

AN ORDINANCE AMENDING TITLE 5, CHAPTER 5.98, SECTIONS 5.98.020 AND 5.98.030 AND CHAPTER 5.100, SECTIONS 5.100.010 THROUGH 5.100.040, 5.100.080, 5.100.110 THROUGH 5.100.020, 5.100.150, 5.100.200, 5.100.230, 5.100.250, 5.100.270, 5.100.290, AND 5.100.310; AND TITLE 16, CHAPTER 16.20, SECTION, 16.240.020, CHAPTER 16.80 SECTION 16.80.195, AND CHAPTER 16.240.020 REGARDING MEDICAL CANNABIS BUSINESS LICENSING AND PERMITTING TO ALLOW THE SALE OF ADULT-USE CANNABIS IN EXISTING MEDICAL CANNABIS DISPENSARIES

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF STOCKTON AS FOLLOWS:

SECTION I: FINDINGS AND INTENT

- A. The City Council of the City of Stockton finds that the current Stockton Municipal Code provisions for cannabis business require amendment in order to allow medical cannabis dispensaries the ability to sell adult-use cannabis.
- B. The City Council finds that the amendment which addresses specific requirements for cannabis businesses is consistent with State Law (SB94).

SECTION II: AMENDMENT OF THE CODE

Title 5, Chapter 5.98, Section 5.98.020 is amended as follows:

5.98.020 Definitions.

For the purpose of this chapter, unless it is plainly evident from the context that a different meaning is intended, the following definitions shall apply:

“Cannabis” shall have the same meaning as set forth in Business and Professions Code Section 26001(f) as the same may be amended from time to time.

“City” means the City of Stockton.

“City Council” means the City Council of the City of Stockton.

“Code” means the Stockton Municipal Code.

“Commercial cannabis activity” shall have the same meaning as that set forth in Business and Professions Code Section 26001(k) as the same may be amended from time to time.

“Gross receipts” mean the total of the amounts of monetary consideration actually received or receivable for the Cannabis Business, including receipts from the sale of Cannabis, Cannabis products or paraphernalia, and any other products, goods, or services sold or provided by the Cannabis Business, including, but not limited to: membership dues, any monetary contributions, payments, reimbursements and fees for conducting and operating the Cannabis Business. Included in Gross receipts shall be all receipts, cash, credits, and property of any kind without deduction of the cost of the property sold, the cost of the materials used, labor or service costs, interest paid or payable, or losses or other expenses whatsoever.

“Medical 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, which is intended to be made available to, distributed to, or used by medical cannabis patients pursuant to State law, including the Compassionate Use Act of 1996 set forth in Health and Safety Code Section 11362.5, as may be amended from time to time. Medical Cannabis includes products that contain Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis.

“Medical Cannabis Business” means any facility, building, structure or location, whether fixed, mobile, permanent, or temporary, for-profit or non-profit, that plants, cultivates, harvests,

transports, manufactures, compounds, produces, converts, processes, prepares, stores, packages, distributes, provides or otherwise makes available Medical Cannabis, for wholesale and/or retail sales. To qualify as a Medical Cannabis Business under this Chapter, the business may not provide "Marijuana" for any non-medical business, personal, or recreational purpose or activity, pursuant to the terms of Chapter 5.99 of this Code. (Ord. 2016-06-28-1503 § 2; Ord. 018-10 § 3, eff. 12-02-10)

SECTION III: AMENDMENT OF THE CODE

Title 5, Chapter 5.98, Section 5.98.030 is amended as follows:

5.98.030 Payment of tax.

Notwithstanding any provision to the contrary, every business, including non-profit organizations, operating as a "Medical Cannabis Business," shall pay an annual business license tax to the City in the following amounts:

- A. On, or after January 1, 2011, a maximum of \$25.00 for each \$1,000.00 of Gross receipts per year.
- B. On, or after January 1, 2017, a minimum of \$35.00 up to a maximum of \$50.00 for each \$1,000.00 of Gross receipts per year, to be set by ordinance or resolution of the City Council.
- C. Notwithstanding the tax rates imposed by this section, the City Council may, in its discretion, at any time by ordinance or resolution implement any lower tax rate it deems appropriate, and may increase such tax rate from time to time not to exceed the maximum tax rate authorized by this section. (Ord. 2016-06-28-1503 § 2; Ord. 018-10 § 3, eff. 12-02-10)

Notwithstanding any provision to the contrary, every business, operating as an "Adult-Use Cannabis Business," shall pay an annual business license tax to the City in the following amount:

- A. On, or after October 18, 2018, a maximum of \$100.00 for each \$1000.00 of Gross receipts per year.
- B. Notwithstanding the tax rates imposed by this section, the City Council may, in its direction, at any time by ordinance or resolution implement any lower tax rate it deems appropriate, and may increase such tax rate from time to time not to exceed the maximum tax rate authorized by this section.

SECTION IV: AMENDMENT OF THE CODE

Title, Chapter 5.100, Section 5.100.010 is amended as follows:

5.100.010 Short title.

This chapter shall be known as the "Cannabis Permit, Audit and Reporting Ordinance." (Res. 2016-06-28-1503-01 § I)

SECTION V: AMENDMENT OF THE CODE

Title 5, Chapter 5.100, Section 5.100.020 is amended as follows:

5.100.020 Purpose and application.

The purpose of this chapter is to require the issuance of an annual permit to conduct, own, and operate cannabis businesses within the City; to enforce rules consistent with the

Medical and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), which rules will provide for the health, safety, and welfare of the public; to require work permits for all employees; to establish standards for the issuance of said permits; to establish rules and regulations under which such permits shall remain in force, be suspended or revoked; and providing penalties for violations thereof.

The provisions of this chapter are in addition to the business license required to conduct business. (Res. 2016-06-28-1503-01 § I)

SECTION VI: AMENDMENT OF THE CODE

Title 5, Chapter 5.100, Section 5.100.030 is amended as follows:

5.100.030 Definitions.

For the purposes of this chapter, certain words and phrases used herein are defined as follows:

“Administrative expenses” mean and include, but are not limited to:

1. The costs associated with any hearings before a Hearing Officer;
2. City’s personnel costs, direct and indirect, incurred in enforcing this chapter and in preparing for, participating in or conducting any audit or hearings subject to this chapter, including, but not limited to, attorneys’ fees;
3. The cost incurred by the City in documenting the violations of this code, including, but not limited to, the actual expense and costs of the City responding to the violation(s); investigating and enforcing statutory crimes related to the violation, including, but not limited to, court appearances; conducting inspections; attending hearings; and preparing notices, administrative citations, and orders.

“Applicant” means a person who is required to file an application for a permit under this chapter, including an individual owner, managing partner, officer of a corporation, or any other operator, manager, employee, or agent of a Cannabis Business.

“Cannabis” shall have the same meaning as set forth in Business and Professions Code Section 26001(f) as the same may be amended from time to time.

“Caregiver” or “primary caregiver” shall have the same meaning as set forth in Health and Safety Code Section 11362.7 as the same may be amended from time to time.

“Commercial cannabis activity” shall have the same meaning as that set forth in Business and Professions Code Section 26001(k) as the same may be amended from time to time.

“Cooperative” shall mean two or more persons collectively or cooperatively cultivating, using, transporting, possessing, administering, delivering or making available medical marijuana, with or without compensation.

“Cultivation” shall have the same meaning as set forth in Business and Professions Code Section 26001(f) as the same may be amended from time to time.

“Cultivation site” shall have the same meaning as set forth in Business and Professions Code Section 26001(m) as the same may be amended from time to time.

“Delivery” shall have the same meaning as set forth in Business and Professions Code Section 26001(p) as the same may be amended from time to time.

“Dispensary” shall mean a retail storefront where medical and/or adult-use cannabis products can be sold. For purposes of this chapter, “dispensary” shall also include a cooperative. “Dispensary” shall not include the following uses: (1) a clinic licensed pursuant to Chapter 1 of Division 2 of the California Health and Safety Code; (2) a health care facility licensed pursuant to Chapter 2 of Division 2 of the California Health and Safety Code; (3) a residential care facility for persons with chronic life-threatening illnesses licensed pursuant to Chapter 3.01 of Division 2 of the California Health and Safety Code; (4) a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the California Health and Safety Code; (5) a residential hospice or home health agency licensed pursuant to Chapter 8 of Division 2 of the California Health and Safety Code.

“Distribution” shall have the same meaning as set forth in Business and Professions Code Section 26001(r) as the same may be amended from time to time.

“Employee” means every operator, employee, volunteer, or other person who proposes to work and/or assist in any way in the operation of a Cannabis Business, including security, regardless of whether that person receives compensation.

“Manufacturer” shall have the same meaning as set forth in Business and Professions Code Section 26001(ah) as the same may be amended from time to time.

“Medical cannabis,” “medical cannabis product,” or “cannabis product” shall have the same meanings as set forth in Business and Professions Code Section 26001(ai) as the same may be amended from time to time.

“Medical and Adult-Use Cannabis Regulation and Safety Act” or “MAUCRSA” shall mean Senate Bill 94, which passed June 2017, which integrated Medical Cannabis Regulation and Safety Act (MCRSA) and Adult Use of Marijuana Act (AUMA) to create a single regulatory system governing the medical and adult-use cannabis industry in California.

“Nursery” shall have the same meaning as set forth in Business and Professions Code Section 26001(aj) as the same may be amended from time to time.

“Permittee” shall mean the person to whom a permit is issued pursuant to this Chapter.

“Person” shall mean any individual, partnership, co-partnership, firm, association, collective, cooperative, joint stock company, corporation, limited liability company, or combination of the above in whatever form or character.

“Qualifying patient” or “qualified patient” shall have the same meaning as set forth in Health and Safety Code Section 11362.7 as the same may be amended from time to time.

“Testing laboratory” shall have the same meaning as set forth in Business and Professions Code Section 26001(at) as the same may be amended from time to time.

SECTION VII: AMENDMENT OF THE CODE

Title 5, Chapter 5.100, Section 5.100.040 is amended as follows:

5.100.040 Cannabis Permits required.

It is unlawful for any person to operate a Cannabis Business without first having obtained a conditional use permit pursuant to Stockton Municipal Code Section 16.80.195 and an Operators permit pursuant to this chapter. Prior to issuance of any required permit, the applicant must pay all applicable fees, in the amount as may be fixed and established from time to time by resolution of the City Council. (Res. 2016-06-28-1503-01 § I)

SECTION VIII: AMENDMENT OF THE CODE

Title 5, Chapter 5.100 Section 5.100.050 is amended as follows:

5.100.050 Application for Cannabis Operators Permit.

A. An applicant for a Cannabis Operators Permit shall submit an application to the City; said application shall be under oath, and shall include, in addition to information as may be deemed necessary by the Chief of Police, the true names and addresses of all owners, officers, and employees. The past criminal record, if any, of the owners, officers, and employees associated with the business shall be shown on such application. Concurrent with the filing of the application, the City shall obtain fingerprints and photographs of the owners, officers, and employees associated with the business, including any available criminal arrest and conviction information.

B. The applicant shall pay a nonrefundable application fee in an amount as may be fixed and established from time to time by resolution of the City Council. Thereafter, if a permit is granted, the permittee shall pay an annual fee in an amount as may be fixed and established by City Council resolution.

C. The applicant must provide a statement to the Chief of Police to the effect that the applicant understands and agrees that any business or activity conducted or operated under any permit issued under such application shall be operated in full conformity with all the laws of the State of California and the laws and regulations of the City applicable thereto, and that any violation of any such laws or regulations in such place of business, or in connection therewith, may render any permit therefor subject to immediate suspension or revocation.

D. Any applicant hereunder is seeking the granting of a privilege. Therefore, the burden of proving qualifications to receive such a permit is at all times on the applicant. An applicant must accept all risks of adverse public notice, publicity, embarrassment, criticism, financial loss, or all other actions and consequences which may result from activities with respect to reviewing, processing, approving or disapproving any application. A waiver of any claims for damages against the City or its agent resulting therefrom shall be presumed upon the filing of an application.

E. If the applicant is an individual, the application shall include the residence and business address and personal history of such applicant, specifically including any criminal arrest and conviction record, and business and employment history for the period of 10 years immediately preceding the date of the application.

F. If the applicant is other than an individual, the application shall include the name, residence and business address, and personal history of each of the officers, directors, copartners or stockholders, specifically including any criminal arrest and conviction record, and business and employment history for the period of 10 years immediately preceding the date of application.

G. Each permit applicant shall be responsible for providing complete and accurate information and for signing the permit application. Applications for employee permits which do not accompany the application for an Operators Permit as provided in this section shall be completed before the employee is scheduled to begin work.

H. The applicant shall submit a complete security plan for the establishment, which shall be subject to the approval of the Chief of Police or designee. The Chief of Police or designee, may impose additional security and safety conditions upon receipt of detailed plans before the facility is in service.

I. The applicant shall submit written documentation stating that the property owner of the facility is fully aware of the property's intended use. Documentation is to include the name, address, and contact telephone number for the property owner.

J. An application for an Operators Permit shall be deemed complete when the City receives the last submission of information or materials required in compliance with this chapter, including the information necessary to conduct a background check. Upon notification that an application is incomplete, the applicant shall be granted an extension of 10 calendar days from the date of notification to submit all materials required to complete the application. If the application remains incomplete in excess of 10 calendar days following notification, the application shall be deemed withdrawn and a new application submittal shall be required.

K. The applicant must provide a statement to the Chief of Police that the applicant will hold harmless, indemnify, and defend the City against claims and litigation arising from the issuance of the Operators Permit, including any claims and litigation arising from the establishment, operation, or ownership of the Cannabis Business. (Res. 2016-06-28-1503-01 § I)

SECTION IX: AMENDMENT OF THE CODE

Title 5, Chapter 5.100, Section 5.100.080 is amended as follows:

5.100.080 Limitation on number of Operators Permits.

At no time shall there be in operation within the City more than four (4) active Operators Permits for dispensaries (which can include medical and/or adult-use cannabis products sold) and four (4) active Operators Permits for cultivation sites. At no time shall there be more than two (2) dispensaries and two (2) cultivation sites in operation within any Council District. (Res. 2016-06-28-1503-01 § I)

SECTION X: AMENDMENT OF THE CODE

Title 5, Chapter 5.100, Section 5.100.110 is amended as follows:

5.100.110 Renewal of Operators Permit.

- A. The holder of an Operators Permit issued pursuant to the provisions of this chapter may renew the permit annually in accordance with the following procedures:
1. An application for renewal shall be filed with the City no later than 60 days before the anniversary date of the permit;
 2. If the application for renewal is not filed within the time specified by subsection (A)(1) of this section, the permittee may thereafter file a written application for renewal of the permit, but in that event, the permittee shall pay a daily penalty fee, as established by resolution of the City Council;
 3. If the application for renewal is more than 30 days late, the Operators Permit shall be deemed forfeited, which will have the same effect as being revoked, and the Cannabis Business may not operate unless and until a new Operators Permit has been obtained;
 4. The application for renewal shall be accompanied by the full amount of the required renewal fee as may be established from time to time by resolution of the City Council; and
 5. The permittee shall file with the Chief of Police an affidavit, executed under penalty of perjury, containing the following information:
 - a. Any change in ownership of the operator;
 - b. The full, true and correct names and addresses of each and every employee; and
 - c. If no changes have occurred from the previous renewal, permittee shall so certify and attest.
- B. Failure to make full payment of annual fees, required taxes or failure to file or filing any false statement in any affidavit and/or certification and attestation as is required by this section may be deemed grounds for the denial of renewal of the Operators Permit.
- C. All applicants and employees shall have their background and criminal history investigations updated annually. The fee to cover the cost of such investigations shall be paid at the time of submission of the application for renewal of the permit in an amount as may be established from time to time by resolution of the City Council. No renewal of an Operators Permit shall be approved unless and until the requirements of this subsection C, of Section 5.100.0110 have been met. (Res. 2016-06-28-1503-01 § I)

SECTION XI: AMENDMENT OF THE CODE

Title 5, Chapter 5.100, Section 5.100.120 is amended as follows:

5.100.120 Suspension and revocation of Operators Permits.

A. All permits authorized and issued under the provisions of this chapter may be subject to:

1. Immediate suspension by the Chief of Police if the Chief of Police finds that:
 - a. A permittee, or any agent or employee thereof with the knowledge of such permittee, has violated, or permitted, allowed or caused the violation of any provision of this chapter, any regulation issued pursuant to this chapter, any condition of approval imposed upon the issuance of the permit, or any State law or regulation relating to the operation; or
 - b. Based on ascertainable facts, the operation substantially aggravates the crime problems in the City, makes law enforcement unduly difficult, or is detrimental to the public health, safety or welfare of the City.
2. Suspension or revocation by the Chief of Police after not less than five (5) days' written notice to the permittee and after testimony has been taken from the permittee and/or any other interested person, if the Chief of Police finds that:
 - a. A permittee or any agent or employee thereof, with the knowledge of the permittee, has violated or permitted, allowed or caused the violation of any provisions of this chapter, any regulation issued pursuant thereto, any condition of approval imposed upon the issuance of the permit, or any State law or regulation relating to the operation; or
 - b. A permittee has failed to pay, when due and payable, any of the fees or taxes required within 10 days after written notice of any such failure; or
 - c. A permittee has made any fraudulent statements as to a material fact on an application form or as to any other information presented as part of the application process; or
 - d. A permittee knowingly commits any act which would have constituted grounds for denial of an application for a permit; or
 - e. The permittee has knowingly continued to employ in any Cannabis Business any individual whom any court has found guilty of any of the crimes which would have constituted grounds for denial of an application for a work permit for the employee; or
 - f. The permittee has been convicted of a crime enumerated in Section 5.100.070. A conviction is suitable grounds for revocation or suspension of the permit, prior to the exhaustion of the permittee's appellate rights.

B. In the event of a violation described in subsections (A)(2)(a) through (f) of this section, a civil penalty, not to exceed \$1,000.00 per day for each violation, may be imposed on the permittee in lieu of suspension or revocation. The permittee may be required to pay all administrative expenses. In the event the violation is for nonpayment of fees, the civil penalty shall amount to five (5) percent of the unpaid fees plus one and one-half (1-1/2) percent per month accrued daily after the first 30 days. Imposition of such civil penalties shall be in accordance with the administrative adjudication procedures established in the Stockton

Municipal Code. Each day the violation(s) continue shall be deemed a new violation subject to additional citations, penalties, and fines. (Res. 2016-06-28-1503-01 § I)

SECTION XII: AMENDMENT OF THE CODE

Title 5, Chapter 5.100, Section 5.100.150 is amended as follows:

5.100.150 Employee work permit required.

A. It is unlawful for a permittee to employ any person who is not the holder of a valid work permit and registration/I.D. card issued by the City. All employees must obtain a work permit. No registration/I.D. card will be issued without such person having first paid the application fee and been fingerprinted and photographed by the Stockton Police Department.

B. Applications for an employee work permit shall be completed and submitted under oath to the Chief of Police who shall designate a city employee as the sole point of contact regarding the permit, together with the appropriate fees as may be established from time to time by the City Council, before the employee is scheduled to begin work. Applications for work permits shall be reviewed subject to the procedures to be adopted by the City Manager and implemented by the Chief of Police. An application may be granted, conditionally approved, or denied by the Chief of Police. The Chief of Police shall deny an application for any relevant cause denoted in subsection G of this section. Concurrent with the filing of the application, the City shall obtain fingerprints of the applicant. An applicant for an employee work permit shall authorize the City to obtain any available criminal arrest and conviction record information relating to the applicant and shall further authorize the updating of that information on an annual basis if a work permit is issued.

C. Every employee granted a work permit shall be issued a registration/I.D. card by the City, which must be prominently displayed at all times the employee is at the premises on the employee's outermost garment at approximately chest height. Such identification card shall be in good and readable condition and a replacement card shall be issued by the Chief of Police upon payment of a fee established by resolution of the City Council.

D. It shall be the responsibility and duty of the City Manager to establish the necessary procedures to implement and administer the provisions of this section. The information received by the City pursuant to the provisions of this section shall be treated as confidential to the extent permitted by law.

E. The application fees provided for in this section are for regulation and reimbursement to the City for the costs of investigating and processing the applications, as provided for in this section. Each application for a permit under this section shall be accompanied by an application fee, payable to the City, in the amount as may be established from time to time by resolution of the City Council, which fee shall be retained by the City for the payment of the costs of the investigation of the applicant. The fees set forth in this subsection shall be the property of, and be retained by, the City, whether the employee work permit is granted or denied.

F. It shall be the duty of each permittee to inform the City of any change in the employment status of a registered employee within five (5) days of the effective date of the change in employment status. A change in employment status includes termination, leave of absence, promotion or any other change in position or title.

G. It is unlawful for any employee to work in a Cannabis Business without possessing a valid work permit issued by the City. Applications for such work permits shall be submitted under oath and contain the past criminal record, if any, of the applicant and such information as may be necessary to determine whether the applicant is a proper person to be employed. A work permit shall be issued only to persons 18 years of age or older. Every operator, employee,

volunteer, or others who proposes to work and/or assist in any way in the operation, including security shall be considered an employee of the Cannabis Business. The Chief of Police may deny the application for an employee work permit if the Chief of Police makes any one of the following determinations:

1. The applicant has been convicted of any felony;
2. The applicant has been convicted of any misdemeanor involving drug-related offenses, dishonesty or moral turpitude within the 10-year period immediately preceding the submission of the application;
3. The applicant has been convicted of any offense involving the violation of the Health and Safety Code;
4. The applicant has been convicted of any offense specified in Sections 266(l), 315, 316, 318 or subdivision (a) or (b) of Section 647 of the Penal Code, or as those sections may subsequently be amended;
5. The applicant has been convicted of any offense involving the use of force or violence upon the person of another;
6. The applicant has made one (1) or more false statements in the application;
7. The applicant has failed to comply with one (1) or more provisions of this chapter, or of this code, or other laws or regulations applicable to the premises;
8. The issuance of the proposed work permit would violate an applicable provision of this chapter; or
9. The applicant is associated with criminal profiteering activity or organized crime, as defined in Business and Professions Code Section 19859(e) and Penal Code Section 186.2, or as those sections may subsequently be amended. (Res. 2016-06-28-1503-01 § I)

SECTION XIII: AMENDMENT OF THE CODE

Title 5, Chapter 5.100, Section 5.100.200 is amended as follows:

5.100.200 Failure to obtain new employee work permit.

If the holder of an employee work permit fails to timely renew the permit, his or her permit shall cease to be valid and he or she must make application for a new permit, if desired, as provided above. In addition to any administrative proceedings, it shall be a misdemeanor to engage in any type of employment activity with a Cannabis Business without a valid employee permit. (Res. 2016-06-28-1503-01 § I)

SECTION XIV: AMENDMENT OF THE CODE

Title 5, Chapter 5.100, Section 5.100.230 is amended as follows:

5.100.230 Access to records and facilities.

A. Notwithstanding the audit requirements specified in Section 5.100.220 of this chapter, and in compliance with all State and Federal privacy laws the permittee shall allow the Chief of Police or a designee unrestricted access to all books, records, facilities, and all audio and video tapes pertaining to the facilities. Any information obtained pursuant to this section or any statement filed by the permittee shall be deemed confidential in character and shall not be subject to public inspection except in connection with the enforcement of the provisions of this

chapter or as otherwise required by law. It shall be the duty of the Chief of Police to preserve and keep such statements so that the contents thereof shall not become known except to the persons charged by law with the administration of the provisions of this chapter or pursuant to the order of any court of competent jurisdiction.

B. Any failure or refusal of any permittee to make and file any statement within the time required, or to permit inspection of such books, records, accounts and reports of such permittee in accordance with the provisions of this chapter shall be full and sufficient grounds for the revocation or suspension of the permit pursuant to Section 5.100.120(A)(2) of this chapter.

C. A Cannabis Business shall maintain records at the location accurately and truthfully documenting:

1. The full name, address, and telephone number(s) of the owner, landlord and/or lessee of the location;
2. The full name, address, and telephone number(s) of all owners, employees, and members who are engaged in the management of the business and the exact nature of each person's participation in the management of the business;
3. The full name, address, and telephone number(s) of all patients to whom the Cannabis Business provides cannabis, a copy of a government-issued identification card for all patients, and a copy of every attending physician's or doctor's recommendation or patient identification card;
4. The full name, address, and telephone number(s) of all primary caregiver members to whom the Cannabis Business provides cannabis and a copy of every written designation(s) by the primary caregiver's qualified patient(s) or the primary caregiver's identification card;
5. All receipts of a legally operating Cannabis Business, including, but not limited to, all contributions, reimbursements, and reasonable compensation, whether in cash or in kind, and all expenditures incurred by the Cannabis Business or the cultivation of cannabis as allowed in the City of Stockton;
6. An inventory record documenting the dates, amounts, and content testing results of all cannabis cultivated by a legally operating Cannabis Business, including the amounts of cannabis stored at the location at any given time;
7. A log documenting each transfer of cannabis reflecting the amount transferred, the date transferred, the full name of the person to whom it was transferred and any payment received;
8. A log documenting each transfer of cannabis in any form reflecting the amount transferred, the date delivered, the full name of the person who transferred it to a legally operating Cannabis Business and any amounts paid;
9. Name, address and medical license numbers of all physicians who have given a medical cannabis recommendation to a qualified patient.

D. Each Cannabis Business engaging in the sale of medical cannabis, shall verify the validity of the doctor making a medical cannabis recommendation. This verification will be an Internet search with the State of California's Medical Board of California Physician License Lookup System to confirm the doctor has a valid license and a call to each doctor to verify the medical cannabis recommendation.

E. These records shall be maintained by the Cannabis Business for a period of five (5) years and shall be made available by the Cannabis Business to the Police Department upon request, except the private patient records shall be made available by the business to the Police

Department only pursuant to a properly executed search warrant, or court order. In addition to all other formats that the Cannabis Business may maintain, these records shall be stored by the Cannabis Business at the location in a printed format. Any loss, damage or destruction of the records shall be reported to the Police Department within 24 hours of the loss, destruction or damage.

F. In addition to the keeping of a permanent record as herein provided, every Cannabis Business shall likewise be required to deliver to the Chief of Police, via electronic format and written format, a quarterly written report which shall include all records described in Section 5.100.230(C). Said quarterly reports shall be received by the Chief of Police or designee no later than the first of every January, April, July, and October. Said records shall include all transactions up to 10 days prior to the required submission date. If the first day of any quarter falls on a non-City business day then the records shall be due the first available City business day. (Res. 2016-06-28-1503-01 § I)

SECTION XV: AMENDMENT OF THE CODE

Title 5, Chapter 5.100, Section 5.100.250 is amended as follows:

5.100.250 Signage required for complaints.

A sign shall be posted at the entrance to the location containing the name and functioning telephone number of a 24-hour on-call person engaged in the management of the Cannabis Business who shall receive, log, and respond to complaints and other inquiries. (Res. 2016-06-28-1503-01 § I)

SECTION XVI: AMENDMENT OF THE CODE

Title 5, Chapter 5.100, Section 5.100.270 is amended as follows:

5.100.270 Acceptable method of Cannabis distribution/prohibition on wholesale operations and deliveries; mobile delivery of Cannabis prohibited.

A. Dispensaries shall not dispense or distribute, sell, transfer or in any other way provide cannabis other than by direct, face-to-face, in-person transaction with a customer, patient or caregiver at the permitted facility.

B. Cannabis shall not be provided to a patient by any other means of delivery, specifically including mobile delivery. (Res. 2016-06-28-1503-01 § I)

SECTION XVII: AMENDMENT OF THE CODE

Title 5, Chapter 5.100, Section 5.100.290 is amended as follows:

5.100.290 Minors prohibited.

A. The presence of minors, under the age of 18 years, on the premises of a Cannabis Business in an area designated for medical cannabis sales, is prohibited unless they are a qualified patient and they are in the presence of their parent or legal guardian.

B. The presence of minors, under the age of 21, on the premises of a Cannabis Business in an area designated for adult-use cannabis sale, is prohibited.

C. No permittee shall cause, permit or allow, either by act or by failure to act, the violation of subsections A or B of this section. Any violation of subsections A or B of this section shall be grounds for the immediate revocation of the Operators Permit pursuant to Section 5.100.120 this chapter. (Res. 2016-06-28-1503-01 § I)

SECTION XVIII: AMENDMENT OF THE CODE

Title 5, Chapter 5.100, Section 5.100.310 is amended as follows:

5.100.310 Business license tax.

Notwithstanding any provision to the contrary, all Cannabis Businesses shall pay an annual business license tax at the retail sales rate or at a designated higher rate, if adopted, based on gross receipts, even if it is a non-profit organization. (Res. 2016-06-28-1503-01 § I)

SECTION XIX: AMENDMENT OF THE CODE

Title 16, Chapter 16.20, Section 16.20.020, Table 2-2, "Allowable Land Uses and Permit Requirements" of the Stockton Municipal Code (SMC) is amended as follows:

16.20.020, Table 2-2, Allowable Land Uses and Permit Requirements.

TABLE 2-2
ALLOWABLE LAND USES AND PERMIT REQUIREMENTS

| LAND USES | PERMIT REQUIREMENT BY ZONING DISTRICT | | | | | | | | | | | | | | | SPECIFIC USE STANDARDS | |
|--|---------------------------------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|------------------------|-----------|
| | RE | RL | RM | RH | CO | CN | CG | CD | CL | CA | IL | IG | PT | PF | OS | | |
| AGRICULTURAL AND RESOURCE-RELATED USES | | | | | | | | | | | | | | | | | |
| Agricultural activities & facilities | P | | | | | | | | | | | P | P | | A | 16.80.060 | |
| Conservation areas | L | L | L | L | L | | L | L | L | L | L | L | L | L | L | | |
| Medical cannabis cultivation | | | | | | | | | | | | C | C | C | | 16.80.195 | |
| Mining | | | | | | | | | | | | A | A | A | A | | |
| BUSINESS AND PROFESSIONAL USES | | | | | | | | | | | | | | | | | |
| Banks and financial services | | | | | | P | P | P | P | P | P | | | P | | | |
| Business support services | | | | | | | P | P | P | P | P | | P | P | | | |
| Offices | | | | | | P | A | P | P | P | P | | A | P | L | 16.80.240 | |
| INDUSTRY, MANUFACTURING & PROCESSING USES | | | | | | | | | | | | | | | | | |
| Electricity generating plants/ facilities other than nuclear | | | | | | | | | | | | | C | C | P | P | 16.80.170 |
| Electronics, equipment & appliance manufacturing | | | | | | | | | | | | | P | P | P | | 16.80.170 |

**TABLE 2-2
ALLOWABLE LAND USES AND PERMIT REQUIREMENTS**

| LAND USES | PERMIT REQUIREMENT BY ZONING DISTRICT | | | | | | | | | | | | | | | SPECIFIC USE STANDARDS |
|---|---------------------------------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|------------------------|
| | RE | RL | RM | RH | CO | CN | CG | CD | CL | CA | IL | IG | PT | PF | OS | |
| Fabric product manufacturing | | | | | | | | P | | | P | P | P | | | 16.80.170 |
| Food and beverage product manufacturing | | | | | | | | P | | | P | P | P | | | 16.80.170 |
| Furniture and fixtures manufacturing | | | | | | | | | | | P | P | P | | | 16.80.170 |
| Handcraft industries, small-scale manufacturing | | | | | | | | P | | | P | P | P | | | 16.80.170 |
| Laundries and dry cleaning plants | | | | | | | | | | | P | P | P | | | 16.80.170 |
| Manufacturing | | | | | | | | | | | | | | | | |
| Light | | | | | | | | | | | P | P | P | | | 16.80.170 |
| Heavy | | | | | | | | | | | | A | P | | | 16.80.170 |
| Medical cannabis distribution | | | | | | | | | | | | | | | | |
| Medical cannabis manufacturer | | | | | | | | | | | | | | | | |
| Medical cannabis testing laboratory | | | | | | | | | | | | | | | | |
| Metal products fabrication, machine/welding shops | | | | | | | | | | | P | P | P | | | 16.80.170 |
| Petroleum storage and distribution | | | | | | | | | | | | A | P | | | 16.80.170 |
| Printing and publishing | | | | | | | | P | | L | P | P | P | L | | 16.80.170 |
| Recycling and waste facilities | | | | | | | | | | | | | | | | |
| Collection facility | | | | | | | L | L | L | | P | P | P | L | | 16.80.290 |
| Redemption centers | | | | | | | | | | | | | | | | |
| Major | | | | | | | C | C | C | | C | C | C | C | | 16.80.290 |
| Minor | | | | | | | A | A | A | | A | A | A | A | | 16.80.290 |
| Recycling facility | | | | | | | | | | | | A | P | A | | 16.80.290 |
| Scrap and dismantling yards | | | | | | | | | | | | A | P | | | 16.80.170 |
| Transfer stations | | | | | | | | | | | | C | P | A | | 16.80.290 |
| Research & development (R&D) | | | | | | | | A | | L | P | P | P | L | | 16.80.170 |
| Storage yards | | | | | | | | | | | P | P | P | L | | 16.80.170 |
| Warehouses | | | | | | | | | | | P | P | P | | | 16.80.170 |
| Wholesaling and distribution | | | | | | | | P | | | P | P | P | | | 16.80.170 |

**TABLE 2-2
ALLOWABLE LAND USES AND PERMIT REQUIREMENTS**

| LAND USES | PERMIT REQUIREMENT BY ZONING DISTRICT | | | | | | | | | | | | | | | SPECIFIC USE STANDARDS |
|--|---------------------------------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|--|
| | RE | RL | RM | RH | CO | CN | CG | CD | CL | CA | IL | IG | PT | PF | OS | |
| RECREATION, EDUCATION, AND PUBLIC ASSEMBLY USES | | | | | | | | | | | | | | | | |
| Activity centers | A | A | A | A | A | A | A | A | A | L | | | A | L | C | |
| Adult related establishments | | | | | | | P | P | P | | | | | | | 16.80.030 |
| Auditoriums, meeting halls, and theaters | | | | | | P | P | P | P | L | | | | L | | 16.24.080(B)(2), 16.24.090(B), 16.24.110(D), 16.24.180(D) |
| Bridge clubs and nongambling board games | | | | | P | P | P | P | P | L | | | | | | |
| Card rooms | | | | | | | C | C | C | L | | | | | | 16.80.040 |
| Clubs, lodges, and private meeting halls | | | | | P | P | P | P | P | L | P | | P | A | | |
| Commercial amusement facilities | | | | | | A | A | A | A | A | A | | | | | |
| Educational facilities | | | | | | | | | | | | | | | | |
| Academic schools—Private | A | A | A | A | A | | A | A | A | | | | | | | |
| Academic schools—Public | P | P | P | P | | | | | | | | | | P | | |
| Colleges and universities—Private | | C | | | C | | | | | | | | | | | |
| Equipment repair and maintenance training | | | | | | | P | P | | A | P | | | L | | |
| Specialized education and training | | | | | A | A | P | P | P | A | P | | P | L | | |
| Vehicle repair and maintenance training | | | | | | | | P | | A | P | P | P | L | | |
| Truck and heavy equipment education and training | | | | | | | | | | | P | P | P | L | | |
| Equestrian facilities | C | | | | | | | | | | A | A | | L | C | |
| Golf courses/country clubs | C | C | C | C | C | | A | A | | | A | | P | L | A | |
| Indoor recreation facilities | | | | | | | A | A | A | A | A | | P | L | | |
| Libraries and museums | | C | C | C | P | P | P | P | P | P | P | | | L | A | |
| Live entertainment | | | | | | P | P | P | P | | | | | P | | 16.80.180 |
| Marinas | | | | | | | C | C | | | C | | A | A | | |

**TABLE 2-2
ALLOWABLE LAND USES AND PERMIT REQUIREMENTS**

| LAND USES | PERMIT REQUIREMENT BY ZONING DISTRICT | | | | | | | | | | | | | | | SPECIFIC USE STANDARDS |
|---|---------------------------------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|------------------------|
| | RE | RL | RM | RH | CO | CN | CG | CD | CL | CA | IL | IG | PT | PF | OS | |
| Outdoor assembly facilities | | | | | | | A | A | A | | | | | L | | |
| Outdoor commercial recreation facilities | | | | | | | C | C | C | C | C | | | A | | |
| Parks and playgrounds | P | P | P | P | P | P | P | P | | | | | | P | P | |
| Pool halls/billiard parlors | | | | | | | | C | C | L | | | | | | 16.80.040 16.80.270 |
| Private entertainment facilities | | | | | | | C | C | C | | C | | | | | |
| Private residential recreation facilities | A | A | A | A | | | | | | | | | | | | 16.80.030 16.80.270 |
| Recreational vehicle parks | | | | | | | A | A | | | A | | | L | | |
| Religious facilities | A | A | A | A | P | P | P | P | P | P | P | | | L | | 16.80.080 |
| Studios | | | | | P | P | P | P | P | L | | | | | | |

RESIDENTIAL USES

| | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|-----------|
| Caretaker and employee housing | | | | | P | P | P | P | P | P | P | L | L | L | L | |
| Dwelling group | | | P | P | | P | | P | | | | | | L | | |
| Duplexes | | P | P | P | | | | P | | | | | | L | | 16.24.040 |
| Mobile home parks | | A | A | A | | | A | A | | | | | | | | 16.80.210 |
| Multifamily dwellings | | | P | P | P | P | P | P | | | | | | L | | 16.80.220 |
| Organizational houses | | | | A | | | | A | | | | | | | | |
| Residential care facilities | | | | | | | | | | | | | | | | |
| Assisted living facilities | A | | C | P | P | P | P | P | | | | | | L | | 16.80.300 |
| Care homes, 6 or fewer clients | | P | P | P | | | | P | | | | | | P | | |
| Family care homes, 7 or more clients | C | | | C | | | | C | | | | | | L | | 16.80.300 |
| Senior care facilities, 7 or more clients | | | A | A | A | | | A | | | | | | L | | 16.80.300 |
| Rooming and boarding houses | | | | A | | | | A | | | | | | L | | |
| Senior residential projects | | | P | P | P | P | P | P | | | | | | L | | 16.80.220 |
| Single-family dwellings | P | P | P | P | | | | P | | | | | | L | | |
| Townhouses | | A | P | P | P | P | P | P | | | | | | L | | |
| Triplexes | | | P | P | | | | A | | | | | | L | | |

RETAIL TRADE

**TABLE 2-2
ALLOWABLE LAND USES AND PERMIT REQUIREMENTS**

| LAND USES | PERMIT REQUIREMENT BY ZONING DISTRICT | | | | | | | | | | | | | | | SPECIFIC USE STANDARDS |
|---|---------------------------------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|------------------------|
| | RE | RL | RM | RH | CO | CN | CG | CD | CL | CA | IL | IG | PT | PF | OS | |
| Community | | | | | | | P | P | | | | | | | | 16.80.330 |
| Regional | | | | | | | | P | P | | | | | | | 16.80.330 |
| Warehouse retail stores | | | | | | | C | C | C | | | | | | | 16.80.330 |
| SERVICES | | | | | | | | | | | | | | | | |
| Adult day care facilities | | | | | P | P | P | P | P | | | | A | L | | |
| Adult-Use Cannabis Dispensary | | | | | | | C | | C | | C | C | | | | |
| Animal services | | | | | | | | | | | | | | | | |
| Kennel and boarding facilities | A | | | | A | | | | | | A | A | | | | |
| Pet grooming | A | | | | A | P | P | P | P | L | | | | | | |
| Training facilities | A | | | | A | | L | L | | L | L | L | | | | |
| Veterinary clinics and animal hospitals | A | | | | A | C | P | P | P | P | P | | | | | 16.80.370 |
| Auto/vehicle services | | | | | | | | | | | | | | | | |
| Car washes | | | | | | | A | A | A | P | A | | P | | | |
| Fueling stations | | | | | | A | L | L | L | P | L | | P | | | 16.80.320 16.80.340 |
| Inoperable vehicle storage | | | | | | | | | | | L | L | | | | |
| Maintenance/minor repair | | | | | | A | P | P | P | P | P | P | P | | | 16.80.320 |
| Major repair/body work | | | | | | | | | | P | P | P | P | | | 16.80.340 |
| Parking facilities | | C | C | C | A | A | P | P | P | P | P | | P | L | | 16.64.080 |
| Vehicle storage | | | | | | | | L | | P | P | P | P | P | L | |
| Child care facilities | | | | | | | | | | | | | | | | |
| Child care centers | C | C | C | C | P | P | P | P | P | P | | | P | P | | 16.80.100 |
| Large family child care homes | A | A | A | A | A | A | A | A | | | | | | A | | 16.80.100 |
| Small family child care homes | P | P | P | P | P | P | P | P | | | | | | P | | |
| Equipment rental | | | | | | | | L | P | A | P | | P | | | |
| Funeral facilities and services | | | | | | | | | | | | | | | | |
| Cemeteries | | C | C | C | C | | C | C | | C | C | C | | C | C | |
| Mortuaries | | | | | | | C | C | | C | A | A | | A | | |
| Funeral homes | | | | | A | A | A | A | | A | | | | | | |
| Health/fitness facilities | | | | | | P | P | P | P | L | | | | | | |
| Lodging facilities | | | | | | | | | | | | | | | | |
| Bed and breakfast | | C | C | C | P | P | P | P | | | | | | A | | 16.80.090 |

**TABLE 2-2
ALLOWABLE LAND USES AND PERMIT REQUIREMENTS**

| LAND USES | PERMIT REQUIREMENT BY ZONING DISTRICT | | | | | | | | | | | | | | | SPECIFIC USE STANDARDS |
|---|---------------------------------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|------------------------|
| | RE | RL | RM | RH | CO | CN | CG | CD | CL | CA | IL | IG | PT | PF | OS | |
| Extended-stay facilities | | | | | | | P | P | P | | | | | | | |
| Single room occupancy facilities (SROs) | | | | | | | A | A | | | | | | | | |
| Hotels and motels | | | | | P | | P | P | P | | | | P | | | |
| Massage establishment | | | | | | | | | | | | | | | | 16.80.190 |
| State certified | | | | | P | P | P | P | P | | | | | | | |
| Non-certified | | | | | | C | C | A | A | | | | | | | |
| Medical cannabis dispensaries | | | | | | | C | | C | | C | C | | | | 16.80.195 |
| Medical services | | | | | | | | | | | | | | | | |
| Ambulance service | | | | | A | | P | P | P | L | P | | P | L | | |
| Clinics and laboratories | | | | | P | P | P | P | P | L | | | P | L | | |
| Extended care | C | C | C | P | P | | P | P | | | | | | L | | |
| Health-related | | | | | P | P | P | | P | | | | | A | | 16.80.190 |
| Hospitals | | | | | C | | C | C | | | | | | C | | |
| Medical-related facilities | | | | | P | P | P | P | P | | | | | P | | |
| Personal services—Restricted | | | | | | C | C | A | A | | | | | | | |
| Personal services—Unrestricted | | | | | | P | P | P | P | | | | P | | | |
| Personal storage facilities (mini-storage) | | | | | | | A | | L | L | P | P | P | | | 16.80.200 |
| Repair services | | | | | | P | P | P | P | P | P | | | | | |
| Sanitary services | | | | | | | | | | | C | A | P | L | | 16.36.080 |
| Social services facilities | | | | | | | | | | | | | | | | |
| Drug abuse, alcohol recovery/treatment facility | | | | | A | | A | A | | | | | | A | | |
| Feeding centers | | | | | | | | C | | | C | C | | A | | |
| Emergency shelters | | | | C | C | | C | C | | | P | P | | P | | 16.80.155 |
| TRANSPORTATION AND COMMUNICATION USES | | | | | | | | | | | | | | | | |
| Broadcasting studios | | | | | | P | P | P | P | A | P | P | P | L | | |
| Communications facilities | | | | | | | | | | | | | | | | |
| Minor | | E | E | E | P | | P | P | P | P | P | P | P | P | P | Ch. 16.44 |
| Major | | | | | A | | A | A | A | A | A | P | P | A | | Ch. 16.44 |

**TABLE 2-2
ALLOWABLE LAND USES AND PERMIT REQUIREMENTS**

| LAND USES | PERMIT REQUIREMENT BY ZONING DISTRICT | | | | | | | | | | | | | | | SPECIFIC USE STANDARDS |
|--|---------------------------------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|------------------------|
| | RE | RL | RM | RH | CO | CN | CG | CD | CL | CA | IL | IG | PT | PF | OS | |
| Transit stations and terminals | | | | | | | C | C | | | C | C | P | C | | |
| Vehicle and freight terminals | | | | | | | | | | | P | P | P | | | |
| OTHER USES | | | | | | | | | | | | | | | | |
| Live-work space | | | | | P | P | P | P | P | | P | | | | | |
| Major impact facilities | | | | | | | | | | | | C | C | C | | |
| Motion picture production | | | | | | | | P | | | P | P | P | | | |
| Multi-use facilities | | | | | P | P | P | P | P | | A | A | P | | | 16.80.230 |
| Public and semipublic utility facilities | A | A | A | A | A | A | P | P | P | L | P | P | P | L | | |
| Public institutions | C | C | C | C | C | C | C | C | C | | C | C | L | L | | |
| Signs—Off-premises | | | | | | | E | E | E | | E | E | E | E | | 16.76.110 |

Key: P = Use permitted L = Land development permit required A = Administrative use permit required
C = Commission use permit required E = Use not allowed, except under special circumstances
Empty box = Use not allowed

SECTION XX: AMENDMENT OF CODE

Title 16, Chapter 16.80, Section 16.80.195

16.80.195 Cannabis businesses—Permitting.

A. Cannabis Dispensaries.

1. **Conditional use permit required.** A conditional use permit is required to establish or operate a cannabis dispensary. A conditional use permit is required whether the dispensary will be selling medical and/or adult-use cannabis.
2. **Operators permit required.** After acquiring a Conditional Use Permit, a cannabis dispensary must obtain and maintain at all times a valid cannabis operators permit as required by Chapter 5.100.
3. **Location requirements.** The following location requirements apply to all cannabis dispensaries. The Review Authority may waive location requirements as provided in Chapter 16.176, consistent with applicable State location restrictions.
 - a. No cannabis dispensary shall be established or located within 1,000 feet, measured from the nearest property lines of each of the affected parcels, of any other cannabis business or site having a valid use permit for a cannabis business;

- b. No cannabis dispensary shall be established or located within 300 feet, measured from the nearest property lines of each of the affected parcels, of any existing residential zone;
- c. No cannabis dispensary shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any childcare center, child care, in-home (family day care home), religious facilities, drug abuse, or alcohol recovery/treatment facility;
- d. No cannabis dispensary shall be established or located within 1,000 feet, measured from the nearest property lines of each of the affected parcels, of any park or school, K-12.

Only those uses established and in operation as of the date that the application for a cannabis dispensary conditional use permit is determined or deemed to be complete shall be considered for purposes of determining whether the location requirements are met.

4. **Conditions of approval.** The planning commission may address development and operational standards through conditions on the conditional use permit as it is determined to be necessary or appropriate for the cannabis dispensary conditional use permit under consideration; provided, that conditions shall not conflict with the provisions of Chapter 5.100, relating to operating requirements of cannabis dispensaries and shall be subordinate to conditions placed on the cannabis operators permit issued under Chapter 5.100.

5. **Parking.** Off-street parking shall be provided as required under Chapter 16.64 for retail trade.

6. **Application.** The application for a conditional use permit for a cannabis dispensary shall include a floor plan, site plan, neighborhood context map, and a security and lighting plan.

7. **Pre-existing cannabis dispensaries—Nonconforming.** No cannabis dispensary operating or purporting to operate without a valid business license and conditional use permit prior to the adoption of the ordinance codified in this section, shall be deemed to have been a legally established use under the provisions of this code, nor shall the operation of such dispensary be deemed a legal nonconforming use under this Title 16.

8. **Additional grounds for revocation of medical cannabis dispensary conditional use permit.** In addition to the grounds stated in Section 16.108.030 (B) for revocation of a conditional use permit, a conditional use permit for a cannabis dispensary may be revoked on either of the following grounds in accordance with the procedure under Section 16.108.030 (A):

- a. The cannabis dispensary is operated in a manner that violates any of the provisions of state law or this code; or
- b. The cannabis dispensary does not have a valid medical cannabis operators permit required by Chapter 5.100.

9. **Adult-Use Sales.** Existing cannabis dispensaries in possession of a valid, active conditional use permit, may also sell adult-use cannabis with a valid amendment to their existing Operator's Permit in accordance with Chapter 5.100.

B. Medical Cannabis Cultivation.

1. **Conditional use permit required.** A conditional use permit is required to establish or operate a medical cannabis cultivation site.
2. **Operators permit required.** After acquiring a Conditional Use Permit, a medical cannabis cultivation site must obtain and maintain at all times a valid medical cannabis operators permit as required by Chapter 5.100.
3. **Location requirements.** The following location requirements apply to all medical cannabis cultivation sites. The Review Authority may waive location requirements as provided in Chapter 16.176, consistent with applicable State location restrictions.
 - a. No medical cannabis cultivation site shall be established or located within 1,000 feet, measured from the nearest property lines of each of the affected parcels, of any other medical cannabis business or site having a valid use permit for a medical cannabis business;
 - b. No medical cannabis cultivation site shall be established or located within 300 feet, measured from the nearest property lines of each of the affected parcels, of any existing residential zone;
 - c. No medical cannabis cultivation site shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any childcare center, child care, in-home (family day care home), religious facility, drug abuse, alcohol recovery/treatment facility, or theater;
 - d. No medical cannabis cultivation site shall be established or located within 1,000 feet, measured from the nearest property lines of each of the affected parcels, of any park or school, K-12;
 - e. All medical cannabis cultivation sites must be located within a fully-enclosed building and the interior of the building must not be visible from the public right-of-way.

Only those uses established and in operation as of the date that the application for a medical cannabis cultivation site conditional use permit is determined or deemed to be complete shall be considered for purposes of determining whether the location requirements are met.

4. **Operator.** No medical cannabis cultivation site shall be operated by a person or entity that operates a medical cannabis dispensary.
5. **Limit on who may own cultivation sites.** No medical cannabis dispensary owner may own or operate a medical cannabis cultivation site in the City of Stockton.
6. **Limit on growth square footage.** The cumulative area of total canopy size on the premises of a medical cannabis cultivation site shall not exceed 22,000 square feet.
7. **Conditions of approval.** The planning commission may address development and operational standards through conditions on the conditional use permit as it is determined to be necessary or appropriate for the medical cannabis cultivation site conditional use permit under consideration; provided, that conditions shall not conflict with the provisions of Chapter 5.100 relating to operating requirements of medical cannabis cultivation sites and shall be subordinate to conditions placed on the medical cannabis operators permit issued under Chapter 5.100.
8. **Parking.** Off-street parking shall be provided as required under Chapter 16.64 for industry, manufacturing, and processing uses.

9. **Application.** The application for a conditional use permit for a medical cannabis cultivation site shall include a floor plan, site plan, neighborhood context map, and a security and lighting plan.

10. **Pre-existing medical cannabis cultivation sites—Nonconforming.** No medical cannabis cultivation site operating or purporting to operate without a valid business license and conditional use permit prior to the adoption of the ordinance codified in this section, shall be deemed to have been a legally established use under the provisions of this code, nor shall the operation of such cultivation site be deemed a legal nonconforming use under this Title 16.

11. **Additional grounds for revocation of medical cannabis cultivation site conditional use permit.** In addition to the grounds stated in Section 16.108.030 (B) for revocation of a conditional use permit, a conditional use permit for a medical cannabis site may be revoked on either of the following grounds in accordance with the procedure under Section 16.108.030 (A):

- a. The medical cannabis cultivation site is operated in a manner that violates any of the provisions of state law or this code; or
- b. The medical cannabis cultivation site does not have a valid medical cannabis operator permit as required by Chapter 5.100.

C. **Prohibition of Certain Cannabis Businesses.** The following cannabis businesses shall be prohibited in the City of Stockton:

1. Any cannabis business engaging in the sale or adult-use cannabis or adult-use cannabis products at a location other than an existing cannabis dispensary and any business engaging in the cultivation of adult-use cannabis or adult-use cannabis products, as provided in Business and Professions Code Section 26000, et seq.; and
2. Any cannabis business engaged in delivery, distribution, or manufacture of cannabis or operating a cannabis testing laboratory, as defined in Business and Professions Code Section 26001.

D. **Prohibition of Outdoor Personal Cannabis Cultivation.**

1. Cannabis cultivation for personal use must be located inside a private residence, or inside an accessory structure to a private residence located upon the grounds of a private residence that is fully enclosed and secure.
2. All cannabis cultivation for personal use within a private residence must be conducted in a manner that prevents marijuana plants from being visible from any street, sidewalk, or other place freely accessible by the public and prevents the odor of marijuana from permeating beyond the boundaries of the parcel or property where the indoor cultivation is occurring. (Ord. 2017-11-07-1502 C.S. § 1; Ord. 2016-06-28-1503-01 § III; Ord. 2013-07-30-1603-01 C.S. § 2; Ord. 013-10 C.S. § 1, eff. 9-23-10)

SECTION XXI: AMENDMENT OF CODE

The following Cannabis related definitions with the “Definitions of specialized terms and phrases” in Title 16, Chapter 16.240, section 16.240.020 are amended as follows:

Cannabis. Shall have the same meaning as set forth in Business and Professions Code Section 26001(f) as the same may be amended from time to time.

Cannabis Cultivation. Shall have the same meaning as set forth in Business and Professions Code Section 26001(l) as the same may be amended from time to time.

Cannabis Cultivation Site. Shall have the same meaning as set forth in Business and Professions Code Section 26001(m) as the same may be amended from time to time.

Cannabis Delivery. Shall have the same meaning as set forth in Business and Professions Code Section 26001(p) as the same may be amended from time to time.

Cannabis Dispensary. Shall mean a retail storefront location where medical and/or adult-use cannabis may be sold. For purposes of this chapter, “dispensary” shall also include a cooperative. “Dispensary” shall not include the following uses: (1) a clinic licensed pursuant to Chapter 1 of Division 2 of the California Health and Safety Code; (2) a health care facility licensed pursuant to Chapter 2 of Division 2 of the California Health and Safety Code; (3) a residential care facility for persons with chronic life-threatening illnesses licensed pursuant to Chapter 3.01 of Division 2 of the California Health and Safety Code; (4) a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the California Health and Safety Code; (5) a residential hospice or home health agency licensed pursuant to Chapter 8 of Division 2 of the California Health and Safety Code.

Cannabis Distribution. Shall have the same meaning as set forth in Business and Professions Code Section 26001(r) as the same may be amended from time to time.

Cannabis Manufacturer. Shall have the same meaning as set forth in Business and Professions Code Section 26001(ah) as the same may be amended from time to time.

Cannabis Nursery. Shall have the same meaning as set forth in Business and Professions Code Section 26001(aj) as the same may be amended from time to time.

Cannabis Testing Laboratory. Shall have the same meaning as set forth in Business and Professions Code Section 26001(at) as the same may be amended from time to time.

Medical Cannabis, Medical Cannabis Product, or Cannabis Product. Shall have the same meanings as set forth in Business and Professions Code Section 26001(aj) as the same may be amended from time to time.

Medical and Adult-Use Cannabis Regulation and Safety Act or “MAUCRSA”. Shall mean Senate Bill 94, which passed June 2017, which integrated Medical Cannabis Regulation and Safety Act (MCRSA) and Adult Use of Marijuana Act (AUMA) to create a single regulatory system governing the medical and adult-use cannabis industry in California.

SECTION XXII: SEVERABILITY

If any of this ordinance or the application thereof to any person or circumstances is held invalid, that invalidity shall not affect other provisions or applications of the act which can be given without the invalid provision or application, and to this end, the provisions of this act are severable.

SECTION XXIII: EFFECTIVE DATE

This Ordinance shall take effect and be in full force thirty (30) days after its passage.

ADOPTED: _____

EFFECTIVE: _____

MICHAEL D. TUBBS
Mayor of the City of Stockton

ATTEST:

CHRISTIAN CLEGG
Deputy City Manager
Interim City Clerk of the City of Stockton