

# FINAL DRAFT

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLITS, CALIFORNIA, REPEALING CHAPTER 9.20 OF THE WILLITS MUNICIPAL CODE ENTITLED MEDICAL MARIJUANA DISPENSARIES, REPEALING CHAPTER 17.86 ENTITLED MARIJUANA CULTIVATION, MODIFYING CHAPTERS 17.06, 17.24, 17.26, 17.28 AND 17.29 AND ADDING CHAPTER 17.85 ENTITLED MEDICAL CANNABIS ACTIVITIES RELATING TO THE CULTIVATION, PROCESSING, DISTRIBUTION, TESTING, RESEARCH, TRANSPORTATION, DISPENSING AND MANUFACTURING OF MEDICAL CANNABIS.**

The City Council of the City of Willits hereby ordains as follows.

**Chapter 9.20 of the Willits Municipal Code entitled Medical Marijuana Dispensaries and Chapter 17.86 entitled Marijuana Cultivation are hereby repealed.**

**Title 17-Zoning of the Willits Municipal Code is hereby amended by modifying Chapters 17.06, 17.24, 17.26, 17.28 and 17.29 and adding Chapter 17.85 entitled Medical Cannabis Activities relating to the cultivation, processing, distribution, testing, research, transportation, dispensing and manufacturing of medical cannabis, to read as follows:**

[TITLE 17]

17.06.020 - Listing of use groups

Group 57: Medical Cannabis Activities. Establishments primarily engaged in the planting, cultivation, harvesting, transporting, manufacturing, compounding, converting, processing, preparing, storing, packaging, distributing, researching, testing, providing, or selling wholesale and/or retail sales of Medical Cannabis.

- 57a Indoor Medical Cannabis Cultivation includes any activity within a Fully Enclosed and Secure Structure involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis for medical use, including nurseries.
- 57b Medical Cannabis Manufacturing means the compounding, blending, extracting, infusing, or otherwise making or preparing a cannabis product.
- 57c Medical Cannabis Dispensary includes any facility or location where medical cannabis is made available to and/or distributed by a primary caregiver, a qualified patient, or a person with an identification card, in strict accordance with Health and Safety Code Section 11362.5.
- 57d Medical Cannabis Laboratories and Research includes a laboratory or entity that offers or performs tests or testing of cannabis or cannabis products.
- 57e Medical Cannabis Distribution means any facility engaged in the procurement, temporary storage, non-retail sales, and transport of cannabis or cannabis products

between State-licensed cannabis businesses, including warehouses and similar structures.

57f Medical Cannabis Packaging and Processing means a facility engaged in the drying, curing, grading, trimming, storing, packaging, and labeling of non-manufactured cannabis and cannabis products.

57g Medical Cannabis Infusion means any facility that produces edible products or topical products using infusion processes, or other types of medical cannabis products other than extracts or concentrates, and that do not conduct extractions.

17.22.020 - Principal permitted uses. The following are principal permitted uses in the C1 zone:

Use Group	6		Business and Professionals Offices;
	8		Business support services;
	10		General Consumer services;
	12	(a)	General retail trade;
	14	(a)	Eating places;
	18		Social services;
	20	(a)	Private educational or religious institutions
	20	(b)	Cultural or social institutions;
	22	(a)	Indoor sports and recreation facilities;
	30		Light equipment repair and sale;
	46	(a)	Cremation;
	46	(c)	Undertaking;
	<u>57</u>	<u>(d)</u>	<u>Medical Cannabis Laboratories and Research.</u>

17.24.020 - Principal permitted uses. The following are principal permitted uses in the C2 zone:

Use Group	<u>4</u>	<u>(b)</u>	Tourist accommodations;
	6		Business and professional offices;
	<u>8</u>		Business support services;
	10		General consumer services;
	12	(a)	General retail trade;
	14	(a)	Eating places;
	16		Adult entertainment;
	18		Social services;
	20	(a)	Private educational or religious institutions;
	20	(b)	Cultural or social institutions.
	22	(a)	Indoor sports and recreation facilities;
	24	(a)	Light automotive repair
	24	(c)	Auto sale and rental;
	24	(d)	Car washes;

	30		Light equipment repair and sale;
	32	(b)	Heavy equipment sale;
	46	(a)	Cremation;
	46	(c)	Undertaking;
	47		Custom printing;
	57	(c)	Medical Cannabis Dispensary;
	57	(d)	Medical Cannabis Laboratories and Research;
	57	(e)	Medical Cannabis Distribution.

17.26.020 - Principal permitted uses. The following are principal permitted uses in the ML zone:

Use Group	24		Automotive, except auto sale and rental;
	32		Heavy equipment repair and sale;
	34	(a)	Indoor wholesaling and storage;
	42	(a)	General agriculture;
	48		Custom manufacturing;
	50	(a)	General industrial;
	57	(a)	Medical Cannabis Activities.

17.28.020 - Principal permitted uses. The following are principal permitted uses in the MH zone:

Use Group	18	(c)	Child day care services as an accessory to permitted use;
	24		Automotive;
	26		Vehicular storage;
	28	(b)	Truck stops;
	32		Heavy equipment repair and sale;
	34		Wholesaling, storage and distribution, except fuel jobbing;
	36		Public services;
	42	(a)	General agriculture;
	48		Custom manufacturing;
	50	(a)	General industrial;
	50	(b)	Intermediate industrial;
	57		Medical Cannabis Activities

17.29.020 - Principal permitted uses. The following are the principal permitted uses in the I-P zone:

Use Group	6		Business and professional offices
	34	(a)	Indoor wholesaling and distribution;
	42	(a)	General agriculture;
	49		Research and development laboratories;
	52		Semi-conductor manufacturing;
	57		Medical Cannabis Activities.

## Chapter 17.85 MEDICAL CANNABIS ACTIVITIES

Sections:

### 17.85.010 FINDINGS AND PURPOSE

The City Council adopts the ordinance codified in this Chapter based upon the following findings:

- (A) In 1970, Congress enacted the Controlled Substances Act (“CSA”) that, among other things, makes it illegal to import, manufacture, distribute, possess or use marijuana in the United States.
- (B) In 1996, the voters of the state of California approved Proposition 215, or the Compassionate Use Act of 1996, codified at Health and Safety Code §§ 11362.5 *et seq.* (the “Act”).
- (C) The Act creates a limited exception from criminal liability for seriously ill persons who are in need of medical marijuana for specified medical purposes and who obtain and use medical marijuana under limited, specified circumstances.
- (D) On January 1, 2004, SB 420 went into effect. SB420, codified as Health and Safety Code §§ 11362.7 - 11362.83 and known as the “Medical Marijuana Program” (“MMP”) was enacted by the state legislature to clarify the scope of the act and to allow cities and other governing bodies to adopt and enforce rules and regulations consistent with SB 420.
- (E) On October 9, 2015 the Governor signed into law AB 266, AB 243, and SB 643, which together comprise the Medical Marijuana Regulation and Safety Act, later renamed the Medical Cannabis Regulation and Safety Act (“MCRSA”). The MCRSA went into effect on January 1, 2016, and created a statewide regulatory structure for the medical cannabis industry that also allows local governments to regulate the operation of cannabis businesses within their jurisdiction, pursuant to local ordinance. The MCRSA expressly protects local licensing practices, zoning ordinances and other local actions taken under the City’s constitutional police power. Specifically, the MCRSA allows the City of Willits to issue permits or licenses to regulate the operation and location of cannabis businesses, or to prohibit their operation. Pursuant to MCRSA, if the City opts not to expressly prohibit or regulate the cultivation, processing, delivery, and/or dispensing of medical cannabis, the State will be the sole licensing authority for these activities in the City.
- (F) On November 8, 2016, California voters approved the Adult Use of Marijuana Act (AUMA) – Proposition 64. Under AUMA, and subject to the limitations set forth therein, adults aged 21 years or older may possess and use cannabis for recreational, or non-medical, purposes. Further, under AUMA, an individual is permitted to grow up to six cannabis plants within a private home, as long as the area is locked and not visible from a public place. While the City Council recognizes this limited right under AUMA to cultivate up to six cannabis plants for recreational purposes, it is the Council’s intention that the commercial medical cannabis activities authorized and regulated pursuant to this ordinance be consistent with and subject to the limitations and requirements of the MCRSA, and that any other

commercial cannabis activities, including the cultivation, distribution, testing, dispensing and manufacturing of non-medical cannabis is prohibited within the City of Willits.

(G) On June 27, 2017 the Governor signed Senate Bill 94 merging California's cannabis laws into a single regulatory system for medical and nonmedical commercial cannabis businesses. The budget trailer bill ("SB 94") took effect immediately and repeals MCRSA passed in 2015, yet incorporates many of MCRSA's provisions, including the local control of cities to regulate or completely ban commercial cannabis businesses within their jurisdictions. The new comprehensive regulatory system, intended to regulate all commercial cannabis uses, is called the Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA").

(H) To protect the public health, safety and welfare, it is the desire of the City Council to modify the City Code consistent with MAUCRSA, regarding the location and operation of Medical Cannabis Activities within the boundaries of the City.

(I) There have been a number of marijuana dispensing-related incidents in California, some including acts of violence committed by persons without a legitimate medical need to use cannabis. The City Council finds that Medical Cannabis Activities that exceeds the limitations set forth in these regulations will likely result in an unreasonable risk of crime and other adverse impacts and will likely create offensive odors to persons living nearby.

(J) It is the City Council's intention that nothing in this Chapter will be construed to (1) allow persons to engage in conduct that endangers others or causes a public nuisance; or (2) allow any activity relating to the cultivation, processing, manufacturing, distribution or consumption of cannabis that is otherwise illegal.

(K) It is the purpose and intent of the City Council to regulate medical cannabis cultivation, processing, distribution, testing, dispensing and manufacturing in a manner that is consistent with State law and promotes the health, safety, and general welfare of the residents and businesses within the City, while limiting the negative impacts associated with such Medical Cannabis Activities.

(L) It is the purpose and intent of this Chapter to accommodate the needs of medically-ill persons in need of cannabis for medical purposes while imposing regulations on the use of land to protect City neighborhoods, residents, and businesses from negative impacts. The City intends to be on the forefront of ground breaking research, science, innovation, and development of treatment for symptoms and cures in the field of medical cannabis, as scientific research, studies, and data has established that cannabis can help patients with a vast array of medical conditions.

(M) This Chapter will not be detrimental to the public health, safety and general welfare or adversely affect the orderly development of property because the uses permitted under this Chapter will be subject to careful review, limited in scope and location, and subject to strict operating requirements, avoiding or limiting potential negative effects.

(N) That by enacting these regulations, the City of Willits does not intend to encourage or promote

the establishment of any business or operation, or the commitment of any act, that constitutes or may constitute a violation of State or Federal law. As of the date of the enactment of this Ordinance, the use, possession, distribution and sale of marijuana is illegal under Federal law and those who engage in such activities do so at their own risk of criminal prosecution.

**17.85.020 INTERPRETATION AND APPLICABILITY.**

(A) This Chapter is not intended to create a positive conflict with the CSA, but rather to implement the MAUCRSA and related state laws.

(B) Nothing in this Chapter is intended, nor shall it be construed, to exempt any cannabis-related activity from any and all applicable local and state construction, electrical, plumbing, land use, or any other building, fire, or land use standards or permitting requirements.

(C) Nothing in this Chapter is intended, nor shall it be construed, to make legal any cultivation, transportation, sale, or other use of cannabis that is otherwise prohibited under California law.

(D) All processing and distribution of medical cannabis within City limits will be subject to the provisions of this Chapter, even if it existed or occurred prior to adoption of this Chapter.

(E) Nothing in this Chapter is intended , nor shall it be construed, to allow or permit any “commercial cannabis activity,” as defined in Business and Professions Code § 19300.5(j), or any commercial or non-commercial activity involving cannabis use for recreational or other non-medical purpose that is not otherwise authorized in the Willits Municipal Code.

(F) The criteria, procedures, standards, requirements, regulations, and provisions set forth in this Code shall be interpreted and applied consistent with all applicable State laws and regulations. To the extent any criteria, procedure, standard, requirement, regulation, or provision of this Code conflicts with or contradicts any applicable State law or regulation, or establishes a criteria, procedure, standard, requirement, or regulation that does not meet the minimum standards of any applicable State law or regulation, the requirements of the applicable State law or regulation shall take precedence.

**17.85.030 - DEFINITIONS.**

As used herein, the following definitions shall apply.

- A. "City" means the City of Willits, California.
- B. "City Manager" means the individual duly appointed by a majority of the City Council of the City to serve in the capacity as executive officer of the City on a permanent or interim basis.
- C. "Chief of Police" means the individual duly appointed by the City Manager to serve as the top official of the City of Willits Police Department whose primary duties are the enforcement of all state and

municipal criminal statutes and ordinances as well as the planning, directing, supervising and coordinating of the duties and responsibilities of the police department and its personnel.

- D. "Code Enforcement Officer" means the individual duly appointed by the City Manager whose primary duties are the prevention, detection, investigation, and enforcement of violations of laws regulating public nuisance, public health, safety, and welfare, public works, business activities and consumer protection, building standards, land-use, or municipal affairs.
- E. "Community Development Director" means the individual duly appointed by the City Manager whose primary duties are the planning, directing and coordinating of the full range of community development activities including planning, building, zoning administration, code enforcement, and economic development.
- F. "Cultivation Permit" means a City permit to operate an Indoor Medical Cannabis Cultivation Facility pursuant to the terms and conditions of this Chapter and the conditions of approval for the permit.
- G. "Cultivation Permittee" means an applicant who has applied for and has been issued a Cultivation Permit by the City pursuant to the terms and conditions of this Chapter.
- H. "Dispensary Permit" means a City permit to operate a Medical Cannabis Dispensary pursuant to the terms and conditions of this Chapter and the conditions of approval for the permit.
- I. "Dispensary Permittee" means an applicant who has applied for and has been issued a Dispensary Permit by the City pursuant to the terms and conditions of this Chapter.
- J. "Distribution Permit" means a City permit to operate a Medical Cannabis Distribution Facility pursuant to the terms and conditions of this Chapter and the conditions of approval for the permit.
- K. "Distribution Permittee" means an applicant who has applied for and has been issued a Distribution Permit by the City pursuant to the terms and conditions of this Chapter.
- L. "Facility" as used in this chapter shall mean any building, structure or area of land used for the Medical Cannabis Activity.
- M. "Fully Enclosed and Secure Structure" means a space within a building which has a complete roof enclosure supported by connecting walls extending from the ground to the roof, which is secure against unauthorized entry, provides complete visual screening, and which is accessible only through one or more lockable doors and is inaccessible to minors. Use of greenhouses or similar structures for commercial cannabis cultivation is prohibited.
- N. "Indoors" means within a Fully Enclosed and Secure Structure.

- O. "Infusion Permit" means a City permit to operate a Medical Cannabis Infusion Facility pursuant to the terms and conditions of this Section and the conditions of approval for the permit.
- P. "Infusion Permittee" means an applicant who has applied for and has been issued a Infusion Permit by the City pursuant to the terms and conditions of this Chapter.
- Q. "Laboratory and Research Permit" means a City permit to operate a Medical Cannabis Laboratory and Research Facility pursuant to the terms and conditions of this Section and the conditions of approval for the permit.
- R. " Laboratory and Research Permittee" means an applicant who has applied for and has been issued a Laboratory and Research Permit by the City pursuant to the terms and conditions of this Chapter.
- S. "Legal parcel" means a lot of real property which was created pursuant to the Subdivision Map Act, or for which a certificate of compliance has been recognized and recorded.
- T. "Manufacturing Permit" means a City permit to operate a Medical Cannabis Manufacturing Facility pursuant to the terms and conditions of this Section and the conditions of approval for the permit.
- U. "Manufacturing Permittee" means an applicant who has applied for and has been issued a Manufacturing Permit by the City pursuant to the terms and conditions of this Chapter.
- V. "Medical Cannabis" shall be defined in accordance with the MAUCRSA, and other applicable State laws.
- W. "Medical Cannabis Activity" means a business activity including, but not limited to, planting, cultivation, harvesting, transporting, manufacturing, compounding, converting, processing, preparing, storing, packaging, distributing, researching, testing, providing, or selling wholesale and/or retail sales of Medical Cannabis. A Medical Cannabis Activity includes any Facility, building, structure or location, expressly including dispensaries and deliveries, and shall expressly include those commercial medical cannabis activities authorized and/or licensed by State law.
- X. "Medical Cannabis Activity Permit," means a permit issued by the City of Willits pursuant to this Chapter required to conduct a Medical Cannabis Activity.
- Y. "Medical Cannabis Activity Permittee," means an applicant who has applied for and has been issued a Medical Cannabis Activity Permit by the City pursuant to the terms and conditions of this Chapter.
- Z. "Medical Cannabis Cultivation" includes any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of Medical Cannabis for medical use, including nurseries, that is intended to be transported, processed, manufactured, distributed, dispensed, delivered, or sold in accordance with MAUCRSA for use by Medical Cannabis patients in California.

- AA. "Medical Cannabis Dispensary" includes any Facility or location where Medical Cannabis is made available to and/or distributed to a Primary Caregiver, a Qualified Patient, or a person with an identification card, in strict accordance with Health and Safety Code Section 11362.5.
- BB. "Medical Cannabis Distribution" means any Facility engaged in the procurement, temporary storage, non-retail sales, and transport of Medical Cannabis or Medical Cannabis products between State-licensed cannabis businesses, including warehouses and similar structures.
- CC. "Medical Cannabis Infusion" means any Facility that produces edible products or topical products using infusion processes, or other types of Medical Cannabis products other than extracts or concentrates, and that do not conduct extractions.
- DD. "Medical Cannabis Laboratories and Research" means a laboratory, Facility, or entity that offers or performs tests or testing of cannabis or cannabis products. It includes start-up or incubator research activities, which typically include but are not limited to research, design, analysis, development and/or testing of a Medical Cannabis product, and laboratories or Facilities engaged in scientific research studies, investigation, testing or experimentation, but not including cannabis manufacturing or sales of cannabis.
- EE. "Medical Cannabis Manufacturing" means the compounding, blending, extracting, infusing, or otherwise making or preparing a Medical Cannabis product. For purposes of this Article, cannabis manufacturing expressly includes the production, preparation, propagation, processing or compounding of Medical Cannabis or Medical Cannabis products directly or indirectly, including through extraction and/or chemical synthesis methods. Cannabis manufacturing may include distribution of wholesale products from the Premises, but shall not include any retail sales of cannabis or cannabis products or other sales to consumers.
- FF. "Medical Cannabis Packaging and Processing" means all activities associated with drying, curing, grading, trimming, storing, packaging, and labeling of non-manufactured Medical Cannabis and Medical Cannabis products.
- GG. "MAUCRSA" means the Medicinal and Adult-Use Cannabis Regulation and Safety Act.
- HH. "Outdoors" means any location within the City that is not within a Fully Enclosed and Secure Structure.
- II. "Packaging and Processing Permit" means a City permit to operate a Medical Cannabis Packaging and Processing Facility pursuant to the terms and conditions of this Section and the conditions of approval for the permit.

JJ. "Packaging and Processing Permittee," means an applicant who has applied for and has been issued a Medical Cannabis Packaging and Processing Permit by the City pursuant to the terms and conditions of this Chapter.

KK. "Premises" means a legal parcel compliant with the Subdivision Map Act or a leased or owned space in an industrial or commercial building for purposes of conducting a Medical Cannabis Activity.

LL. "Primary Caregiver" shall have the same definition as Health and Safety Code Section 11362.7.

MM. "Qualified Patient" shall have the same definition as Health and Safety Code Section 11362.7.

NN. "School" shall have the same definition as Health and Safety Code Section 11362.768.

OO. "Track and Trace" means a monitoring system providing traceability throughout the production and distribution lifecycle of permitted cannabis utilizing a unique identifier pursuant to Health and Safety Code Section 11362.777.

#### **17.85.040 – CULTIVATION PERMIT; EXEMPTIONS.**

A. The planting, cultivation, harvesting, drying, or processing of no more than six living cannabis plants per legal parcel, for medical or non-medical purposes, is exempt from the provisions of this Chapter, subject to the following requirements:

1. All planting, cultivation, harvesting, drying and processing shall exclusively occur within a Fully Enclosed and Secure Structure. Outdoor cultivation is strictly prohibited.
2. Odor from the planting, cultivation, harvesting, drying and processing of cannabis shall not be detectable from beyond property boundaries. Adequate odor controls shall be provided to ensure compliance with this standard. Failure to adequately control odors shall be declared a public nuisance and as such shall be subject to abatement procedures found in Chapter 1.12 of the Willits City Code.
3. This limitation shall be imposed regardless of the number of qualified patients residing at such location. Further, this limitation shall be imposed notwithstanding any assertion that the person(s) cultivating cannabis are the primary caregivers for qualified patients.
4. Any and all cannabis cultivated shall be for personal use of those over 21 years of age and shall not be sold.

#### **17.85.050 – GENERAL CONDITIONS AND REGULATIONS APPLICABLE TO EACH AUTHORIZED MEDICAL CANNABIS ACTIVITY AND PERMIT.**

1. Medical Cannabis Activities shall not adversely affect the health or safety of the nearby residents and businesses by creating dust, glare, heat, noise, odors, smoke, traffic, vibration, or other impacts, and shall not be hazardous due to use or storage of materials, processes, products, or wastes.
2. All Medical Cannabis Activities shall fully comply with all of the applicable restrictions and mandates set forth in State law. All Medical Cannabis Facilities shall comply with all size requirements for such Facilities as imposed by State law. Medical Cannabis Facilities shall not engage in any activities not allowed by Medical Cannabis Facilities pursuant to State law. All Medical Cannabis Facilities shall comply with all horticultural, labeling, processing, testing and other standards required by State law.
3. No Medical Cannabis Facility shall be established, developed, or operated within 200 feet of a School, public playground or park, or licensed child care or licensed day care facility. Further, no Medical Cannabis Dispensary shall be established, developed, or operated within 600 feet of a School. All distances shall be measured in a straight line, without regard to intervening structures, from the nearest point of the building or structure in which the Indoor Medical Cannabis Cultivation is, or will be located, to the nearest property line of those uses describe in this Subsection.
4. Establishment of a land use, as identified in Section 17.85.050(3), within the required setback of a Medical Cannabis Facility after such Facility has obtained a Cannabis Activity Permit for the site shall render the Medical Cannabis Facility legal non-conforming and subject to the protections and provisions of Chapter 17.71 (Nonconforming Uses and Structures).
5. All delivery areas and loading/unloading areas shall be within a secured area that is not visible from the public right-of-way.
6. From any public right-of-way or private vantage point, there shall be no visible evidence of any Medical Cannabis Activity.
7. A Medical Cannabis Activity shall not exceed the square footage authorized pursuant to the applicable Permit.
8. There is no set restriction on the hours of operation of Medical Cannabis Facilities; however, restricted hours of operation may be established as a condition of approval of the Cannabis Activity Permit.
9. All Medical Cannabis businesses must pay all applicable taxes and fees pursuant to all Federal, State, and local laws.

10. On-site smoking, ingestion, or consumption of cannabis shall be prohibited on the Premises of all Medical Cannabis Facilities. The term “Premises” as used in this section includes the actual Medical Cannabis Facility building, as well as any accessory structures and outdoor areas including parking areas. The Facility building entrance shall be clearly and legibly posted with a notice indicating that smoking, ingesting, or consuming cannabis on the Premises or in the vicinity of the Facility is prohibited.
11. Signage for all Medical Cannabis Facilities that is visible from public areas and public right-of-ways shall be limited to name of business only, shall be in compliance with the City’s sign code, and shall contain no advertising of any companies, brands, products, goods, or services. Signage shall not include any cannabis related symbols however the standard green cross symbol that is commonly used to identify a Medical Cannabis business is expressly allowed, consistent with the sign code. Any signage as required by law is not included in this limitation.
12. A Medical Cannabis Activity is allowed only within Fully Enclosed and Secure Structures that are inaccessible to minors and compliant with all applicable State and local laws.
13. The building in which any Medical Cannabis Facility is located, as well as the operations as conducted therein, shall fully comply with all applicable rules, regulations, and laws including, but not limited to, zoning and building codes, the City’s business license ordinances, the Revenue and Taxation Code, the Americans with Disabilities Act, and the MAUCRSA. Compliance with all requirements of State law pertaining to Medical Cannabis businesses is also required.
14. The operators of all Medical Cannabis Facilities shall provide the Code Enforcement Officer or his/her designee with the name, phone number, facsimile number, and email address of an on-site representative to whom the City and the public can provide notice if there are any operational problems associated with the Medical Cannabis Facility. All operators of Medical Cannabis Facilities shall make every good faith effort to encourage residents and the public to call this representative to resolve any operational problems before any calls or complaints are made to the City or law enforcement.
15. All Medical Cannabis Facilities shall be operated in accordance with the conditions of approval associated with the applicable Permit(s) for the parcel of real property upon which the Medical Cannabis Activities occur.
16. All Medical Cannabis Facilities shall have a security plan including the following measures:
  - a. Security cameras shall be installed and maintained in good condition, and used in an on-going manner with at least 30 concurrent days of digitally recorded documentation in a format approved by the Chief of Police or his/her designee. The cameras shall be in use 24 hours per day, 7 days per week. The areas to be covered by the security cameras include, but are not

limited to, the storage areas, Medical Cannabis Activity areas, all doors, and any other areas as determined by the Chief of Police or his/her designee. Any disruption in security camera images shall be cured expeditiously in good faith.

- b. All areas recorded by the security cameras shall at all times have adequate lighting to allow the surveillance cameras to effectively record images except when lighting would interfere with indoor cultivation cycle.
  - c. The physical media or storage device on which surveillance recordings are stored must be secured in a manner to protect the recordings from tampering or theft.
  - d. The Medical Cannabis Facility shall be alarmed with an alarm system that is operated and monitored by a licensed security company.
  - e. Entrance to any cultivation area, and all any cannabis storage areas, shall be locked at all times, and under the control of the Medical Cannabis Facility's staff.
  - f. All cannabis and cannabis products shall be kept in a secured manner during all business and non-business hours to prevent diversion, theft, and loss.
  - g. The entrances and all window areas shall be illuminated during evening hours.
  - h. All windows on the building that houses the Medical Cannabis Facility shall be appropriately secured.
  - i. Plan to prevent individuals from loitering on the premises of the Medical Cannabis Facility if they are not engaging in activity expressly related to the operations of the Facility.
17. Recordings made by the security cameras shall be made available to the Chief of Police or his/her designee upon verbal request—no search warrant or subpoena shall be needed to view the recorded materials.
18. All exterior lighting whether for security purposes or otherwise, shall be shielded, downcast or shall be positioned in a manner that will not shine or allow light glare to exceed the boundaries of the parcel on which it is placed.
19. City, fire department and law enforcement officials shall have the right to enter the Medical Cannabis Facility at any time unannounced for the purpose of making reasonable inspections to observe and enforce compliance with this Section and all laws of the City and the State.
20. All hazardous material must be disposed of in a manner that is compliant with all local, State, and Federal guidelines for the disposal of hazardous materials.

21. Medical Cannabis goods or waste shall not be disposed in an unsecured waste receptacle, whether in control of the applicant or not.
22. Until such time as state regulations are implemented under the Track and Trace program required by section 19335 of the California Business and Professions Code, the applicant shall complete and maintain up-to-date records regarding Medical Cannabis transfers throughout the distribution chain, including the date and time of the transfer; the name and address of the Medical Cannabis Facility and the name and address of the supplier if different from the Medical Cannabis Facility; the amount, form, type, batch and lot number of cannabis transferred; the time of departure from the Medical Cannabis Facility; the time of arrival at the dispensing location or patient location; the names of the employees transporting or the delivering the product; and the name of the employee or patient who received the product at the dispensing location or from the delivery service.
23. Each of the permitted Medical Cannabis Activities authorized under this chapter may be located within the same building or structure if: (a) each permitted Medical Cannabis Activity is entirely located within separate, secure room(s) of the building or structure; (b) each permitted Medical Cannabis Activity has its own separate and secure entrance into the building or structure; (c) Cannabis Activities are restricted to the areas approved and designated by the regulatory permits; and (d) subject to such other conditions of approval imposed by the Community Development Director as necessary to comply with applicable regulations including but not limited to City Code, Building Code and Fire Code.
24. All owners, applicants, potential employees and any person who may be a Facility manager or otherwise responsible for the activities of a Medical Cannabis business shall submit to LiveScan fingerprinting for purposes of a criminal history clearance through the California Department of Justice and/or the Federal Bureau of Investigation. LiveScan results and updates shall be provided to the Chief of Police or his/her designee.
25. All Medical Cannabis Activity Permittees shall as a condition for a Medical Cannabis Activity Permit issuance or renewal:
  - a. Carry liability insurance in the amounts and types prescribed by the City, and name the City as an additional insured on all such insurance policies.
  - b. Execute an Indemnification Agreement prepared by the City that fully indemnifies the City for all liabilities associated with issuance of the Permit, the Permittee's cannabis related activities, and any action taken by the Permittee pursuant to this Section.

- c. Agree to defend the City, at the Permittee's sole expense, in any action against the City or its agents, officers, or employees associated with issuance of the Permit, the Permittee's cannabis related activities, or any action taken by the Permittee pursuant to this Section.
  - d. Agree to reimburse the City for all costs, expenses, fees, and attorney fees incurred by the City related to any action against the City or its agents, officers, or employees associated with the issuance of the Permit, the Permittee's cannabis related activities, or any action taken by the Permittee pursuant to this Section. The City may, at its sole discretion, participate in the defense of any such action, but such participation shall not relieve the Permittee of its obligation hereunder.
26. All Permittees of any authorized Medical Cannabis Activity shall keep the Willits Police Department updated with the names, addresses, and relevant criminal histories of all employees, Facility managers, and other relevant parties for the permitted Facility at all times. Relevant criminal histories shall include any drug-related or felony convictions, the nature of such offenses, and the sentences received for such convictions.
27. All Permittees of any authorized Medical Cannabis Activity shall account for job creation in the City and shall commit to employing a workforce that resides in the local area. Permittees shall use good faith efforts to comply with this subsection and shall report the residential composition of their workforce to the Community Development Director or his/her designee every year.
28. Medical Cannabis Activity Permits issued pursuant to this Chapter are not transferable to any third parties under any circumstances.
29. All Medical Cannabis Activity Permits issued pursuant to this Chapter shall expire 12 months from commencement of the Medical Cannabis business unless properly renewed, however upon payment of the applicable fees and passing the requisite inspections, Permittees that have maintained compliance with all City, State, and other applicable cannabis and business related laws shall be entitled to renew their Permit subject to all prevailing laws at the time of renewal. Such Permits may be renewed for a period exceeding 12 months based on a history of compliance with all City, State, and other applicable cannabis and business related laws at the discretion of the Community Development Director or his/her designee.
30. The Medical Cannabis Activity Permit shall expire at the expiration of 12 months after the effective date of Permit approval except where construction and use of the property in reliance on such Permit has been initiated by the Permittee prior to its expiration.
31. A complete Medical Cannabis Activity Permit renewal application must be submitted to the Community Development Department at least 90 days prior to the Permit expiration date.

32. To the fullest extent permitted by law, the City does not assume any liability, and expressly does not waive sovereign immunity, with respect to any permitted activities or for the activities.
33. All Permits issued pursuant to this Chapter are subject to the conditions of approval in the applicable Permit for the parcel of real property upon which the permitted activity occurs.
34. All Permits issued pursuant to this Chapter are subject to any additional conditions that may be applied by the City at the time of issuance or renewal as necessary to properly regulate the activity and protect the public.
35. Permittees of any authorized Medical Cannabis Activity may not hold or use any other Medical Cannabis Activity Permits or licenses that would otherwise be a violation of the MAUCRSA or Business and Professions Code section 19328.
36. Before a Medical Cannabis Activity Permit can be issued to an applicant, Medical Cannabis Activity Permit fees must be paid to offset all related costs to the City, and the proposed Medical Cannabis Facility must pass all applicable inspections.

**17.85.060 –CANNABIS CULTIVATION PROHIBITION.**

All cannabis cultivation within the City is prohibited except as expressly permitted by this Chapter.

**17.85.070 –INDOOR MEDICAL CANNABIS CULTIVATION PERMITTED**

Indoor Medical Cannabis Cultivation is permitted in the City only as expressly specified in this Section.

- A. Indoor Medical Cannabis Cultivation Standards: Indoor Medical Cannabis Cultivation, within the City, shall be in conformance with the following standards:
  1. Indoor Medical Cannabis Cultivation shall only be allowed upon application and approval of a Cultivation Permit in accordance with the criteria and process set forth in this Chapter.
  2. Indoor Medical Cannabis Cultivation activity may include growing cannabis plants, harvesting cannabis plants, drying cannabis, and processing cannabis grown on-site, but shall not include any extraction procedures to produce concentrated cannabis.
  3. Indoor Medical Cannabis Cultivation Facilities shall not distribute, sell, dispense, or administer cannabis from the Facility to the public.
  4. Indoor Medical Cannabis Cultivation is a permitted use only on properties within the Limited Industrial (ML), Heavy Industrial (MH) and Industrial Park (I-P) zoning designations.

5. Only two Cultivation Permits may be possessed or used by the same person or entity, including the representatives, agents, parent entities, or subsidiary entities of that person or entity.
6. Only one Cultivation Permit will be issued per Legal Parcel.
7. Subject to the further requirements of this Section, only the following State cultivator license classification types specified in the MAUCRSA and Business and Professions Code sections 19300.7 and 19332 will be allowed to operate in the City: 1A, 2A, 3A, and 4. (Type 1A: Indoor – up to 5,000 square feet; Type 2A: Small Indoor – 5,001 to 10,000 square feet; Type 3A: Medium Indoor – 10,001 to 22,000 square feet; Type 4: Nursery Indoor only – up to one acre.)
8. All Indoor Medical Cannabis Cultivation Facilities shall have an air system that creates negative air pressure between the Facility's interior and exterior so that the odors generated inside the Facility are not detectable on the outside of the Facility. Additional odor controls may be necessary to ensure that odors from the Facility are not detectable from the outside of the Facility. Failure to control odors from being detectable from outside the commercial cannabis business shall be grounds for revocation of the Cultivation Permit.
9. All batches of final cultivated cannabis must be inspected and quality tested by a qualified third party distributor and testing facility prior to distribution to a dispensary as required by the MAUCRSA, Business and Professions Code sections 19326 and 19342, the Department of Food and Agriculture regulations, and the State Department of Public Health regulations.
10. Indoor lighting used to aid in the cultivation process shall not be visible from outside the building.

#### **17.85.080 – CANNABIS MANUFACTURING PROHIBITION**

All cannabis manufacturing within the City is prohibited except as expressly permitted by this Chapter.

#### **17.85.090 – MEDICAL CANNABIS MANUFACTURING PERMITTED**

Medical Cannabis Manufacturing is permitted in the City only as expressly specified in this Section.

- A. Medical Cannabis Manufacturing Standards. Medical Cannabis Manufacturing, within the City, shall be in conformance with the following standards:
  1. Medical Cannabis Manufacturing shall only be allowed upon application and approval of a Manufacturing Permit in accordance with the criteria and process set forth in this Chapter.

2. Medical Cannabis Manufacturing Facilities shall include the compounding, blending, extracting, infusing, or otherwise making or preparing of a Medical Cannabis product. Medical Cannabis Manufacturing may include distribution of wholesale products from the Premises, but shall not include any retail sales of cannabis or cannabis products or other sales to consumers.
3. Medical Cannabis Manufacturing is a permitted use only on properties within the Limited Industrial (ML), Heavy Industrial (MH) and Industrial Park (I-P) zoning designations.
4. Only two Manufacturing Permits may be possessed or used by the same person or entity, including the representatives, agents, parent entities, or subsidiary entities of that person or entity.
5. Only one Manufacturing Permit will be issued per Legal Parcel.
6. Subject to the further requirements of this Section, only State manufacturer license classification Type-6 Manufacturing Level 1 (manufacturing using non-volatile solvents) and conditional Type 7-Manufacturing Level 2 (manufacturing using volatile solvents) will be allowed to operate in the City in accordance with the MAUCRSA and Business and Professions Code sections 19300.7 and 19341.
7. All Medical Cannabis Manufacturing Facilities shall install odor control systems to ensure that odors from the Facility are not detectable on the outside of the Facility. Failure to control odors from being detectable from outside the Facility shall be grounds for revocation of the Manufacturing Permit.
8. All Medical Cannabis Manufacturing Facilities must employ full time quality control personnel. The Manufacturing Permittee must establish Standard Operating Procedures and Batch Records that comply with current Good Manufacturing Practices and the MAUCRSA for all products, as outlined by the State Department of Public Health and the Food and Drug Administration.
9. All finished products produced by a Medical Cannabis Manufacturing Facility must be labeled in compliance with the MAUCRSA, Business and Profession Code section 19347, and the labeling requirements outlined by the State Department of Public Health.
10. All finished products produced by a Medical Cannabis Manufacturing Facility must be packaged in child resistant containers prior to leaving the Facility or becoming commercially available in accordance with the MAUCRSA, Business and Profession Code section 19347, the State Department of Public Health regulations, and other applicable State laws.
11. All batches of final cannabis products must be tested by a qualified third party testing Facility prior to distribution to a dispensary as required by the MAUCRSA, Business and Professions Code sections 19326, 19341, and 19342, and the State Department of Public Health regulations.

12. Type 6 Manufacturing Level 1 Medical Cannabis Manufacturing Facilities shall only use nonvolatile solvents that have been approved by the State Department of Public Health for Medical Cannabis level 1 manufacturing. Until such time as any such nonvolatile solvents are approved by the State Department of Public Health for Medical Cannabis level 1 manufacturing, Medical Cannabis Manufacturing Facilities shall only use nonvolatile solvents that have been approved by the Food and Drug Administration for the processing and preparation of botanical dietary supplements or food grade products.
13. Type 7 Manufacturing Level 2 Medical Cannabis Manufacturing Facilities shall be limited to the use of volatile solvents with a class 1B flammability rating or less as defined by the National Fire Protection Association. The use of class 1A flammable solvents (liquids) and any flammable gases is prohibited. The number of licenses of this type shall also be limited by the State Department of Public Health.
14. All processing and analytical testing devices used for Medical Cannabis Manufacturing Facilities must be UL listed, or otherwise approved for the intended use by the City's Building Official and the Fire Department. Any processing devices using only non-pressurized water are exempt from such approval.

#### **17.85.100 – CANNABIS DISPENSARIES PROHIBITED**

All cannabis dispensing within the City is prohibited except as expressly permitted by this Chapter.

#### **17.85.110 – MEDICAL CANNABIS DISPENSARIES PERMITTED**

A Medical Cannabis Dispensary is permitted in the City only as expressly specified in this Section.

- A. Medical Cannabis Dispensary Standards. A Medical Cannabis Dispensary within the City, shall be in conformance with the following standards:
  1. A Medical Cannabis Dispensary shall only be allowed upon application and approval of a Dispensary Permit in accordance with the criteria and process set forth in this Chapter.
  2. A Medical Cannabis Dispensary shall only sell Medical Cannabis goods to Medical Cannabis Qualified Patients or the Primary Caregivers of Qualified Patients.
  3. No more than three Medical Cannabis Dispensaries shall be permitted to obtain a Dispensary Permit and operate within the City at any given time. Dispensary selection procedures are provided in Section 17.85.120.

4. A Medical Cannabis Dispensary is a permitted use only on properties within the Limited Industrial (ML), Heavy Industrial (MH), Industrial Park (I-P) and Heavy Commercial (C2) zoning designations.
5. Only one Dispensary Permit may be possessed or used by the same person or entity, including the representatives, agents, parent entities, or subsidiary entities of that person or entity.
6. Only one Dispensary Permit will be issued per Legal Parcel.
7. A Medical Cannabis Dispensary shall be limited in size to no larger than 3,500 square feet while at no time allowing the public dispensing area to exceed 1,500 square feet.
8. All Medical Cannabis Dispensary Facilities shall install odor control systems to ensure that odors from the Facility are not detectable from the outside of the Facility. Failure to control odors from being detectable from outside the Facility shall be grounds for revocation of the Dispensary Permit.
9. Public hours of operation of Medical Cannabis Dispensary Facilities shall be restricted between the hours of 9:00 a.m. Pacific Time and 9:00 p.m. Pacific Time each day.
10. A Medical Cannabis Dispensary shall only accept shipments of Medical Cannabis goods between the hours of 6:00 a.m. Pacific Time and 9:00 p.m. Pacific Time each day. During public business hours, any shipment of Medical Cannabis goods accepted by the Medical Cannabis Dispensary shall not enter the Premises through an entrance that is available for use by the public to enter or exit the Premises.
11. A Medical Cannabis Dispensary shall meet all the operating criteria for the dispensing of Medical Cannabis as is required pursuant to Health and Safety Code Section 11362.5 and any other applicable State law, and as amended.
12. A Medical Cannabis Dispensary shall maintain records of all patients and primary caregivers using only the identification card number issued pursuant to Health and Safety Code Section 11362.71 as a protection of the confidentiality of the cardholders, or a copy of the written recommendation from a physician stating the need for medical cannabis.
13. The original copy of the permit issued by the City of Willits pursuant to this Chapter and the business license issued by the City of Willits pursuant to the Willits Municipal Code shall be posted inside the Dispensary in a location readily-visible to the public.
14. The owner and/or operator of a Medical Cannabis Dispensary shall prohibit loitering by persons outside the Dispensary both on the Premises and within fifty (50) feet of the Premises.

15. A mobile delivery service may operate within the City limits only as a part of and in conjunction with a Medical Cannabis Dispensary permitted within the City limits and pursuant to State law and this section.
  - a. A list of the names and cellular telephone contact numbers for all employees of a Medical Cannabis Dispensary mobile delivery service shall be provided to the Chief of Police or his/her designee. Such list shall at all times be kept current and up to date. All drivers must be at least 21 years of age at the time of Dispensary Permit application submittal.
  - b. Listing of all vehicles and devices to be used for delivery of cannabis or cannabis product within the City, which includes the vehicle's make, model, year, license plate number and vehicle identification number.
  - c. Delivery services must operate within the same hours as the associated Medical Cannabis Dispensary public hours of operation.
  - d. No person shall deliver Medical Cannabis to any person or location within the City except for Medical Cannabis transfers made to a Qualified Patient or their Primary Caregiver.
16. Entrances into the Medical Cannabis Dispensary shall be locked at all times with entry strictly controlled. A "buzz-in" electronic/mechanical entry system shall be utilized to limit access to and entry to the Dispensary to separate it from the reception/lobby area. Individuals must show their medical cannabis card or doctor's recommendation in order to gain access into the Dispensary sales area.
17. Security personnel shall be employed to monitor site activity, control loitering and site access.
18. All products sold by a Medical Cannabis Dispensary Facility must be labeled in compliance with the MAUCRSA, Business and Profession Code section 19347, and the labeling requirements outlined by the State Department of Public Health.
19. All finished products sold by a Medical Cannabis Dispensary Facility must be packaged in child resistant containers prior to leaving the Facility or as otherwise required in accordance with the MAUCRSA, Business and Profession Code section 19347, the State Department of Public Health regulations, and other applicable State laws.
20. All cannabis products sold must be tested by a qualified third party testing Facility prior to distribution to the public as required by the MAUCRSA, Business and Professions Code section 19342, and the State Department of Public Health regulations.

**17.85.120 – DISPENSARY PERMIT SELECTION PROCESS**

A. Dispensary Permits shall be awarded by the City to eligible Dispensary Permit applicants in order of the Merit List as established by the Community Development Director or his/her designee. No more than three Medical Cannabis Dispensaries shall be permitted to obtain a Dispensary Permit and operate within the City at any given time.

B. Oversight Committee. The City shall create a Medical Cannabis Dispensary Selection Committee to review Dispensary Permit applications. The Medical Cannabis Dispensary Selection Committee shall be appointed by the City Council and shall consist of five total members including the Code Enforcement Officer, Community Development Director, Chief of Police, and two at-large appointments.

C. The Medical Cannabis Dispensary Selection Committee shall have full authority to review all proposed applications when deciding which entities will receive Dispensary Permits as outlined herein.

D. The Medical Cannabis Dispensary Selection Committee shall rank all qualified applications in order of those that best satisfy the requirements of this Chapter and provide the highest level of service and opportunities for residents of the City based on the requirements of this Chapter and the following criteria ("Merit List"):

1. The operational plan for the Facility.
2. The security plan for the Facility.
3. The neighborhood compatibility plan for the Facility.
4. The business plan for the Facility.
5. The experience and knowledge of the operators of the Facility.
6. The adequacy of capitalization for the Facility and its operations.
7. Final location (proof of ownership or lease agreement)
8. Enhanced product safety

E. Dispensary Permits shall be awarded by the City to eligible Dispensary Permit applicants as ranked by Medical Cannabis Dispensary Selection Committee.

#### **17.85.130 –CANNABIS LABORATORIES AND RESEARCH PROHIBITION**

All cannabis laboratories and research within the City is prohibited except as expressly permitted by this Chapter.

#### **17.85.140 – MEDICAL CANNABIS LABORATORIES AND RESEARCH PERMITTED**

Medical Cannabis Laboratories and Research is permitted in the City only as expressly specified in this Section.

A. Medical Cannabis Laboratories and Research Standards: Medical Cannabis Laboratories and Research, within the City, shall be in conformance with the following standards:

1. Medical Cannabis Laboratories and Research shall only be allowed upon application and approval of a Laboratory and Research Permit in accordance with the criteria and process set forth in this Chapter.
2. Medical Cannabis Laboratories and Research activity may include testing of cannabis or cannabis products. It includes start-up or incubator research activities, which typically include but are not limited to research, design, analysis, development and/or testing of a cannabis product, and laboratories or Facilities engaged in scientific research studies, investigation, testing or experimentation but not including cannabis manufacturing or sales of cannabis.
3. Medical Cannabis Laboratories and Research is a permitted use only on properties within the Limited Industrial (ML), Heavy Industrial (MH) and Industrial Park (I-P), Community Commercial (C1) and Heavy Commercial (C2) zoning designations.
4. Only two Laboratory and Research Permits may be possessed or used by the same person or entity, including the representatives, agents, parent entities, or subsidiary entities of that person or entity.

#### **17.85.150 –CANNABIS DISTRIBUTION PROHIBITION**

All cannabis distribution within the City is prohibited except as expressly permitted by this Chapter.

#### **17.85.160 – MEDICAL CANNABIS DISTRIBUTION PERMITTED**

Medical Cannabis Distribution is permitted in the City only as expressly specified in this Section.

A. Medical Cannabis Distribution Standards. A Medical Cannabis Distribution Facility within the City, shall be in conformance with the following standards:

1. Medical Cannabis Distribution shall only be allowed upon application and approval of a Distribution Permit in accordance with the criteria and process set forth in this Chapter.
2. Medical Cannabis Distribution may include the procurement, temporary storage, non-retail sales, and transport of Medical Cannabis or Medical Cannabis products between licensed Medical Cannabis businesses, including warehouses and similar structures but not including the manufacturing or cultivation of cannabis.

3. Medical Cannabis Distribution is a permitted use only on properties within the Limited Industrial (ML), Heavy Industrial (MH), Industrial Park (I-P), and Heavy Commercial (C2) zoning designations.
4. Only two Distribution Permits may be possessed or used by the same person or entity, including the representatives, agents, parent entities, or subsidiary entities of that person or entity.

#### **17.85.170 – CANNABIS PACKING AND PROCESSING PROHIBITION**

All cannabis packaging and processing within the City is prohibited except as expressly permitted by this Chapter.

#### **17.85.180 – MEDICAL CANNABIS PACKAGING AND PROCESSING PERMITTED**

Medical Cannabis Packaging and Processing is permitted in the City only as expressly specified in this Section.

- A. Medical Cannabis Packaging and Processing Standards. A Medical Cannabis Packaging and Processing Facility within the City, shall be in conformance with the following standards:
  1. Medical Cannabis Packaging and Processing shall only be allowed upon application and approval of a Packaging and Processing Permit in accordance with the criteria and process set forth in this Chapter.
  2. Medical Cannabis Packaging and Processing may include the drying, curing, grading, trimming, storing, packaging, and labeling of non-manufactured cannabis grown off-site and cannabis products, but not including the manufacturing or cultivation of cannabis.
  3. Medical Cannabis Packaging and Processing is a permitted use only on properties within the Limited Industrial (ML), Heavy Industrial (MH) and Industrial Park (I-P) zoning designations.
  4. Only two Packaging and Processing Permits may be possessed or used by the same person or entity, including the representatives, agents, parent entities, or subsidiary entities of that person or entity.
  5. Only one Packaging and Processing Permit will be issued per Legal Parcel.

#### **17.85.190 – CANNABIS INFUSION PROHIBITION**

All cannabis infusion within the City is prohibited except as expressly permitted by this Chapter.

#### **17.85.200 – MEDICAL CANNABIS INFUSION PERMITTED**

Medical Cannabis Infusion is permitted in the City only as expressly specified in this Section.

A. Medical Cannabis Infusion Standards. A Medical Cannabis Infusion Facility within the City, shall be in conformance with the following standards:

1. Medical Cannabis Infusion shall only be allowed upon application and approval of a Infusion Permit in accordance with the criteria and process set forth in this Chapter.
2. Medical Cannabis Infusion may include the production of edible products or topical products using infusion processes, or other types of medical cannabis products other than extracts or concentrates, and that do not conduct extractions.
3. Medical Cannabis Infusion is a permitted use only on properties within the Limited Industrial (ML), Heavy Industrial (MH), Industrial Park (I-P), and Heavy Commercial (C2) zoning designations.
4. Only two Infusion Permits may be possessed or used by the same person or entity, including the representatives, agents, parent entities, or subsidiary entities of that person or entity.
5. All Medical Cannabis Infusion Facilities must employ full time quality control personnel. The Manufacturing Permittee must establish Standard Operating Procedures and Batch Records that comply with current Good Manufacturing Practices and the MAUCRSA for all products, as outlined by the State Department of Public Health and the Food and Drug Administration.
6. All finished products produced by a Medical Cannabis Infusion Facility must be labeled in compliance with the MAUCRSA, Business and Profession Code section 19347, and the labeling requirements outlined by the State Department of Public Health.
7. All finished products produced by a Medical Cannabis Infusion Facility must be packaged prior to leaving the Facility or becoming commercially available in accordance with the MAUCRSA, Business and Profession Code section 19347, the State Department of Public Health regulations, and other applicable State laws.
8. All batches of final cannabis products must be tested by a qualified third party testing Facility prior to distribution to a dispensary as required by the MAUCRSA, Business and Professions Code section 19342, and the State Department of Public Health regulations.

**17.85.210 – GENERAL APPLICATION REQUIREMENTS FOR ALL MEDICAL CANNABIS ACTIVITY PERMITS**

A. Medical Cannabis Activity Permit Applications. All applicants seeking a Medical Cannabis Activity Permit from the City shall file an application with the City upon a form provided by the City and shall pay a Medical Cannabis Activity Permit Application Fee as established by the City. An application for a Medical Cannabis Activity Permit shall include at least the following information:

1. The size of the proposed Indoor Medical Cannabis Facility.

2. The address of the location for which the Medical Cannabis Activity Permit is sought.
3. A site plan and floor plan for the proposed Premises denoting the use of all areas on the Premises, including storage, cannabis use areas, lighting, signage, parking, delivery areas, etcetera. If the proposed Premises consist of only a portion of the property, the plans must be labeled indicating which part of the property is the proposed Premises and what the remaining property is used for.
4. A operations plan describing how the medical cannabis business will operate in accordance with this Chapter, state law, and other applicable regulations.
5. A description of how the Medical Cannabis Facility will track inventory of cannabis product from seed to sale.
6. A waste management plan that addresses how hazardous waste as defined in Section 40141 of Public Resources Code, and solid waste, as defined in Section 40191 of Public Resources Code, including any cannabis waste will be disposed of. Pretreatment of wastewater may be required prior to discharge into City sewer system. Applicant shall make cannabis into cannabis waste by rendering the cannabis unusable and unrecognizable by grinding and incorporating the cannabis with other ground material so that the resulting mixture is at least 50 percent non-cannabis material by volume.
7. For Medical Cannabis Cultivation businesses, a water management plan that demonstrates how irrigation water is recycled to the maximum extent feasible using best management practices.
8. A proposed security plan in compliance with this Chapter.
9. The names, addresses, and relevant criminal histories of all potential employees, Facility managers, and other relevant parties for the Medical Cannabis Facility. Relevant criminal histories shall include any drug-related or felony convictions, the nature of such offenses, and the sentences received for such convictions.
10. The name and address of the owner and lessor of the real property upon which the Indoor Medical Cannabis Activity is proposed to be conducted. In the event the applicant is not the legal owner of the property, the application must be accompanied with a notarized acknowledgement from the owner of the property that a Medical Cannabis Facility will be operated on the property.
11. Authorization for the City Manager or his/her designee to seek verification of the information contained within the application.

12. Evidence that the Medical Cannabis Activity will be located in a legal structure that is compliant with all applicable State and local laws.
13. A statement in writing by the applicant that the applicant certifies under penalty of perjury that all the information contained in the application is true and correct.
14. Any such additional and further information as is deemed necessary by the Community Development Director or his/her designee to administer this Section.

**17.85.220 – GROUNDS FOR DENIAL**

1. A Medical Cannabis Activity Permit will not be awarded to an applicant if:
  - a. The applicant made one or more false or misleading statements or omissions in the application or during the application process.
  - b. The proposed Medical Cannabis Activity is not allowed by State or local law.
  - c. The applicant is not a legal representative of the Medical Cannabis Facility.
  - d. The applicant has been convicted of a felony, or a misdemeanor involving moral turpitude, or the illegal use, possession, transportation, distribution, or any such similar activity related to controlled substances, with the exception of cannabis related offenses for which the conviction occurred prior to passage of the Compassionate Use Act. A conviction within the meaning of this Section means a plea or verdict of guilty or a conviction following a plea of nolo contendere.
  - e. The applicant has engaged in unlawful, fraudulent, unfair, or deceptive business acts or practices.
  - f. The applicant fails to meet the requirements of this chapter or any regulation adopted pursuant to this chapter.

**17.85.230 - ENFORCEMENT**

1. Any Medical Cannabis Activities within the City in violation of this Chapter including conducting such activities without a valid and effective permit is hereby declared to be unlawful and a public nuisance and the City may enforce compliance and abate the nuisance by any remedy available to the City including the filing of a civil action to enjoin the violation pursuant to Code of Civil Procedure Section 731, by summary abatement if warranted pursuant to Government Code Section 38773, and/or pursuant to the code enforcement procedures set forth at Chapter 1.12 of the Willits Municipal Code.

2. Any party who engages in a violation of this Chapter, or who owns, possess, controls, or has charge of any parcel of real property in the City upon which a violation of the Section is maintained, shall be subject to the penalties and remedies provided by this Section.
3. Any violation of this Section shall constitute a separate offense for each and every day the violation occurs or persists.
4. Any violation of this Chapter or any other City or State cannabis law by a Medical Cannabis Activity Permittee is grounds for revoking the Medical Cannabis Activity Permittee's Permit. In addition, the Community Development Director or his/her designee may revoke a Medical Cannabis Activity Permit if any of the following occur:
  - a. The Community Development Director or his/her designee determines that the Medical Cannabis Activity Facility has failed to comply with this Chapter, any condition of approval, or any agreement or covenant as required pursuant to this Chapter.
  - b. Ownership of the Medical Cannabis Facility is changed or transferred to third party.
  - c. The Medical Cannabis Facility fails to maintain 30 concurrent days of security recordings.
  - d. The Medical Cannabis Facility fails to allow inspection of the security recordings, the activity logs, or of the premise by authorized City officials.
  - e. The applicant made a material misrepresentation on the application.
5. Any decision regarding the revocation of a Permit may be appealed to the Planning Commission consistent with Chapter 17.82 of the Willits City Code.
6. These penalties and remedies are cumulative, and in addition to any other penalties and remedies available to the City. In addition to any other enforcement permitted by this Chapter, the City Attorney may bring a civil action for injunctive relief and civil penalties pursuant to the provisions of this Code against any person or entity that violates this Chapter.

**17.85.260 – SEVERABILITY**

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council of the Willits hereby declares that it would have adopted each section, subsection, subdivision,

paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

**17.85.270 – EFFECTIVE DATE**

This Ordinance shall be published as required by law in a newspaper of general circulation in the City of Willits, and shall become effective thirty (30) days after its adoption.

This ordinance was introduced by the Council of the City of Willits on September 27, 2017, and DULY PASSED AND ADOPTED this \_\_\_\_ of \_\_\_\_\_, 2017

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: \_\_\_\_\_

City Clerk

APPROVED:

\_\_\_\_\_

Mayor