed appropriate and is recommended by the physician on the basis of the physician has determined that the patient’s health would benefit from the use of cannabis in the treatment of cancer, anorexia, AIDS, chronic pain, spasticity, glaucoma, arthritis, migraine, or any other illness for which cannabis provides relief, in strict accordance with the Compassionate Use Act of 1996 (Proposition 215), and as understood by Section 11362.5 of the Health and Safety Code.
- JJ. “Premises” means the designated structure or structures and the surrounding land that is owned, leased, or otherwise held under the control of an applicant or permittee where commercial cannabis activity will be or is conducted.
- KK. “Primary caregiver” has the same meaning as in Section 11362.7 of the Health and Safety Code, as may be amended.
- LL. “Private residence” has the same meaning as in 11362.2(b)(5) of the Health and Safety Code, as may be amended, which provides that private residence “means a house, an apartment unit, a mobile home, or other similar dwelling.”
- MM. “Qualified patient” has the same meaning as in Section 11362.7 of the Health and Safety Code, as may be amended.
- NN. “Retailer” means a cannabis business that engages in the retail sale of cannabis or cannabis products to customers, whether by delivery or from a storefront. “Retailer” includes “storefront retailer” and “non-storefront retailer.”
- OO. “RFA” means “request for applications.”
- PP. “School” means, as the term is understood in Business & Professions Code Section 26054(b), as may be amended, as a place of instruction in kindergarten or any grades 1 through 12.
- QQ. “Simple lease” means a real property lease which does not authorize the lessee to undertake significant development of, or make significant improvements to, the leased property.
- RR. “State” means the State of California.

SS. “Storefront retailer/dispensary” means a retailer operating pursuant to a Type 10 State License and engaging in the retail sale of cannabis and cannabis products to walk-in customers from a storefront, commonly referred to as a dispensary. Storefront retailers may also engage in the retail sale of cannabis and cannabis products by delivery.

TT. “Testing laboratory” or “testing” means a laboratory, facility, or entity in the State that offers or performs tests of cannabis or cannabis products; includes the activity of laboratory testing.

UU. “Youth center” means, as the term is understood in Business & Professions Code Section 26001(av), as may be amended, any public or private facility that is primarily used to host recreational or social activities for minors, including but not limited to private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

Section 18.49.030 Commercial Cannabis Operations Prohibited without Permit.

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It shall be unlawful to own, establish, operate, use or permit the establishment or activity of a commercial cannabis operation, or to participate in commercial cannabis operations as an employee, contractor, agent, volunteer, or in any manner or capacity, unless such operation is: (1) pursuant to a current and valid City of Suisun City commercial cannabis business permit issued pursuant to this chapter; (2) pursuant to an equivalent State license for the type of commercial cannabis operation being conducted, pursuant to Division 10 of the Business & Professions Code, as amended, and applicable State regulations promulgated pursuant thereto; and (3) in compliance all the other applicable requirements of this chapter. The prohibition of this section shall include renting, leasing, or otherwise permitting a commercial cannabis operation to occupy or use a location, vehicle, or other mode of transportation.

Section 18.49.040 Prohibited Types of Commercial Cannabis Operations.

A. Commercial cannabis operations (including non-profit operations) within the City which involve the activities of outdoor cultivation are prohibited in the City. This prohibition includes, but is not limited to, commercial cannabis activities licensed by the State license classifications listed below, as provided for in Business & Professions Code Section 26050 and applicable State regulations:

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1. Type 1= Cultivation; Specialty Outdoor; Small.
2. Type 1C = Cultivation; Specialty Cottage; Small.
3. Type 2 = Cultivation; Outdoor; Small.
4. Type 3= Cultivation; Outdoor; Medium.
5. Type 5 = Cultivation; Outdoor; Large.

B. Except as otherwise expressly provided in this chapter, the prohibition provided by subsection (A) includes any similar activities authorized under new or revised State licenses, or any other State authorization, for any type, category, or classification of

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commercial cannabis activities which involve the above-referenced activities or similar operations (including non-profit, collective or cooperative operations.)

Section 18.49.050 Permitted Types of Commercial Cannabis Operations.

A. Commercial cannabis operations (including non-profit operations) within the City, which comprise the activities of indoor cultivation, mixed-light cultivation, retailer, non-storefront retailer, manufacturer, testing or distributor are allowed subject to issuance and maintenance of a valid and current City-issued commercial cannabis business permit, continuing compliance with this chapter and all other applicable City and State laws and regulations, and issuance and maintenance of a valid and current State license of a type listed below, as provided for in Business & Professions Code Section 26050 and applicable State regulations:

1. Type 1A = Cultivation; Specialty Indoor; Small.
2. Type 1B = Cultivation; Specialty Mixed-Light; Small.
3. Type 2A = Cultivation; Indoor; Small.
4. Type 2B = Cultivation; Mixed-Light; Small.
5. Type 3A = Cultivation; Indoor; Medium.
6. Type 3B = Cultivation; Mixed-Light; Medium.
7. Type 4 = Cultivation; Nursery.
8. Type 5A = Cultivation; Indoor; Large.
9. Type 5B = Cultivation; Mixed-Light; Large.
10. Type 6 = Manufacturer 1 (extractions using mechanical methods or nonvolatile solvents).
11. Type 7 = Manufacturer 2 (extractions using volatile solvents).
12. Type N = Manufacturer (no extractions, pursuant to 17 CCR § 40118, and as may be amended).
13. Type P = Manufacturer (packaging and labeling only, pursuant to 17 CCR § 40118, and as may be amended).
14. Type 8 = Testing Laboratory.
15. Type 9 = Non-Storefront Retailer (by delivery only, pursuant to 16 CCR § 5414, and as may be amended).
16. Type 10 = Retailer.
17. Type 11 = Distributor.
18. [Type 12 = Microbusiness](#)
19. Type 13 = Distributor (transport only, pursuant to 16 CCR § 5315, and as may be amended).
20. [Cultivation License Types for Indoor or Mixed-Light pursuant to 3 CCR § 8201, and as may be amended\).](#)
21. [Type 14 = Consumption cafe/lounge](#)

B. The requirements provided by above subsection (A) apply to any similar activities authorized under new or revised State licenses, or any other State authorization, to allow any type, category, or classification of commercial cannabis activities which involve the above-referenced activities or similar operations (including non-profit, collective or cooperative operations.)

- C. All permitted commercial cannabis uses, with the exception of a storefront retailer, must operate within a Cannabis Business Zone pursuant to Sections 18.49.060 and 18.49.070. Storefront retailers are limited to ~~three~~ within the City limits and restricted to the CSF Zone pursuant to Section 18.49.160.

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Section 18.49.060 Cannabis Business Zone; Establishment and Criteria.

- A. No commercial cannabis operation or activity, other than a storefront retailer pursuant to Section 18.49.160, shall be permitted to operate anywhere in the City other than in a Cannabis Business Zone.
- B. The Cannabis Business Zone is an overlay zoning designation that is intended to facilitate the use and development of property for commercial cannabis activities on non-residential-zoned land within the City.
- C. Establishment of a Cannabis Business Zone does not limit, reduce, or alter the uses allowed pursuant to the base zoning designation of any property or area to which it applies.

- D. Under no circumstances shall any property or area located within residential zones (~~RL, RM, RH1, RH2, RMU~~) or within the Waterfront District Specific Plan (~~RLD, RMD, HR, RHD, HLC~~) receive a Cannabis Business Zone designation.

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- E. Under no circumstances shall any area located within 600 feet of a school, day care center or youth center receive a Cannabis Business Zone designation. If a property or area is located within 1,000 feet of an established Cannabis Business Zone, the property or area shall not be designated as a separate Cannabis Business Zone. Distances shall be measured as the shortest horizontal distance measured in a straight line from the property line of one site to the property line of another site.

F. Application Submittal and Review

1. CBZ designations and modifications shall be initiated, and review and action related to CBZ designations shall be conducted, in accordance with the procedure set forth in Chapter 18.82 (Amendments) of the Suisun City Code.
2. Notwithstanding the foregoing, for CBZ designations or modifications initiated by one or more property owners, the initiating document shall be in the form of a City-provided application, in lieu of a verified petition as provided for in section 18.82.020(A). The application for designation or modification of a CBZ shall be accompanied by a fee set by resolution of the City Council.
3. For CBZ designations or expansions initiated by application, if there is more than one holder of a legal or equitable ownership interest in property located in the area subject to the proposed CBZ designation or expansion, each such property owner shall consent to the CBZ designation or expansion over his or her property. If such

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<#>A Cannabis Business Zone shall be a contiguous area and shall be at least 10 acres in size, with the exception that the City Council may approve a Cannabis Business Zone of less than 10 acres in size upon a finding that the smaller area is in the best interests of the public health, safety and welfare of the residents of the City. ¶

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property owner does not so consent, his or her property shall not become subject to the CBZ. Consent shall be evidenced by a property owner's status as a joint applicant for the CBZ designation or expansion, or via submission of a signed and notarized consent form from a non-applicant property owner, submitted with the application, consenting to inclusion of his or her property within a CBZ.

4. In addition to all submittal requirements identified within Chapter 18.82 of the Suisun City Code, applicants shall provide information as requested to facilitate City review of the CBZ, as determined by the Director. Such information may include, but not be limited to:
 - a. Conceptual layout of development within the CBZ.
 - b. Description of proposed uses, including but not limited to the percentage of use or development by the various permitted cannabis business types described in Section 18.49.050.
 - c. Anticipated number of jobs to be created.
 - d. General statement of design, including perimeter security, landscaping and typical architectural character.

G. Criteria for Review

1. It is the City's expectation that development and operation of businesses within Cannabis Business Zones will be designed and operated in a manner that generally benefits the residents of Suisun City. Such benefits may arise from direct creation of new jobs, creation of ancillary and related jobs, contributions toward the construction of key infrastructure projects, contributions of revenue to the City to support key community priorities, or other measures as proposed and determined appropriate by the applicant.
2. In reviewing an application for a CBZ, the City Council shall find that the proposed cannabis uses will not adversely impact the existing community. Potential adverse impacts include, but are not limited to, increases in criminal activity and the creation of nuisances, including but not limited to detrimental odors and emissions.

H. Development Agreement. Due to the complexity of implementing development within a Cannabis Business Zone, in order to define the interests of the City, Cannabis Business Zone applicants, and commercial cannabis business permit applicants, and to further the overall public health, safety and welfare of the residents of the City, holders of legal or equitable interests in land located within the Cannabis Business Zone are subject to development agreement obligations as set forth in Section 18.49.070.

Section 18.49.070 Cannabis Business Zone Development Agreements.

A. Development Agreement Requirements.

1. Each applicant for establishment of a Cannabis Business Zone pursuant to Section 18.49.060, concurrently with CBZ application review, shall apply for and negotiate, in good faith, terms of a development agreement to guide subsequent development and operation of cannabis-related uses within the CBZ. Prior to commencement of any commercial cannabis operations or issuance of any certificate of occupancy for such operations within the CBZ, the City and the CBZ applicant shall execute an appropriate development agreement pursuant to this section. All real property located within the CBZ in which the CBZ applicant holds a legal or equitable interest, greater than a simple lease, shall be subject to the development agreement.
2. The development agreement shall set forth the terms and conditions under which the subject commercial cannabis operation(s) will operate, which may, in addition to the requirements of this chapter, include, but not be limited to, public outreach and education, community service, payment of fees and other charges as mutually agreed, and such other terms and conditions that will protect and promote the public health, safety, and welfare of the residents of the City. The procedures for development agreements shall comply with this chapter, Suisun City Code Chapter 18.70, and Article 2.5 of Chapter 4 of Division 1 of Title 7 of the California Government Code.
3. If any real property located within a CBZ is at any time owned by persons other than the CBZ applicant, such owners shall be subject to the same obligations, set forth in subparagraph (A)(1), as the CBZ applicant, except as otherwise stated in this section.
4. Term Limits; Renewal. The maximum term for any development agreement entered into pursuant to this section ~~shall be until revoked. A ministerial annual review shall be made to check for compliance or at an earlier date if exigent circumstances arise.~~ A development agreement may remain in effect for an unlimited number of consecutive terms. ~~All development agreements shall be subject to compliance with the periodic review requirements of Government Code Section 65865.1. However, the timing of any renewal may be made to coincide with a successful periodic review.~~

B. Development Agreement Filing Requirements.

1. Only qualified applicants may apply to enter into a development agreement pursuant to this section. A qualified applicant is ~~only a City approved entity.~~
2. The Director shall prescribe the form for each application, notice and other documents provided for or required under this section for the preparation and implementation of development agreements. The applicant shall complete and submit such an application form to the Director, along with a deposit for the estimated direct and indirect costs of processing the development agreement. The applicant shall deposit any additional amounts for all costs and fees to process the

Deleted: Notwithstanding the foregoing, if such owners do not operate or propose to operate or authorize the operation of a commercial cannabis business exceeding 10,000 square feet or involving significant development or improvement of their CBZ-zoned property (as determined by the Director in his or her sole discretion), such owners shall not be obligated to apply for or enter into a development agreement unless and until such an operation is proposed.

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¶ Notwithstanding subparagraph (A)(4) or any renewal provision in a development agreement,

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Deleted: any person who holds a legal or equitable interest, greater than a simple lease, in real property located within a Cannabis Business Zone. Qualified applicants shall provide proof of their legal or equitable interests in the real property subject to the proposed agreement, and proof of the authority of the agent or representative to act for the applicant, if applicable. Said proof of ownership interest and proof of authority shall be subject to review and approval by the City Attorney

development agreement, including all legal fees, within fifteen (15) days of request by the Director. Upon either completion of the application process or withdrawal of the application, the City shall refund any remaining deposited amounts in excess of the costs of processing.

3. The Director shall require an applicant to submit such information and supporting data as the Director considers necessary to process the application, including but not limited to a community benefit assessment to evaluate the benefits the development agreement will provide to the community.

C. Processing and Requirements.

1. The Director shall endorse on the application the date it is received. An application or related document shall not be complete until an estimated deposit (as estimated by the City) for the cost of processing has been paid to the City. If within thirty (30) days of receiving the application the Director finds that all required information has not been submitted or the application is otherwise incomplete or inaccurate, the processing of the application and the running of any time limits shall be suspended upon written notice to the applicant and a new thirty (30) day period shall commence once the required material is received by the Director. If the Director finds that the application is complete for filing, it shall be accepted for filing and the applicant so notified. The Director shall review the application and determine the additional requirements necessary to complete final processing of the agreement. After receiving the required information and determining the application to be complete for processing, the Director shall prepare a staff report and recommendation to the Planning Commission and City Council stating whether or not the agreement as proposed or in an amended form would be consistent with policies of the City, this chapter, and any applicable general or specific plan.
2. Notice of a hearing regarding the development agreement shall be given by the Director and shall comply with the requirements of Section 65867 of the California Government Code, as may be amended, as well as in the manner set forth in Suisun City Code Section 18.70.110.
3. The Planning Commission shall review the proposed development agreement and provide a recommendation to the City Council to approve, approve with modifications or deny the proposed development agreement. If the Planning Commission fails to take action within sixty (60) days of opening the hearing on the matter, such failure shall be deemed to constitute a recommendation of denial to the City Council unless the applicant has requested an extension of time, either in writing or on the record, which has been approved by the Planning Commission prior to the running of the sixtieth day.
4. The proposed development agreement shall be set for hearing and consideration before the Council within sixty (60) days of the recommendation of the Planning Commission, unless the applicant agrees in writing to an extension of time with the Director prior to the matter being heard by the Council.

5. Within ten (10) calendar days after the City enters into the development agreement, the City Clerk should have the agreement recorded with the County Recorder. If the parties to the agreement or their successors in interest amend or cancel the agreement as provided in Section 65868 of the California Government Code, or if the City terminates or modifies the agreement as provided in Section 65865.1 of the California Government Code for failure of the applicant to comply in good faith with the terms or conditions of the agreement, the City Clerk shall have notice of such action recorded with the County Recorder.

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D. Required Findings for Approval Development Agreement.

After the City Council completes the public hearing, the Council may not approve the development agreement unless it finds that the provisions of the agreement:

1. Are consistent with the goals, objectives, and policies of the general plan and any applicable specific plan;
2. Are compatible with the uses authorized in and the regulations prescribed for the zoning district in which the real property is located;
3. Are beneficial to the residents of the City so as to promote the health, safety and welfare of City residents. Such benefits may arise from, without limitation, direct creation of new jobs, creation of ancillary and related jobs, contributions toward the construction of key infrastructure projects, contributions of revenue to the City to support key community priorities, or other measures as proposed by the applicant and determined appropriate by the City;
4. Are not detrimental to the public health, safety, or general welfare;
5. Comply with the California Environmental Quality Act;
6. Will not adversely affect the orderly development of property or the preservation of property values in the City; and
7. Provide for a reasonable penalty for any violation of the development agreement.

E. Transfer of Development Agreements.

1. If a party to a development agreement pursuant to this section transfers title to any real property that is subject to the development agreement or any term or obligation thereof, then the transferor shall assign, and the transferee shall assume, the terms and obligations of the development agreement that are applicable to the transferred real property, unless the transferor, by the terms of the transfer, agrees to retain such obligations. Transferee shall meet all the requirements asked of applicants.

2. No assignment or assumption of any development agreement, or any term or obligation thereof, shall be valid without the prior written consent of the City Council, and then only upon presentation of evidence demonstrating that the transferee has the experience, expertise, financial strength, and resources to perform its obligations under the agreement, in addition to compliance with any transfer conditions or obligations set forth in the agreement.
3. No permit or entitlement authorizing the transferee to engage in commercial cannabis activity on the transferred real property shall issue until such assignment and assumption has been executed and consented to by the City in accordance with subparagraph (E)(2), unless the transferor has agreed to retain the obligations under the development agreement by the terms of the transfer, and the transferee has demonstrated the same to the City.
4. Exceptions to Transferee Obligations. Notwithstanding any other provision of this section:
 - a. If the transferee will not engage in or authorize commercial cannabis activity on the property, the transferee shall be exempt from all provisions of the development agreement that accrue specific benefits to the City and its residents such as requiring payment of funds to the City by commercial cannabis operations, to the extent such requirements are based on the nature of such operations as commercial cannabis operations. Subject to the foregoing, the assignment and assumption pursuant to subparagraphs (E)(1)-(3) shall be required, but upon expiration of the then-existing term of the development agreement, the transferee shall not be obligated to apply for or enter into a new or renewed development agreement pertaining to the transferred real property.
5. Leases. All real property is subject to a development agreement pursuant to this section.
6. Each assignment and assumption of a development agreement pursuant to this section shall provide for the transferee to be bound by and comply with all terms and conditions of the development agreement, for the remainder of the term thereof, or until the transferee no longer retains a legal or equitable interest in the subject property (except as stated in subparagraph (E)(4)).
7. The assignment and assumption shall be signed, with notary acknowledgment, by a person who is duly authorized to bind the transferor and the transferee. The assignment and assumption shall also be approved by the City Council and executed by a duly authorized representative of the City, acknowledging that the assignment and assumption complies with this section and consenting thereto. Upon full execution and approval of the assignment and assumption, the transferee shall be deemed a party to the development agreement pursuant to this section for

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If the transferee will engage in or authorize commercial cannabis activity on the transferred property, but the area of the real property to which title is being transferred is less than 10,000 square feet, the assignment and assumption pursuant to subparagraph (E)(1) shall be required, but upon expiration of the then-existing term of the development agreement, the transferee shall not be obligated to apply for or enter into a new or renewed development agreement pertaining to the transferred real property. ¶

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If the transferee will engage in or authorize commercial cannabis activity on the transferred property, but such activity will not involve significant new or ongoing development or improvement thereof, as determined by the Director in his or her discretion, the assignment and assumption pursuant to subparagraph (E)(1) shall be required, but upon expiration of the then-existing term of the development agreement, the transferee shall not be obligated to enter into a new or renewed development agreement pertaining to the transferred real property. ¶

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<#>If the lease is a ground lease, the lessor and lessee may negotiate between them as to which party shall bear the obligations under the development agreement during the life of the lease, except that the lessor shall not be relieved of any obligations under the development agreement without the prior written consent of the City pursuant to subparagraph (E)(2). ¶

all purposes. The fully executed assignment and assumption should be recorded on the subject property within 10 days after its approval and execution.

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F. Modifications and Extensions.

1. The provisions of Section 65868 of the California Government Code shall apply for all modifications, extensions or other amendments of the terms of a development agreement subject to this chapter.
2. Either party may propose an amendment or termination of an approved development agreement subject to the following:
 - a. The procedure for amending or terminating the development agreement is the same as the procedure for entering into an agreement in the first instance.
 - b. The development agreement may be amended or cancelled only by the mutual consent of the parties, as provided in Section 65868 of the California Government Code.
3. Nothing herein shall limit the City's ability to terminate or modify the agreement consistent with Section 65865.1 or 65865.3 of the California Government Code as may be amended.

Section 18.49.080 Commercial Cannabis Business Permit Required for All Commercial Cannabis Operations.

- A. Prior to commencing any commercial cannabis operation and as a continuing requisite to conducting operations, the owner of a commercial cannabis operation shall obtain a commercial cannabis business permit from the City under the terms and conditions set forth in this chapter in addition to an equivalent, valid and current State license issued pursuant to Division 10 of the Business & Professions Code, as amended.
- B. Commercial cannabis business permits issued pursuant to this chapter shall be renewed annually after their date of issuance subject to ministerial review, unless otherwise expressly provided.
- C. The issuance of a commercial cannabis business permit shall constitute a revocable privilege and shall not create or establish any vested rights for the development or use of any property.
- D. Conditions necessary for the continuing validity of a commercial cannabis business permit include:
 1. Strict adherence to each and every applicable requirement of this chapter and Code, as well as any further applicable requirements, including administrative regulations, adopted by the City.

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2. Maintaining an equivalent, current and valid State license issued pursuant to Division 10 of the Business & Professions Code, as amended. Revocation, suspension or expiration of a required State license shall automatically invalidate the commercial cannabis business permit.
 3. Allowing City code enforcement, fire officials and police officers to conduct reasonable inspections, at the discretion of the City, of the location of the commercial cannabis operation, including but not limited to inspection of security, inventory, and written and electronic records, recordings and files pertaining to the commercial cannabis operation, for the purposes of ensuring compliance with this Code and State law.
 4. Maintaining valid and current contact information on file with the City for the owner(s) and manager(s) of the commercial cannabis operation, and that of the legal representative of the operation, if applicable.
- E. Commercial cannabis business permits are transferable only if the transferee satisfies all of the requirements for issuance of a new commercial cannabis business permit.

Section 18.49.090 Application for Commercial Cannabis Business Permit.

- A. The owner of a proposed commercial cannabis operation, prior to commencing operation, shall file an application for a commercial cannabis business permit with the Director upon a form provided by the City, and shall pay a filing fee as established by resolution adopted by the City Council, as may be amended.
- B. An application for a commercial cannabis business permit shall include, but not be limited to, the following information:
 1. The full name, address, e-mail address, and phone number of the applicant.
 2. The street address, assessor's parcel number, and total square footage of the premises where the commercial cannabis operation will be located, and a description of the characteristics of the area surrounding the premises.
 3. If the applicant is not the property owner, a notarized acknowledgment from the property owner consenting to the operation of the proposed commercial cannabis operation on the premises.
 4. The full names, addresses, e-mail addresses, and phone numbers of all persons who will be responsible for or who will participate in the management of the proposed commercial cannabis operation.
 5. A list of the full names of all management and owners of the proposed commercial cannabis operation, along with any other identifying information requested by the Director.

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- a. For each manager and owner identified, a color photocopy of either a valid California Driver's license or equivalent identification approved by the Director.
 - b. For each manager and owner identified, and for all owners of the proposed operation, a written and signed consent form provided by the City whereby the employee consents to fingerprinting and a State and federal criminal history background check. At the discretion of the City and in compliance with State law, the City may use live scan to perform criminal background checks.
 - c. For each manager and owner identified, a check for payment of the appropriate fees to the City to cover the costs of performing the required criminal history background check.
- 6. The name, e-mail address and phone number of an employee designated as Community Outreach Manager, who shall be responsible for outreach and communication with the surrounding community.
 - 7. A description of the statutory entity or business form that will serve as the legal structure for the proposed applicant, the ownership structure of the applicant as filed with the California Secretary of State, (e.g. S-corporation, limited liability company, limited liability partnership, etc.), and a copy of all applicable formation and organizing documents for the entity. An applicant that is a foreign corporation shall provide a certificate of qualification issued by the California Secretary of State.
 - 8. The proposed days and hours of operation of the commercial cannabis operation.
 - 9. A scaled site plan, prepared by a licensed civil engineer or architect, of the premises, including at minimum all buildings, structures, driveways, parking lots, landscape areas, and boundaries.
 - 10. A scaled floor plan, prepared by a licensed civil engineer or architect, for each level of each building on the premises, including the entrances, exits, walls and operating areas.
 - 11. A security plan satisfactorily addressing all required security measures identified in Section 18.49.150(H).
 - 12. A transportation plan describing the procedures for safely and securely transporting cannabis and cannabis products and currency to and from the premises.
 - 13. A description of the odor control devices and techniques that will be used to prevent odors from cannabis or cannabis products from becoming detectable off of the premises, in compliance with Section 18.49.150(G).

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14. Procedures for identifying, managing, and disposing of litter, waste, and contaminants and hazardous materials pursuant to Section 18.49.150(M)-(N).
15. A business plan, reflecting the capitalization of the proposed business and the degree of training, professionalism and experience of the owner, managers and employees of the proposed business.
16. An operations plan, detailing the operating procedures of the proposed commercial cannabis business, tailored to the specific type of business proposed. Such procedures shall address, without limitation, storage, handling and use of cannabis, cannabis products, and any other materials to be used or contained in the proposed operation, handling of cash, equipment and methods to be used, inventory procedures, lighting, signage and quality control procedures, as applicable.
17. Written authorization to the City to conduct reasonable unannounced inspections of the premises at the discretion of the City, including but not limited to inspection of security, inventory, and written records and files pertaining to the commercial cannabis operation, for the purposes of ensuring compliance with this Code and State law.
18. Evidence of compliance with all operating standards and requirements applicable to the proposed commercial cannabis operation, including but not limited to as provided for by this chapter.
19. Evidence of compliance with all applicable insurance requirements under State and local law, including but not limited to those established by the Director pursuant to Section 18.49.130(A)(1) and 18.49.150(I). Endorsements reflecting the City's status as an additional insured on all required policies shall be provided by the applicant.
20. A copy of a valid and current seller's permit issued by the CDTFA to the applicant, or confirmation from the CDTFA that a seller's permit is not required. If the applicant has not yet received a seller's permit, an attestation that the applicant is currently applying for a seller's permit.
21. Identification of any and all other licenses and/or permits for commercial cannabis operations issued by any licensing or permitting authority:
 - a. held currently by the applicant;
 - b. pending approval for the applicant; or
 - c. denied to, suspended for, or revoked from the applicant.

22. Signed authorization for the Director to seek verification of the information contained in the application.
23. A written statement, signed under penalty of perjury by the applicant, certifying that all of the information contained in the application is true and correct.
24. Evidence of compliance with State laws and regulations applicable to the proposed commercial cannabis operation.
25. Any additional information as is deemed necessary by the Director to administer this chapter.

Section 18.49.100 Director Review of Application for Commercial Cannabis Business Permit.

- A. Upon receipt of a commercial cannabis business permit application, the Director shall review the application for completeness, including payment of the required fees.
- B. If the Director determines that the application is incomplete, the Director shall notify the applicant of such fact within thirty (30) days of receipt of the application. If the applicant, after receiving such notice, re-submits an incomplete application to the City, the application shall be deemed abandoned. The applicant may then submit a new application for review pursuant to the requirements of this chapter.
- C. Upon receipt of a completed application, the Director shall investigate the information contained in the application to determine whether the application is in compliance with the requirements of this chapter for potential issuance of a commercial cannabis business permit.
- D. Upon completing his or her investigation of a completed application, the Director shall deem the application a qualified application, unless the Director finds any of the following:
 1. The applicant has made one or more false or misleading statements or omissions, either on the written application form or during the application process;
 2. The applicant has not satisfied each and every requirement of this chapter and code; or
 3. The applicant is not in compliance with applicable State law.
- E. Upon deeming an application a qualified application, the Director shall set the application for review by the City's Planning Commission and shall make a recommendation to the Planning Commission as to whether it should recommend approval or denial of the application based on satisfaction of the criteria set forth in Section 18.49.110(B)-(C). The Director may also recommend the imposition of reasonable conditions on the approval and maintenance of the permit, in addition to the

requirements of this chapter, to ensure the safe operation of the commercial cannabis operation, and to ensure the health, safety and welfare of the residents and visitors of the City.

Section 18.49.110 Planning Commission Review of Application for Commercial Cannabis Business Permit.

- A. The Planning Commission shall review a qualified application at a duly noticed public meeting of the Planning Commission within a reasonable time after the application is deemed qualified by the Director, and shall provide a written recommendation on the application to the City Council.
- B. The Planning Commission shall recommend approval of a qualified application to the City Council only upon making a positive finding that the proposed operation will promote the overall health, safety and welfare of the City's residents, based on consideration of the following factors:
 - 1. The proposed operating procedures are detailed, comprehensive, and consistent with best practices and industry standards.
 - 2. The proposed security plan is thorough and establishes high standards for public safety, and for protection of cannabis and cannabis products against theft and diversion to unlawful uses.
 - 3. The exterior appearance of the premises of the proposed operation is aesthetically pleasing and architecturally consistent with surrounding uses.
 - 4. The proposed operation is compatible with surrounding land uses.
 - 5. The proposed operation will provide economic benefits to the City.
 - 6. The proposed operation will provide employment opportunities for City residents.
 - 7. The proposed operation will positively impact the community, based on factors such as, without limitation, whether and to what extent the proposed operation will offer or engage in community service, education, outreach and engagement programs.
 - 8. The proposed operation will be sensitive to community concerns and is not likely to result in negative or nuisance impacts on the community.
 - 9. The proposed operation will maintain best practices with regards to sanitation, cleanliness, and handling, treatment and disposal of waste, contaminants and hazardous materials.

10. The proposed operation will make efficient and safe use of energy, water and other resources.
11. The proposed operation is in compliance with the California Environmental Quality Act.
12. The proposed operation is adequately capitalized.
13. The owner, managers and employees of the proposed operation possess a high degree of training, professionalism and experience.
14. The proposed operation meets all applicable requirements of this chapter, this code and State law.
15. The proposed operation will be within an established Cannabis Business Zone.
16. The proposed operation satisfies any additional criteria that the Planning Commission determines is of benefit to making a determination of the applicant's commitment to the health, safety and welfare of the residents and visitors of the City.

C. In evaluating a qualified application pursuant to above subsection (B), the Planning Commission shall consider the information contained in the application as well as any additional information submitted by the applicant at or prior to the hearing. If the Planning Commission finds that the applicant fails to satisfy three or more of the factors set forth in above subsection (B), the Planning Commission shall recommend denial of the application to the City Council.

Section 18.49.120 City Council Review of Application for Commercial Cannabis Business Permit.

- A. Within a reasonable time after the Planning Commission has made a recommendation to the City Council regarding a qualified application, the City Council shall make a final written determination on the qualified application at a properly noticed public meeting of the City Council. Factors to be considered by the City Council include the findings and recommendation of the Planning Commission as well as all pertinent evidence timely submitted to the City Council by the applicant, the public, and other interested parties.
- B. The City Council shall not be bound by the findings or recommendation of the Planning Commission, and shall be entitled, but not required, to conduct an independent review of the application. If, upon review, the City Council makes an affirmative finding that the proposed operation will promote the overall health, safety and welfare of the City's residents pursuant to section 18.49.110(B), and does not find that the applicant fails to satisfy three or more of the factors set forth in Section 18.49.110(B), the City Council shall grant the applicant a commercial cannabis business permit.

- C. The City Council may impose reasonable terms and conditions upon the use of the commercial cannabis business permit that it deems necessary to ensure compliance with this chapter and applicable State law, and/or to ensure the safe operation of the proposed operation and the health, safety and welfare of the residents and visitors of the City.

Section 18.49.130 Continuing Obligations of Commercial Cannabis Operations.

- A. Upon receiving a commercial cannabis business permit pursuant to this chapter, the permit holder shall:
1. Prior to commencing operations, execute an agreement to indemnify, defend and hold harmless (at the commercial cannabis business permit holder's sole expense, the ability to do so demonstrated through proof of sufficient insurance coverage to the satisfaction of the Director) the City, its elected officials, employees, agents, officers, and representatives, and each and all of them individually, from all liability or harm arising from or in connection with all claims, damages, attorney's fees, costs and allegations arising from or in any way related to the operation of the commercial cannabis operation; and, to reimburse the City for any costs and attorney's fees that the City may be required to pay as a result of such action. The City may, at its sole discretion, participate at its own expense in the defense of any such action.
 2. Maintain continuing compliance with all applicable insurance requirements imposed pursuant to local and State law at all times while operating pursuant to the commercial cannabis business permit.
 3. Maintain a valid seller's permit issued by the CDTFA, to the extent required by the CDTFA under State law.
 4. Maintain continuing compliance with the criminal history background check requirements of Section 18.49.150 at all times while operating pursuant to the commercial cannabis business permit by ensuring that, immediately upon hiring or association by the commercial cannabis operation of an employee who has not undergone the required background check, the permit holder provides the Director the authority to obtain:
 - a. The results of a live scan or other criminal history background check, as determined by the City, for the employee which was performed no earlier than ninety (90) days prior to the date of hiring or association of the employee (or as soon as is practicable as determined by the Director); and
 - b. A color photocopy of either a valid California Driver's License for the employee, or equivalent identification of the employee approved by the Director.

5. Immediately update the Director in writing with correct and current contact information when there is a change in the information previously provided to the City relating to the individuals associated with the permit holder.
- B. Failure to perform the requirements of this section shall render the permit holder's commercial cannabis operation unlawful.

Section 18.49.140 Renewal of Commercial Cannabis Business Permit.

- A. The following procedure shall govern the process for renewal of a commercial cannabis business permit:

1. Commercial cannabis business permits issued pursuant to this chapter shall be renewed annually after their date of issuance subject to ministerial review, unless otherwise expressly provided. The following will be checked, but not limited to:

- i. Calls for Service

- ii. Loitering

- iii. Public nuisance violations, etc.

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2. A permit holder may apply to the Director for renewal of an existing permit no less than 60 days, but no more than 90 days, prior to the permit's expiration date.
3. Application for renewal shall be made through submittal of a commercial cannabis business permit renewal application form provided by the City.
4. Applications for renewal shall contain all information and documentation required by Section 18.49.090 for applications for new commercial cannabis permits, except as may be waived by the Director based on a finding that certain required information is already possessed by the City, and upon receipt of a certification from the permit holder to the effect that the information remains up to date and has not changed since it was submitted to the City. A storefront retailer permitted pursuant to an RFA process shall be treated the same as all other commercial cannabis business permit holders for purposes of renewal.
5. If a permit holder files a renewal application less than 60 days prior to permit expiration, the holder must provide a written explanation detailing the circumstances surrounding the late filing.
6. The Director may, but is not required to, accept the late-filed application for renewal. If the Director accepts the application, then the Director may elect to administratively extend the permit beyond the expiration date pending the Director's review and decision upon the renewal application.
7. An application for renewal shall not be accepted unless it is accompanied by payment of the required fee for the renewal application set pursuant to resolution of the City Council.

- B. If the Director, upon review of a completed application for renewal of a commercial cannabis business permit, determines that the commercial cannabis operation remains in compliance with all applicable requirements of this chapter, all terms of any applicable development agreements, and other applicable City and State laws and regulations, the Director shall approve the application and renew the permit. If the Director determines that the commercial cannabis operation has not remained in compliance, the Director shall deny the application. Decisions of the Director may be appealed to the City Council for review in accordance with the provisions of Section 18.49.220(E) of this chapter.
- C. A commercial cannabis business permit is immediately invalid upon its expiration date if it is not renewed by such date (with the exception of extensions pursuant to Section 18.49.140(A)(5)). In the event the permit is not renewed prior to expiration, the affected commercial cannabis operation shall be required to cease operation, and any continued operation after expiration is unlawful.

Section 18.49.150 General Operating Standards and Restrictions.

The following operating standards and restrictions shall apply to all commercial cannabis operations and activities in the City, and shall be deemed conditions of issuance and use of all commercial cannabis business permits:

- A. Commercial cannabis operations shall comply with all applicable State laws and regulations as well as the requirements of this chapter and other applicable City laws and regulations.
- B. All commercial cannabis activities shall be conducted within a fully enclosed building or structure which shall be closed to the general public (except storefront retailers may be open to the public during normal business hours pursuant to Section 18.49.160). Neither cannabis nor cannabis products shall be visible from the public right-of-way.
- C. No person under twenty-one (21) years of age shall be allowed access to any portion of the premises of any commercial cannabis operation at any time.
- D. Signs shall be posted conspicuously on the premises indicating that the site is not open to the public (except permitted storefront retailers need not post such signs) and that minors are prohibited from entering the site.
- E. Notwithstanding any other provision of this Code, all commercial cannabis operation premises (except permitted storefront retailers) shall be screened to a height of seven feet with fencing consisting of materials permitted by Suisun City Code Chapter 18.34, as may be amended.
- F. All premises must maintain the required lot setbacks pursuant to the City standards applicable to the underlying zoning district in which the premises are located.

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- G. All premises must be equipped with an air treatment system sufficient to ensure that off-site odors shall not result from its activities. The premises shall be designed to provide sufficient odor absorbing ventilation and exhaust systems so that any odor generated inside the location of the commercial cannabis operation is not detected outside the building, on adjacent properties or public rights-of-way, or within any other unit located within the same building as the commercial cannabis operation, if the use occupies a portion of a building.
- H. All commercial cannabis operations shall maintain the following security standards:
1. If the premises are available for public access, such access must be through a single secured vestibule area designed to allow for identification confirmation prior to entry into the main lobby area.
 2. All areas of the premises where cannabis or cannabis products are cultivated, tested, manufactured, or stored shall be separated from any areas which are available to public access, and shall be secured by lock accessible only to authorized personnel of the commercial cannabis operation.
 3. All authorized personnel of commercial cannabis operations shall wear badges or other identification issued by the owner of the operation at all times while on the premises.
 4. All premises shall be equipped with high definition security surveillance cameras, which shall be installed and maintained in good condition at all times. The security surveillance camera system shall be in continuous use 24 hours per day, seven days per week, and shall be capable of monitoring all doors, windows, parking lots, areas where cannabis or cannabis products are located, areas adjacent to the exterior walls of all buildings and structures on the premises, and other areas as deemed necessary by the Director. Recordings generated by the security surveillance camera system shall be maintained by the commercial cannabis operation for a minimum of 90 days. The recording system must be capable of exporting the recorded video in standard MPEG formats (or other formats approved or required by the Director) to a common medium such as a USB drive, DVD or other medium approved by the Director. Recordings shall be made available to the City immediately upon request. Additionally, remote log-in information shall be provided to the City's Police Department to allow City police officers and/or other City officers and employees to view live and recorded security camera images remotely at any time.
 5. The premises shall have sufficient lighting such that all areas subject to monitoring by the security surveillance camera system shall be visible to all cameras of the system at all times.
 6. Sensors shall be installed to detect entry and exit from all secured areas.

7. The premises shall be equipped with a centrally-monitored fire and burglar alarm system and monitored by an alarm company properly licensed by the State of California Department of Consumer Affairs Bureau of Security and Investigative Services in accordance with Business & Professions Code Sections 7590 *et seq.*, and whose agents are properly licensed and registered under applicable law, all subject to approval by the Director.
8. The premises shall have one or more secured transport areas from which all vehicular transportation of cannabis and cannabis products to and from the premises shall occur.
9. At least one security guard licensed by and in good standing with the Bureau of Security and Investigative Services shall be on the premises at all times. The number of security personnel required to be present on any premises at any time, or at all times, may be adjusted as deemed necessary by the Director in consultation with the City's Chief of Police.
10. If security bars for doors or windows are used, such security bars shall be placed on the interior side of such doors and windows, and must comply with applicable State building standards.
11. Commercial cannabis operations must designate an employee to act as a liaison to the City and its Police Department and must provide the City and its Police Department with the phone number and email address of the liaison. The liaison shall be reasonably available to meet with City or Police Department officials representatives as requested by the City or its Police Department.
12. Commercial cannabis operations must report any of the following occurrences to the Police Department within twenty-four (24) hours of discovery thereof:
 - a. Suspected theft of inventory or equipment, or significant unexplained discrepancies relating thereto;
 - b. Security breaches, including but not limited to burglaries;
 - c. Loss or unauthorized alteration of records subject to City inspection pursuant to this chapter; and
 - d. Any criminal activity or suspected criminal activity taking place on the premises.
13. Commercial cannabis operations shall have the capacity to remain secure during a power outage. Access doors with locks shall not be controlled solely by an electronic access panel.

- I. Commercial cannabis operations shall maintain insurance coverage in amounts satisfactory to the Director which evidence compliance with all applicable insurance requirements as provided for by this chapter, local law and State law. Minimum insurance levels shall be determined by the Director after an assessment of the risks posed by the commercial cannabis operation, including provision for meeting the requirements of Section 18.49.130(A)(1). The City shall be named as an additional insured on all required policies.
- J. Commercial cannabis operations shall maintain on-site the following records in paper or electronic form:
 - 1. The full name, address, and telephone number of the owner and any lessee of the property.
 - 2. The name, date of birth, and telephone number, and job title or position of each employee of the commercial cannabis operation.
 - 3. Copies of all required State licenses.
 - 4. An inventory record documenting the dates and amounts of cannabis and cannabis products received at the site, the daily amounts of cannabis and cannabis products on the site, and the daily amounts of cannabis and cannabis products leaving the site for any reason, including but not limited to sale, delivery and distribution.
 - 5. A written accounting of all expenditures, costs, revenues and profits of the commercial cannabis operation, including but not limited to cash and in-kind transactions.
 - 6. A copy of all insurance policies held by or related to the commercial cannabis operation.
 - 7. A copy of the commercial cannabis operation's financial statement and tax return for the most recent previous year.
 - 8. A copy of the required valid and current State license and City-issued commercial cannabis business permit.
- K. All records required to be maintained by commercial cannabis operations pursuant to this chapter shall be maintained for three years and are subject to immediate inspection upon request by the City, subject to applicable State and federal law requirements relating to medical confidentiality or other applicable privacy restrictions.
- L. Employees; Background Checks; Identification.
 - 1. All employees must submit to fingerprinting and criminal background checks by the City.

- a. No individual convicted within the last ten years of a felony substantially related to the qualifications, functions or duties of an employee of a commercial cannabis operation (such as a felony conviction for distribution of controlled substances (except cannabis), money laundering, racketeering, etc.) shall be involved in the operation or ownership of a commercial cannabis business, unless such employee has obtained a certificate of rehabilitation (expungement of felony record) under California law or under a similar federal statute or state law where the expungement was granted.
 - b. At the request of the commercial cannabis operation, the Director and Police Chief shall determine the applicability of a waiver of this section to a potential employee for good cause within a reasonable period of time after a written request has been made to the Director and Police Chief for such determination.
2. All employees and owners must possess a valid government issued (or equivalent) form of identification containing an identifying photograph of the employee, the name of the employee, the date of birth of the employee, and the residential address of the employee or owner. Color copies of such identification shall be maintained at the location of the commercial cannabis operation. A valid California Driver's license will satisfy this requirement.
- M. Commercial cannabis operations shall ensure at all times that all cannabis and cannabis products on-site remains free of harmful contaminants, including but not limited to pesticides, mold and fungus. Commercial cannabis operations shall establish, implement, and at all times maintain written procedures to ensure compliance with this subsection.
- N. Commercial cannabis operations shall ensure that litter and waste, including chemical and organic waste, are properly and regularly removed from the premises, that waste disposal operating systems are maintained in an adequate manner so as not to constitute a source of contamination in areas where cannabis is exposed, and that hazardous materials and waste are properly stored, handled and disposed of in accordance with applicable law. Commercial cannabis operations shall establish, implement, and at all times maintain written procedures to ensure compliance with this subsection.
- O. Commercial cannabis operations shall not result in a nuisance or adversely affect the health, welfare, or safety of nearby persons by creating dust, glare, heat, noise, noxious gases, odors, smoke, traffic, vibration, or other impacts, or be hazardous due to use or storage of materials, processes, products or waste. The permittee shall promptly and diligently both prevent as well as eliminate conditions on the site of the commercial cannabis operation that constitute a nuisance.
- P. Notwithstanding any provision of this Code to the contrary, commercial cannabis business permittees shall remove all graffiti from the site and parking lots under the

control of the commercial cannabis business permittee within twenty-four (24) hours of its application.

Section 18.49.160 Commercial Cannabis Retailer (Storefront and Non-Storefront): Establishment, Operating Standards and Restrictions.

A. Storefront retailers (State license Type 10) shall be subject to the general operating standards and restrictions set forth in section 18.49.150 and to the following minimum standards and restrictions, all of which shall be deemed conditions of any commercial cannabis business permit for a storefront retailer operation:

1. No more than three commercial cannabis business permit for a storefront retailer shall be active or valid in the City at any one time. In the event no such permits are active and valid in the City at any given time, the Director, in his or her discretion, may initiate an RFA process to accept applications in accordance with Section 18.49.160(B). Applications for commercial cannabis business permits for storefront retailers shall not be accepted other than pursuant to the RFA process.

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2. Storefront retailers may be permitted to operate only in the following zones: Zoning Ordinance (CSF – Commercial Services Fabricating, CMU – Commercial Mixed Use), and Waterfront Specific Plan (DMU – Downtown Mixed Use, MSMU – Main Street Mixed Use).

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Type	Zone
Type 1A = Cultivation; Specialty Indoor; Small.	CSF
Type 1B = Cultivation; Specialty Mixed-Light; Small.	CSF
Type 2A = Cultivation; Indoor; Small.	CSF
Type 2B = Cultivation; Mixed-Light; Small.	CSF
Type 3A = Cultivation; Indoor; Medium	CSF
Type 3B = Cultivation; Mixed-Light; Medium	CSF
Type 4 = Cultivation; Nursery.	CSF
Type 5A = Cultivation; Indoor; Large.	CSF
Type 5B = Cultivation; Mixed-Light; Large.	CSF
Type 6 = Manufacturer 1 (extractions using mechanical methods or nonvolatile solvents).	CSF
Type 7 = Manufacturer 2 (extractions using volatile solvents).	CSF
Type N = Manufacturer (no extractions, pursuant to 17 CCR § 40118, and as may be amended).	CSF
Type P = Manufacturer (packaging and labeling only, pursuant to 17 CCR § 40118, and as may be amended).	CSF
Type 8 = Testing Laboratory.	CSF, CMU, DMU
Type 9 = Non-Storefront Retailer (by delivery only, pursuant to 16 CCR § 5414, and as may be amended).	CSF, DMU
Type 10 = Retailer.	CSF, CMU, DMU, MSMU

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<u>Type 11 = Distributor.</u>	<u>CSF</u>
<u>Type 12 = Microbusiness</u>	<u>CSF, CMU, DMU, MSMU</u>
<u>Type 13 = Distributor (transport only, pursuant to 16 CCR § 5315, and as may be amended).</u>	<u>CSF</u>
<u>Cultivation License Types for Indoor or Mixed-Light pursuant to 3 CCR § 8201, and as may be amended).</u>	<u>CSF</u>
<u>Type 14 = Consumption cafe/lounge</u>	<u>CMU, DMU, MSMU</u>

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3. Storefront retailers may be open to the public only during normal operating hours. Normal operating hours are limited to 8:00 a.m. to 10:00 p.m., Monday through Sunday.
4. Storefront retailers shall have an operable electronic point-of-sale system, which produces historical transactional data available for review by the Director upon request, on the premises of the storefront retailer at all times during operating hours. All retail sales of cannabis and cannabis products transacted by the storefront retailer shall be entered into or otherwise recorded by the electronic point-of-sale system.
5. A manager must be present on the premises of the storefront retailer at any time that any person, other than security personnel, is on the premises.
6. Smoking, ingesting or consuming cannabis or cannabis products must take place within, designated approved consumption area/lounge in accordance with this ordinance and State Law and must not take place at or within 20 feet of the premises of a storefront retailer is prohibited.
7. Storefront retailers shall not provide free cannabis or cannabis products, except in accordance with Title 16, Section 5411 of the California Code of Regulations, and as may be amended.
8. Storefront retailers shall not sell mature or flowering plants.
9. Storefront retailers shall not sell or dispense alcohol from their premises, and no alcohol shall be consumed on the premises.
10. Odor control devices and techniques shall be used to prevent odors from cannabis or cannabis products from becoming both detectable off of the premises, in compliance with Section 18.49.150(G), and from becoming detectable beyond reasonable levels (as determined by the Director) inside the premises.
11. Proof of the required State license and City-issued commercial cannabis business permit, and a copy of all requests/orders for deliveries being made, shall be carried at all times in vehicles being used to make deliveries on behalf of a storefront

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retailer, and shall be immediately available upon request from law enforcement officers.

12. Storefront retailers shall take reasonable steps to discourage and correct activities or conditions that are illegal or that constitute a nuisance in parking areas, sidewalks, alleys and other areas surrounding or adjacent to the premises of the storefront retailer during operating hours, if such conduct is related to the storefront retailer operation or any of its owners, managers, employees, agents, representatives, contractors, or customers. Reasonable steps shall include immediately calling the police upon observation of any such activity, and requesting that any person engaging in such activity immediately cease the activity, unless personal safety would be at risk in making the request.
13. An approved and permitted storefront retailer/dispensary may also deliver medicinal and adult-use cannabis and cannabis products for retail sale subject to the limitations and operating regulations of Section 18.49.160(C).

B. Storefront Retailers/Dispensaries: Request for Applications (RFA) Process.

1. Applications for storefront retailers (State license Type 10) may only be accepted pursuant to a Request for Applications (RFA) process conducted pursuant to this subsection. Notwithstanding Sections 18.49.100, 18.49.110, and 18.49.120, applications for storefront retailers shall be reviewed and approved in accordance with this subsection.
2. Whenever there is no existing commercial cannabis business permit for a storefront retailer in the City (including after a previously-issued permit has been permanently revoked or voluntarily forfeited, or expired without being renewed), the Director, in his or her discretion, may initiate and conduct an RFA process. The Director may promulgate regulations to guide the RFA process, subject to compliance with this subsection.
3. Upon initiating an RFA process, the Director shall prepare an RFA for the purpose of soliciting applications for establishment of a storefront retailer/dispensary in the City. Responses to the RFA, including regulations and other requirements that the Director may promulgate to guide the RFA process, shall be deemed applications for City-issued commercial cannabis business permits for storefront retailers, pursuant to Sections 18.49.080 and 18.49.090. In the event generally applicable procedures and requirements of this chapter conflict with Sections 18.49.080 and/or 18.49.090, this subsection (B) and section 18.49.160(A) shall govern.
4. The City Manager shall develop, for Council approval, a process for reviewing and selecting a recommended operator of a storefront retailer from applications received through the RFA process. The recommended operator for a commercial cannabis business permit to operate a storefront retailer/dispensary shall be

approved for issuance of a commercial cannabis business permit by the City Council.

5. Notwithstanding any provision of this subsection (B), the City Council shall not be obligated at any time to approve any application for issuance of a commercial cannabis business permit for a storefront retailer/dispensary.
 6. Renewal of commercial cannabis business permits issued pursuant to this subsection (B) shall be conducted in accordance with Section 18.49.140.
- C. Non-storefront retailers shall be subject to the general operating standards and restrictions set forth in section 18.49.150 and to the following minimum standards and restrictions, all of which shall be deemed conditions of any commercial cannabis business permit for a non-storefront retailer operation:
1. Non-storefront retailers based within the City that are not directly associated with and co-located with a permitted storefront retailer/dispensary must be located within an approved Cannabis Business Zone and must obtain a commercial cannabis business permit.
 2. Non-storefront retailers may sell medicinal and adult-use cannabis and cannabis products, and all such sales shall be by delivery only.
 3. Deliveries of cannabis and cannabis products shall only occur within the City by a commercial cannabis operation properly licensed or permitted to engage in cannabis deliveries by both the State of California as well as the originating jurisdiction of the delivery.
 4. Non-storefront retailers delivering cannabis and cannabis products within the City shall have a valid City business license. Non-storefront retailers based outside of the City (i.e. having no business premises in the City) are not required to obtain a commercial cannabis business permit.
 5. No cannabis or cannabis products shall be sold directly from the premises of a non-storefront retailer.
 6. The premises of non-storefront retailers shall be closed to the general public at all times, and shall be accessible only to employees and persons with a bona fide business or regulatory purpose for accessing the premises.
 7. A manager must be present on the premises of the non-storefront retailer at any time that any person other than security personnel is on the premises.
 8. No employee or other person acting on behalf of a non-storefront retailer may possess during deliveries, or deliver, more than \$5,000 total worth of cash, cannabis and/or cannabis products at any given time.

9. No delivery of cannabis or cannabis products shall be made to any person other than the person who requested the delivery, except, for deliveries of medicinal cannabis or medicinal cannabis products, when the person requesting the delivery is a qualified patient and the person receiving the delivery is his or her primary caregiver, or vice versa.
10. Any person who is present on the premises of the non-storefront retailer who is not an employee, officer, agent, or representative of the non-storefront retailer must sign in and wear a “visitor” identification badge at all times while on the premises.
11. Proof of the required State license and City-issued commercial cannabis business permit, and a copy of all requests/orders for deliveries being made, shall be carried at all times in vehicles being used to make deliveries on behalf of a non-storefront retailer, and shall be immediately available upon request from law enforcement officers.

Section 18.49.170 Commercial Cannabis Distribution Operating Standards and Restrictions.

Commercial cannabis operations involving the distribution of cannabis and cannabis products in the City shall be subject to the general operating standards and restrictions set forth in section 18.49.150 and to the following minimum standards and restrictions, all of which shall be deemed conditions of any commercial cannabis business permit for a distribution operation:

- A. Distribution may be conducted only by commercial cannabis operations possessing a valid and current Type 11 (Distributor) State license issued pursuant to Division 10 of the Business & Professions Code, or a Type 13 (Distributor – Transport Only) State license pursuant to 16 CCR §5315, as well as a City-issued commercial cannabis business permit.
- B. Distribution operations shall distribute cannabis and cannabis products only between licensed commercial cannabis operations.
- C. Distribution operations shall not conduct retail sales of cannabis or cannabis products.
- D. Distribution operations shall not distribute any cannabis or cannabis products to retail operations unless such cannabis or cannabis products has been properly tested and approved for retail sale pursuant to State law.
- E. Upon demand by any City law enforcement officer, a distributor shall make immediately available copies of any required shipping manifests as understood by Section 26070(f) of the Business and Professions Code.

Section 18.49.180 Commercial Cannabis Manufacturing Operating Standards and Restrictions.

Commercial cannabis operations involving the manufacturing of cannabis and cannabis products in the City shall be subject to the general operating standards and restrictions set forth in section 18.49.150 and to the following minimum standards and restrictions, all of which shall be deemed conditions of any commercial cannabis business permit for a manufacturing operation:

- A. Manufacturing may be conducted only by commercial cannabis operations possessing a valid and current manufacturing State license issued pursuant to Division 10 of the Business & Professions Code (or pursuant to State regulations) as well as a City-issued commercial cannabis business permit.
- B. Manufacturer 1 (Type 6) permittees (as defined by Division 10 of the Business and Professions Code) shall utilize only manufacturing processes that are either solventless or that employ only nonflammable, nontoxic solvents that are generally recognized as safe pursuant to the federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 301 *et seq.*).
- C. Manufacturer 2 (Type 7) permittees shall utilize only manufacturing processes that use solvents exclusively within a closed-loop system that meets all of the following requirements:
 - 1. The system uses only solvents that are generally recognized as safe pursuant to the federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 301 *et seq.*).
 - 2. The system is designed to recapture and contain solvents during the manufacturing process, and otherwise prevent the off-gassing of solvents into the ambient atmosphere to mitigate the risks of ignition and explosion during the manufacturing process.
 - 3. A licensed engineer certifies that the system is commercially manufactured, safe for its intended use, and built to codes of recognized and generally accepted good engineering practices, including, but not limited to, the American Society of Mechanical Engineers (ASME), the American National Standards Institute (ANSI), Underwriters Laboratories (UL), the American Society for Testing and Materials (ASTM), or OSHA Nationally Recognized Testing Laboratories (NRTLs).
 - 4. The system has a certification document that contains the signature and stamp of a professional engineer and the serial number of the extraction unit being certified.
- D. Fire Safety Plan.
 - 1. Manufacturing operations shall not commence until written approval is received from the Director for a completed Fire Safety Plan for the operation.

2. An application for a renewal of a Commercial Cannabis Operation Permit for manufacturing shall not be approved until an inspection of the site occurs by the Director which affirms that both the operation remains in compliance with the approved Fire Safety Plan (or an amended Fire Safety Plan as determined by the Director) and that any further actions that need to be taken in the determination of the Director are taken to ensure that all applicable and necessary health and safety requirements are met.
- E. The premises shall be equipped with an automatic fire sprinkler system, in accordance with NPFA 13, the California Fire Code (including but not limited to Section 903), as adopted by the City, and the Suisun City Code.
 - F. Certified Industrial Hygienist (CIH).
 1. The permittee must provide for, maintain, and follow a detailed plan prepared by a CIH, and approved by the Director, to ensure the appropriate health and safety procedures including, but not limited to, procedures necessary to control hazards, for use of proper protective equipment, product safety, compliance with Cal OSHA limits, to provide specifications for ventilation controls, and ensure environmental protections, are adopted and used by the operation on a continuing basis.
 2. The Director may establish further written requirements for the plan, including but not limited to required inspections by the CIH and a hazardous materials management plan. Upon reasonable determination by the Director, the permittee shall be required to update or amend the approved plan to the satisfaction of the Director.
 - G. All processing and analytical testing devices used by the operation must be UL listed, or otherwise approved for the intended use by the Director. Any processing devices using only non-pressurized water are exempt from such approval.
 - H. All chemical waste and hazardous material used, generated or associated with the operation must be disposed of in a manner which is approved by the Director before disposal occurs, and which is compliant with all local, State and federal guidelines for the disposal of hazardous materials.
 - I. The permittee must provide for and maintain a waste treatment system which is approved by the Director so as to prevent contamination in areas where cannabis or cannabis products may be exposed to waste or waste by-products.

Section 18.49.190 Commercial Cannabis Testing Operating Standards and Restrictions.

Commercial cannabis operations involving the testing of cannabis and cannabis products in the City shall be subject to the general operating standards and restrictions set forth in section 18.49.150 and to the following minimum standards and restrictions, all of which

shall be deemed conditions of any commercial cannabis business permit for a testing operation:

- A. Testing may be conducted only by commercial cannabis operations possessing a valid and current Type 8 (Testing Laboratory) State license issued pursuant to Division 10 of the Business & Professions Code as well as a City-issued commercial cannabis business permit.
- B. Testing operations shall be and remain at all times independent from all other persons and entities involved in commercial cannabis operations other than testing operations.
- C. Fire Safety Plan.
 - 1. Testing operations shall not commence until written approval is received from the Director for a completed Fire Safety Plan for the operation.
 - 2. An application for a renewal of a Commercial Cannabis Operation Permit for testing shall not be approved until an inspection of the site occurs by the Director which affirms that both the operation remains in compliance with the approved Fire Safety Plan (or an amended Fire Safety Plan as determined by the Director) and that any further actions that need to be taken in the determination of the Director are taken to ensure that all applicable and necessary health and safety requirements are met.
- D. The premises shall be equipped with an automatic fire sprinkler system, in accordance with NPFA 13, the California Fire Code (including but not limited to Section 903), as adopted by the City, and the Suisun City Code.
- E. Certified Industrial Hygienist (CIH).
 - 1. The permittee must provide for, maintain, and follow a detailed plan prepared by a CIH, and approved by the Director, to ensure the appropriate health and safety procedures including, but not limited to, procedures necessary to control hazards, for use of proper protective equipment, product safety, compliance with Cal OSHA limits, to provide specifications for ventilation controls, and ensure environmental protections, are adopted and used by the operation on a continuing basis.
 - 2. The Director may establish further written requirements for the plan, including but not limited to required inspections by the CIH and a hazardous materials management plan. Upon reasonable determination by the Director, the permittee shall be required to update or amend the approved plan to the satisfaction of the Director.
- F. All processing and analytical testing devices used by the operation must be UL listed, or otherwise approved for the intended use by the Director. Any processing devices using only non-pressurized water are exempt from such approval.

G. Operation Requirements. The testing operation shall be comply with the following requirements:

1. Conduct all testing in a manner pursuant to Section 26100 of the Business and Professions Code, and as amended, subject to State and local laws and regulations.
2. Conduct all testing in a manner consistent with general requirements for the competence of testing and calibration activities, including sampling using verified methods.
3. Obtain and maintain ISO/IEC 17025 accreditation as required by the State.
4. Destroy the remains of the sample of cannabis or cannabis products upon the completion of analysis as determined by the State through regulations.
5. Dispose of any waste byproduct resulting from testing operations in the manner required by State and local laws and regulations.

Section 18.49.200 Commercial Cannabis Cultivation Operating Standards and Restrictions

Commercial cannabis operations involving the cultivation of cannabis in the City shall be subject to the general operating standards and restrictions set forth in section 18.49.150 and to the following minimum standards and restrictions, all of which shall be deemed conditions of any commercial cannabis business permit for a cultivation operation:

- A. Cultivation may be conducted only by commercial cannabis operations possessing a valid and current State license authorizing indoor or mixed-light (but not outdoor) cultivation issued pursuant to Division 10 of the Business & Professions Code (or State regulations), as well as a City-issued commercial cannabis business permit.
- B. Applications for a City-issued commercial cannabis business permit for cultivation operations require a detailed description of the proposed operation's energy and water usage plan, providing for best practices and leading industry practices in efficient utilization of energy and water.
- C. Water.
 1. The water supply shall be sufficient for the operations intended, shall comply with all State regulations, and shall be derived from a source that is a regulated water system. Private water supplies shall be derived from a water source that is capable of providing a safe, potable, and adequate supply of water to meet the facility's needs.

2. Plumbing shall be of adequate size and design and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the plant and that shall properly convey sewage and liquid disposable waste from the facility. There shall be no cross-connections between the potable and waste water lines.
- D. Cannabis cultivation shall take place inside fully enclosed structures, and cannabis cultivation areas shall be secured at all times and shall be separated from all other portions of the premises.
- E. Each building with a cultivation area shall have adequate storage space for cannabis that has completed the cultivation process or is otherwise not being cultivated. The storage areas shall be separated from the main entrance and lobby, and shall be secured by a lock accessible only to employees of the permittee.
- F. Electricity used for cannabis cultivation shall not exceed the rated wattage and capacity of the circuit breaker.
- G. Sufficient lighting must be used in all areas where cannabis is cultivated and stored, and where equipment or utensils are cleaned, so that at all times the items and activities in these areas are fully visible to both any security cameras covering the areas as well as the naked eye. All lighting shall be shielded so as to completely confine light and glare to the interior of the cannabis cultivation area.
- H. Floors, walls, and ceilings in cultivation areas shall be constructed in such a manner that they may be adequately cleaned and kept clean and kept in good repair.
- I. All chemical waste and hazardous material used, generated or associated with the operation must be disposed of in a manner which is approved by the Director before disposal occurs, and which is compliant with all local, State and federal guidelines for the disposal of hazardous materials.
- J. The permittee must provide for and maintain a waste treatment system which is approved by the Director so as to prevent contamination in areas where cannabis or cannabis products may be exposed to waste or waste by-products.

Section 18.49.210 Application Fees.

An application fee set by resolution of the City Council shall be required for formal processing of every application made under this chapter. The City Council is authorized to adopt resolutions to recover any and all fees and costs incurred in the administration and enforcement of this chapter through an appropriate fee recovery mechanism to be imposed upon commercial cannabis operations.

Section 18.49.220 Commercial Cannabis Business Permit Suspension and Revocation.

- A. The Director is authorized to suspend and/or revoke any commercial cannabis business permit issued pursuant to this chapter upon the determination through written findings of a failure to comply with any provision of this chapter, any permit condition, or any agreement or covenant as required pursuant to this chapter.
- B. Prior to suspension or revocation of a commercial cannabis business permit, the permittee shall be provided with a written notice which details the violation(s). The permittee shall have seven (7) days to cure the violation to the satisfaction of the Director. The seven (7) day cure period may be extended by the Director or the City Council for reasonable cause.
- C. The Director may suspend or revoke a commercial cannabis business permit if he or she determines that any of the following have occurred:
 - 1. The Director determines that the permit holder has failed to comply with any provision of this chapter, any permit condition, or any agreement or covenant as required pursuant to this chapter;
 - 2. The permit holder's equivalent State license has been suspended or revoked by the State of California;
 - 3. The permit holder has ceased operations for more than 180 calendar days (including during any change of ownership, if applicable);
 - 4. Ownership is changed without securing a new commercial cannabis business permit.
 - 5. The permit holder has failed to maintain required security camera recordings; or
 - 6. The permit holder has failed to allow inspection of the security recordings, the activity logs, the records, or the premises of the site by authorized City officials pursuant to this chapter.
 - 7. The permit holder has failed to comply with the terms of an applicable Development Agreement.
- D. Conditions (if any) of suspension or revocation are at the discretion of the Director and may include, but are not limited to, a prohibition on all owners, operators, managers and employees of the suspended or revoked Commercial Cannabis Operation from operating within the City for a period of time set forth in writing and/or a requirement (when operations may resume, if at all, pursuant to the Director's determination) for the holder of the suspended or revoked permit to resubmit an application for a commercial cannabis business permit pursuant to the requirements of this chapter.

- E. Decisions of the Director made pursuant to this section may be appealed to the City Council by filing a notice of appeal with the City Clerk within ten (10) days of receiving notice of the permit suspension or revocation. The notice of appeal shall specify the grounds for the appeal. The Council shall fix a time and place for hearing the appeal, and the City Clerk shall give written notice to the appellant of the time and place of the hearing via certified mail, return receipt requested, addressed to the address specified in the appellant's permit. The appeal shall be heard by the City Council within forty-five days following the date the appeal is filed with the City Clerk. The findings and decision of the Council shall be final and conclusive, and shall be served upon the applicant, in the manner prescribed in this subsection for service of notice of hearing, within thirty days of the hearing date. The provisions of Sections 1094.5 and 1094.6 of the Code of Civil Procedure set forth the procedure for judicial review of any final determination.

Section 18.49.230 Cultivation of Cannabis for Personal Use.

The following regulations shall apply to the cultivation of cannabis for personal use within the City:

- A. Total cultivation is limited to no more than six (6) living cannabis plants per private residence at any one time.
- B. Only persons who are twenty-one (21) years of age or older may participate in any part of the cultivation process.
- C. Cultivation shall not take place at any place other than private residences.
- D. Persons who cultivate cannabis for personal use shall reside full-time on the premises where the cannabis cultivation occurs.
- E. None of the cannabis plants, nor any cannabis produced by the plants in excess of 28.5 grams, shall be visible by normal unaided vision from any place regularly accessible to the general public.
- F. All cannabis produced by cannabis plants in excess of 28.5 grams shall be kept in a fully enclosed and locked structure located on the residential premises of the person(s) cultivating the cannabis.
- G. Structures in which cannabis is cultivated shall comply with all applicable State and local health, safety, buildings and fire standards, including but not limited to the California Buildings Standards Code, as adopted by the City of Suisun City.
- H. Use of gasses (such as carbon dioxide, butane, propane and natural gas) for personal cannabis cultivation is prohibited.
- I. Private residences used for cannabis cultivation (whether such cultivation occurs within the main residence or an accessory structure) shall maintain fully functional kitchen,

bathroom and bedroom facilities, and shall not be used primarily or exclusively for cannabis cultivation.

- J. Cannabis cultivation areas shall be locked when not in use by authorized persons.
- K. Cannabis cultivation areas shall not be readily accessible to persons under twenty-one (21) years of age, regardless of whether such persons reside at the private residence used for cultivation.
- L. If the person(s) engaging in cannabis cultivation are not the property owners of the private residence being used for cultivation, such person(s) must obtain express consent of the property owner(s) prior to engaging in cannabis cultivation.
- M. The odor resulting from cannabis cultivation shall not be detectable by human senses from any neighboring property or public right-of-way. If deemed necessary by the Director to ensure that no odor resulting from cannabis cultivation shall be detectable by human senses from any neighboring property or public right-of-way, a personal cannabis cultivator shall install and continuously operate a functioning ventilation and filtration system which complies with all applicable building code regulations, including obtaining all required permits and approvals.
- N. Cannabis cultivation shall not result in emission of dust, glare, heat, gases, smoke, odors, fumes, particles, hazardous waste, or other impacts which constitute a nuisance or adversely affect the health, safety or welfare of any occupants of the subject property or of the surrounding area.

Section 18.49.240 Administration.

Further rules, regulations, procedures and standards for the administration and implementation of this chapter may be adopted from time to time either by resolution or ordinance of the City Council, by the Director (pursuant to authorization by resolution of the City Council), or as further provided by this chapter.

Section 18.49.250 Violations and Penalties.

- A. Any violation of the provisions of this chapter is punishable as a misdemeanor or an infraction, at the discretion of the city prosecutor, pursuant to Chapter 1.08 of the Suisun City Code.
- B. Any violation of the provisions of this chapter is grounds for issuance of an administrative compliance order pursuant to Chapter 1.16 of the Suisun City Code and/or issuance of an administrative citation pursuant to Chapter 1.20 of the Suisun City Code.
- C. Any violation of this chapter constitutes a public nuisance which may be abated in accordance with the procedures set forth in Chapter 8.12 of the Suisun City Code. All costs to abate such public nuisance, including attorneys' fees and court costs, shall be

paid by the person causing the nuisance, including the property owner where the nuisance is occurring.

- D. The remedies prescribed in this chapter are cumulative of one another and of any other legal or equitable remedies which are or may be available to the City to enforce the provisions of this chapter. The use of one or more remedies by the City shall not bar the use of any other remedy for the purpose of enforcing this chapter.
- E. Any violation of the provisions of this chapter shall constitute a separate offense for each and every day during which such violation is committed or continued.

Section 18.49.260 Prohibitions.

- A. Any commercial cannabis operation in violation of the MAUCRSA, this chapter, or any other applicable State or local law or regulation is expressly prohibited.
- B. It is unlawful for any commercial cannabis operation in the City, or any agent, employee, or representative of such commercial cannabis operation, to permit any breach of peace or any disturbance of public order or decorum by any tumultuous, riotous, or disorderly conduct at the site of the commercial cannabis operation.
- C. It is unlawful for any cannabis or cannabis products originally produced for personal use, pursuant to Section 18.49.230, to be sold in any manner.

Section 18.49.270 Nonconforming Use.

No use which purports to have engaged in a commercial cannabis activity of any nature prior to the enactment of this chapter shall be deemed to have been a legally established use under the provisions of this Code, or any other local ordinance, rule or regulation, and such use shall not be entitled to claim legal nonconforming status.

SECTION 3. SEVERABILITY. If any section, subsection, 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, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have adopted this ordinance and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions thereof may be declared invalid or unconstitutional.

SECTION 4. EFFECTIVE DATE. This ordinance shall be in full force and effect thirty (30) days after its passage.

SECTION 5. CERTIFICATION. The City Clerk shall certify to the adoption of this ordinance, and shall cause the same to be posted and codified in the manner required by law.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the City Council of the City of Suisun City, California, on this ____ day of _____ 2020.

Lori Wilson, Mayor

ATTEST:

Linda Hobson, City Clerk

**APPROVED AS TO FORM
AND LEGAL CONTENT:**

Anthony R. Taylor, City Attorney

CERTIFICATION:

I, Linda Hobson, City Clerk of the City of Suisun, California, do hereby certify that Ordinance _
was adopted by the City Council of the City of Suisun City at a regular meeting held on the _ day
of _, 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Linda Hobson, City Clerk
City of Suisun City, California