

PROPOSED AMENDMENTS TO THE CITY OF STOCKTON MUNICIPAL CODE

THE PEOPLE OF THE CITY OF STOCKTON DO ORDAIN, AS FOLLOWS:

SECTION I:

Chapter 5.100 of the City of Stockton Municipal Code shall be amended as follows:

Chapter 5.100 MEDICAL CANNABIS ~~DISPENSARIES~~BUSINESSES

5.100.010 Short title.

This chapter shall be known as the “Medical Cannabis Permit, Audit and Reporting Ordinance.”

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 medical cannabis ~~dispensaries and medical cannabis cultivation businesses~~ within the City; to enforce rules consistent with the Compassionate Use Act ~~and, the Medical Marijuana Program Act and the Medical Marijuana Regulation and Safety Act~~, 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. ~~Since medical cannabis dispensaries, also known as medical marijuana dispensaries, are now prohibited by Section 16.80.195, the provisions of this chapter shall only apply to medical cannabis (medical marijuana) dispensaries that are legal nonconforming uses.~~

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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~~corporation, or any other operator, manager, employee, or agent of a ~~dispensary~~Medical Cannabis Business.

_____"~~Medical Cannabis Dispensary~~" (also referred to as a "~~cannabis business~~" or "~~Dispensary~~") means ~~any facility or location, whether collective or cooperative, where medical cannabis (also known as medical marijuana) is made available to, distributed by, or distributed to one or more of the following: a qualified patient, a person with an identification card, or a primary caregiver in accordance with California Health and Safety Code Sections 11362.5 et seq.~~

_____"Cannabis" shall have the same meaning as set forth in Business and Professions Code Section 19300.5(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 19300.5(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 19300.5(l) 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 19300.5(x) 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 19300.5(m) as the same may be amended from time to time.

"Dispensary" shall have the same meaning as set forth in Business and Professions Code Section 19300.5(n) as the same may be amended from time to time. 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.

“Dispensing” shall have the same meaning as set forth in Business and Professions Code Section 19300.5(o) as the same may be amended from time to time.

“Distribution” shall have the same meaning as set forth in Business and Professions Code Section 19300.5(p) as the same may be amended from time to time.

“Distributor” shall have the same meaning as set forth in Business and Professions Code Section 19300.5(q) 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 ~~Dispensary~~ Medical 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 19300.5(y) as the same may be amended from time to time.

“Manufacturing site” shall have the same meaning as set forth in Business and Professions Code Section 19300.5(af) 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 19300.5(ag) as the same may be amended from time to time.

“Medical Cannabis Business” shall mean any person, as defined herein, regulated under the Medical Marijuana Regulation and Safety Act, including any person who engages in commercial cannabis activity, cultivation, delivery, dispensing, distribution, or transport and any dispensary, distributor, manufacturer, transporter. “Medical Cannabis Business” shall not include testing laboratories licensed by the state of California.

“Medical Marijuana Regulation and Safety Act” or “MMRSA” shall mean the following bills signed into law on October 9, 2015 as the same may be amended from time to time: AB 243, AB 246, and SB 643.

“Nursery” shall have the same meaning as set forth in Business and Professions Code Section 19300.5(ah) 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.

“Permittee” means the person: (1) to whom a permit is issued; and (2) who is identified in California Health and Safety Code Section 11362.7, subsection (c), (d), (e) or (f).

“Person” ~~means~~ 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 19300.5(z) as the same may be amended from time to time.

“Transport” shall have the same meaning as set forth in Business and Professions Code Section 19300.5(am) as the same may be amended from time to time.

“Transporter” shall have the same meaning as set forth in Business and Professions Code Section 19300.5(aa) as the same may be amended from time to time.

5.100.040 Medical Cannabis ~~Dispensary~~ Permits required.

It is unlawful for any person, ~~firm or corporation~~ to operate a Medical Cannabis ~~Dispensary~~ Business without first having obtained a conditional use permit pursuant to Stockton Municipal Code section 16.80.195 and an ~~Operators~~ written permit pursuant to this Chapter ~~from the City~~. 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.

5.100.050 Application for Medical Cannabis ~~Dispensary~~ Operators Permit.

A. An applicant for a Medical Cannabis ~~Dispensary Permit~~ Operators Permit (also referred to herein as an “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 ~~City Manager~~ 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 ~~City Manager~~ 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 ~~record~~ 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 ~~record~~ of each of the officers, directors, copartners or stockholders, specifically including any criminal arrest and conviction record, ~~a plea of nolo contendere shall be considered a guilty plea for purposes of this chapter,~~ 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 ~~City Manager~~ 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 Permits, including any claims and litigation arising from the establishment, operation, or ownership of the Medical Cannabis ~~Dispensary~~ Business.

5.100.060 Investigation and Decision.

A. Upon receipt of a complete application for an Operators Permit, the Chief of Police shall cause an investigation to be made covering all matters relevant to the proposed activity of the applicant. Such matters may include, but are not limited to, the following:

1. Identity, character and background of the applicant;
2. Interior floor plan of buildings and site plan as to parking, traffic movement and aesthetics;
3. Compliance with the City's General Plan, zoning, security and environmental requirements; and
4. Type and degree of security personnel and facilities to be provided.

B. In the event a complete application ~~for a license~~ is presented to the Chief of Police, and the fees required have been paid, and the investigations and reports required under the provisions of this chapter have been duly completed, the Chief of Police shall consider such application. The Chief of Police shall, at minimum, consider the following factors during the consideration of the application for an Operators Permit:

1. Whether issuance of the permit and subsequent operation will be detrimental to the public health, safety and welfare of the citizens of Stockton; or
2. Any other relevant data, facts or considerations.

C. Within 60 days of completing the investigation, the application for an Operators Permit shall be approved, conditionally approved, or denied by the Chief of Police. The Chief of Police may impose conditions, restrictions or require revisions to the proposal to comply with this chapter and the Administrative Guidelines as adopted by the City Manager. Written notice of the decision of the Chief of Police shall be mailed to the applicant by regular U.S. mail.

5.100.070 Grounds for denial of ~~Medical Cannabis Dispensary~~ Operators Permit.

_____A. The Chief of Police may deny a permit for any of the following reasons, without being limited thereto, or for any other reason consistent with the provisions of this chapter:

1. Conviction, (a plea of nolo contendere shall be considered a guilty plea for purposes of this chapter), or violation of any crime of violence, any crime involving narcotics, fraud, gambling, loan sharking, bookmaking, theft, moral turpitude, or any crime involving evasion of taxes, or any other crime of moral turpitude indicating a lack of business integrity or business honesty, whether committed in the State of California or elsewhere, whether denominated as a felony or as a misdemeanor and notwithstanding the passage of time since the conviction;

2. Failure of the proposed business or activity to be proposed to be operated or operated in compliance with State or local~~City~~ law or regulation;

3. The applicant, or any principal thereof, having been identified by any law enforcement agency, legislative body or crime commission as a member of, or an associate of, organized criminal elements;

4. Making any false statement in the application or as to any other information presented as part of the application process;

5. Evidence of current or prior unlawful or nuisance-creating operation as a permittee in this or another jurisdiction;

6. Applicant is presently under indictment or the subject of a criminal complaint for any of the crimes described in subsection (A)(1) of this section;

7. Making or causing to be made any statement in an application or document provided to the City in connection with an application, which statement was at the time and in the light of the circumstances under which it was made, knowingly false or misleading;

8. Failure of any person named in the application when summoned by the Chief of Police or his or her agent(s) to appear and testify and provide additional information at such time and place as the Chief of Police or his or her agent(s) may specify;

9. Inadequate security plan;

10. Proposed location in an area not authorized by Title 16 of the Stockton Municipal Code, and a use permit for ~~said Dispensary~~the proposed use at the proposed location has not been obtained from the Planning Commission or the City Council ~~within a reasonable time after application~~, or has been revoked;

11. If any person listed on the application as an owner, officer, board member, operator, or on-site general manager has been involved in any prior operation of an unpermitted

dispensary, cultivator, collective or cooperative, or has in any manner dispensed or transferred cannabis without first obtaining a permit from the City.

5.100.080 Limitation on number of ~~Medical Cannabis Dispensary~~Operators Permits.

_____ At no time shall there be in operation within the City more than ~~three (3)~~four (4) active Operators Permits: for dispensaries and four (4) active Operators Permits for cultivation sites. At no time shall there be more than ~~two (2) dispensaries~~ two (2) dispensaries and two (2) cultivation sites in operation within any Council District.

5.100.090 Appeal from denial of ~~Medical Cannabis Dispensary~~Operators Permit.

_____ The action of the Chief of Police in denying ~~such a~~the permit may be appealed to the City Manager. Notice of ~~such~~ appeal, in writing stating the grounds for ~~such~~ appeal, and admitting and denying those determinations of the Chief of Police included in the notice of denial, shall be filed with the City Manager within 10 days after the denial of ~~said the~~ permit. Upon failure to file ~~such~~ notice within the 10-day period, the action of the Chief of Police in denying ~~such the~~ permit shall be final and conclusive. If the notice of appeal is timely filed, accompanied by payment of an appeal fee in an amount as may be established from time to time by resolution of the City Council, the City Manager shall schedule the matter for hearing. The City Manager may, in the City Manager's sole discretion, hear the appeal, designate a member of City staff to hear the appeal, or submit the appeal to the administrative hearing officer to conduct the hearing in accordance with the provisions of Chapter ~~1-401.44~~ of this Code.

5.100.100 Expiration of ~~Medical Cannabis Dispensary~~Operators Permits.

Operators Permits issued pursuant to this chapter shall be and remain valid until the earlier of expiration of the permit term of one (1) year, suspension or revocation by the Chief of Police or City Manager as provided in this chapter, or voluntary surrender in writing by the permittee. In the event of surrender, suspension, revocation or expiration, no permit fee, or any portion thereof shall be refunded.

~~5.100.110~~ Renewal of ~~Medical Cannabis Dispensary~~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 ~~Dispensary~~Medical 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;₁
- b. The full, true and correct names and addresses of each and every employee;₂ 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 5.100.110 have been met.

5.100.120 Suspension and revocation of ~~Medical Cannabis Dispensary~~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 Medical 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.

~~A. In the event the Chief of Police determines that a permit issued pursuant to the terms of this chapter shall be suspended or revoked, the Chief of Police shall issue a notice of decision which shall state the grounds upon which the suspension or revocation or other penalty is based. The notice shall be in writing and addressed to the permittee and the building owner at the addresses of record.~~

~~B. Unless the permittee files a written notice of appeal with the City Manager within 10 calendar days from the date of mailing of the notice of decision, the decision shall become final. The notice of appeal shall state all of the grounds of appeal and shall admit or deny the determination in the notice of decision. Failure to timely file the written appeal shall constitute a waiver of such person's right to the administrative appeal to the hearing officer.~~

~~C. The City Manager shall select a hearing officer who shall schedule and conduct the hearing in accordance with procedures specified in regulations to be promulgated by the City Manager.~~

~~D. The appeal procedures and costs shall be in accordance with the administrative adjudication procedures established in the Stockton Municipal Code.~~

5.100.130 Appeal from Suspension or Revocation of Operators Permit.

A. The action of the Chief of Police in revoking or suspending an Operators Permit may be appealed to the City Manager. Notice of such appeal, in writing stating the grounds for such appeal, and admitting and denying those determinations of the Chief of Police included in the notice, shall be filed with the City Manager within 10 days after the revocation or suspension of the permit. Upon failure to file the notice within the 10-day period, the action of the Chief of Police in revoking or suspending such permit shall be final and conclusive. If the notice of appeal is timely filed, accompanied by payment of an appeal fee in an amount as may be established from time to time by resolution of the City Council, the City Manager shall schedule the matter for hearing. The City Manager may, in the City Manager's sole discretion, hear the appeal, designate a member of City staff to hear the appeal, or submit the appeal to the administrative hearing officer to conduct the hearing in accordance with the provisions of Chapter 1.44 of this Code.

~~E.B.~~ In the event a permittee files an appeal pursuant to this section, the effective date of the decision shall be stayed pending determination by the ~~hearing officer~~City Manager. The determination of the ~~Hearing Officer~~City Manager shall be final.

5.100.140 No application for Medical Cannabis DispensaryOperators Permit following revocation.

In the event that an Operators Permit is revoked, each permittee, or principal of the permittee, that held the revoked Operators Permit shall not be eligible to apply for or be issued a new Operators Permit, until one (1) year has passed from the date of revocation.

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 condition of any~~ 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 ~~Dispensary~~Medical 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 ~~Dispensary~~Medical 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 ~~California~~ Health and Safety Code;
4. The applicant has been convicted of any offense specified in Sections 266(I), 315, 316, 318 or subdivision (a) or (b) of Section 647 of the ~~California~~ 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 ~~California~~ Business and Professions Code Section 19859(e) and ~~California~~ Penal Code Section 186.2, or as those sections may subsequently be amended.

5.100.160 Appeal from denial, suspension, or revocation of employee work permit.

A. Whenever the ~~City~~ Chief of Police shall deny an application for an employee work permit, the City shall notify the applicant/work permit holder in writing by either personal delivery or by first class mail addressed to the applicant/work permit holder at the address listed in the respective application, or at any more recent address furnished to the City by the applicant/work permit holder. The notice shall state that the application has been denied or that the employee work permit has been suspended or revoked and the grounds for the action. The notice shall further state that the applicant or work permit holder shall have the right to appeal the action to the City Manager by filing a notice of appeal with the City Manager no later than 10 calendar days from the date of the notice of denial.

B. A notice of any appeal must be filed with the City Manager not later than 10 calendar days from the date of notice of denial, suspension or revocation of the application or employee work permit. If a notice of appeal is timely filed, accompanied by payment of an appeal fee in the amount as may be established from time to time by resolution of the City Council, the City Manager shall schedule the matter for hearing. The City Manager may, in the City Manager's sole discretion, hear the appeal, designate a member of City staff to hear the appeal, or submit the appeal to the administrative hearing officer to conduct the hearing in accordance with the provisions of Chapter ~~4.401.44~~ 401.44 of this code.

5.100.170 Expiration of employee work permits.

An employee work permit shall be valid, unless suspended or revoked, for a period of one (1) year from date of issuance. The fee shall not be returned in the event that such work permit is refused, revoked or suspended as herein provided. Said work permit shall be valid even though the holder of said permit may change his or her place of employment within the City.

5.100.180 Renewal of employee work permits.

Any person who holds a valid employee work permit may obtain a new permit for the succeeding year by applying for ~~asaid~~ new employee work permit during the month preceding the expiration date of the current permit. Employees who have applied for a renewal within the time frame allowed, may continue to work pending a decision regarding the renewal. Cost for ~~thesaid~~ new permit, which shall include the cost of a new identification card, shall be an amount as fixed and established from time to time by resolution of the City Council.

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5.100.190 Investigations—Updating.

———All 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.

5.100.200 Failure to obtain new employee work permit.

If the holder of an employee work permit fails to timely renew ~~the said~~ 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 ~~Dispensary~~ Medical Cannabis Business without a valid employee permit.

5.100.210 Suspension or revocation of employee work permit.

A. If an employee violates, permits, allows or causes the violation of any provisions of this chapter, the Chief of Police shall have the right to revoke or suspend any employee work permit issued hereunder and to take possession of such permit. Any of the grounds upon which the Chief of Police may be required to refuse to issue an initial employee work permit shall also constitute grounds for such revocation or suspension.

B. Suspension or revocation of an employee work permit shall be made only after a hearing granted to the holder of such permit before the Chief of Police, after 10 days' notice to said permit holder, setting forth the grounds of the complaint against him or her and stating the time and place where such hearing will be held. The action of the Chief of Police in this respect shall be subject to an appeal to the City Manager in accordance with the provisions of Section 5.100.160(B). Notice of ~~the such~~ appeal shall be filed with the City Manager within 10 calendar days after the revocation or suspension. Upon failure to file ~~the such~~ notice within the 10-day period, the action of the Chief of Police in revoking or suspending the work permit shall be final and conclusive.

5.100.220 Audit/reporting required.

———A. Each permittee shall file quarterly (or in such other interval as determined by the City Manager and stated in administrative guidelines adopted pursuant to this chapter) with the City a statement, under oath, showing the true and correct amount of gross revenue derived from the cannabis business in the preceding applicable time period. At the option of the City, the City may require payment of gross revenue tax revenues through electronic transfer on a more frequent basis. ~~The Such~~ statement shall be accompanied by the payment of the correct amount of gross revenue license tax due and owing. A signed certification shall be attached to the statement.

B. Each permittee subject to the audit/reporting requirements under this section shall pay an audit fee in an amount set by resolution of the City Council.

C. At the end of each permittee's fiscal year, the City shall employ at permittee's expense a recognized firm of certified public accountants as approved by the City to conduct an audit of permittee's financial records in accordance with generally accepted auditing standards and any additional specifications for audit as identified in the rules and regulations as may be promulgated by the City Manager.

~~ED.~~ The audit shall conclude with the expression of the auditor's opinion on the financial statements of the permittee's operations in accordance with generally accepted accounting principles, and in compliance with the mandate of ~~California Health and Safety Code Section 11362.765 subdivision (a)~~ state law. The auditor shall express a separate opinion on the permittee's gross revenues and related permit fees paid to the City for the period then ended. Also, the permittee shall provide the City with an annual update of the evaluation of its internal accounting and administrative controls. Such audit report shall be filed with the City Administrative Services Director no later than 90 days after the permittee's fiscal year end. In the event that such evaluation discloses material weaknesses or reportable conditions, including, but not limited to, qualified or adverse auditor's opinions, or discrepancies or deficiencies in the permittee's system of internal accounting and administrative controls, the permittee shall submit a program to the City Manager within 30 days of such evaluation outlining the permittee's program and target dates to correct such weaknesses or conditions. The program and target dates shall be subject to approval, modification or denial in the sole discretion of the City Manager, and, in the event of modification or denial, the permittee shall submit within 14 days of receipt of the City Manager's modification or denial, a revised program and target dates to correct such weaknesses or conditions. Such revised program and target dates shall be subject to approval or modification in the sole discretion of the City Manager, and in the event of modification, the permittee shall conform ~~with~~ to the modified requirements of the program. Failure to correct the weaknesses or conditions within the time periods specified in the approved or modified program may be grounds for suspension and/or revocation of the permit. All reports or evaluations submitted hereunder shall be confidential and shall not be available for public inspection.

~~DE.~~ Any failure or refusal of any ~~such~~ permittee to make any statement as required within the time required, or to pay such sums due as fees or gross revenue license tax when the same are due and payable in accordance with the provisions of this chapter, shall be and constitute full and sufficient grounds for the revocation or suspension of the permits issued pursuant to ~~this chapter in the sole discretion of the Chief of Police~~ Section 5.100.120 (A)(2) of this Code.

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 ~~in the sole discretion of the Chief of Police~~ pursuant to Section 5.100.120(A)(2) of this Code.

C. A ~~cannabis business~~ Medical 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 ~~member's person's~~ person's participation in the management of the business;

3. The full name, address, and telephone number(s) of all ~~patient members~~ patients to whom the ~~business~~ Medical Cannabis Business provides cannabis, a copy of a government-issued identification card for all ~~patient members~~ 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 ~~business~~ Medical 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 the ~~business~~ Medical 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 ~~business~~ Medical Cannabis Business for the cultivation of cannabis;

6. An inventory record documenting the dates, amounts, and content testing results of all cannabis cultivated by ~~business~~ the Medical 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, ~~and the full name of the member~~ 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, ~~and the full name of the memberperson~~ whom transferred it to the ~~Dispensary~~Medical Cannabis Business and any amounts paid;

____—9. Name, address and medical license numbers of all physicians who have given a cannabis recommendation to a qualified patient.

D. Each ~~Dispensary~~Medical Cannabis Business shall verify the validity of the doctor making a cannabis recommendation. This verification will be by checking via the Internet with the State of California's Medical Board of California Physician License Lookup System. The verification will also consist of calling each doctor to verify the cannabis recommendation.

~~DE.~~ These records shall be maintained by the ~~business~~Medical Cannabis Business for a period of five (5) years and shall be made available by the ~~business~~Medical 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 ~~business~~Medical Cannabis Business may maintain, these records shall be stored by the ~~business~~Medical 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.

~~EF.~~ In addition to the keeping of a permanent record as herein provided, every ~~Dispensary~~Medical 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.

5.100.240 Violations and penalties.

It is unlawful for any permittee, employee or other person to violate any of the rules or regulations set forth in this chapter. Any violation of any of the provisions of this chapter or any of the rules and regulations set forth, established or promulgated in this chapter may be charged as a misdemeanor or an infraction. Any use or condition caused or permitted to exist in violation of any of the provisions of this chapter is hereby declared a public nuisance and may be summarily abated by the City.

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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 ~~member-person~~ engaged in the management of the ~~Dispensary~~ Medical Cannabis Business who shall receive, log, and respond to complaints and other inquiries.

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~~5.100.260~~ Storage of cash overnight.

~~Dispensaries~~ Medical Cannabis Business shall obtain the services of a licensed armored vehicle service and arrange for a daily pick-ups.

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~~5.100.270-260~~ Testing Reserved.

~~A. Testing of Medical Marijuana. Dispensaries shall use an independent and certified laboratory to analyze a representative sample from each separately procured batch of dried medical marijuana and a representative sample of each separately procured batch of edible marijuana for pesticides and any other regulated contaminants pursuant to established local, State, or Federal regulatory or statutory standards at levels of sensitivity established for the food and drug supply before providing the medical marijuana to its members. Any medical marijuana from which the representative sample analysis tested positive for a pesticide or other contaminant at a level which exceeds the local, State, or Federal regulatory or statutory standard for the food and drug supply shall not be provided to members and shall be destroyed forthwith. Any medical marijuana provided to members shall be properly labeled in strict compliance with State and local laws.~~

~~B. Testing Log. Dispensaries shall maintain and publicly display a written log at the location documenting the date, type, and amount of marijuana tested; the name of the laboratory where the marijuana was tested; the laboratory report containing the results of the testing, including the name and level of the substance detected; and the disposition of the marijuana from which the contaminated sample was obtained, including the amount of marijuana and the date and manner of disposition.~~

~~5.100.2870~~ 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 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.

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~~5.100.290-280~~ Dispensary closures during authorized hours; Hours of Operation.

~~A dispensary's hours~~ Hours of operation shall be limited to between 7:00 a.m. and 8:00 p.m. ~~A dispensary~~ Medical Cannabis Business shall not close during its hours of operation, either on a temporary basis or ongoing basis. Any temporary or ongoing closures, except for those necessary during an emergency situation, must be pre-approved by the City Manager. Failure to gain approval from the City Manager prior to closure shall be grounds for revocation of the ~~Operators Permit pursuant to Section 5.100.120.~~

~~5.100.290300~~ Minors prohibited.

A. The presence of minors, under the age of 18 years, on the premises of a ~~Dispensary~~ Medical Cannabis Business is prohibited unless they are a qualified patient ~~or a primary caregiver~~ and they are in the presence of their parent or legal guardian.

 B. No permittee shall cause, permit or allow, either by act or by failure to act, the violation of subsection A of this section. Any violation of subsection A of this section shall ~~subject the permittee of the Dispensary where the violation occurred to be~~ grounds for the immediate revocation of the Operators Permit pursuant to Section 5.100.120~~(A)(1)(a)~~ of this chapter.

~~5.100.300310~~ Administrative guidelines.

The City Manager may establish and amend administrative guidelines, as needed to administer this chapter, implement the permit application ~~and selection~~ processes, introduce additional application requirements not inconsistent with the requirements of this chapter, and to impose appropriate and beneficial conditions of permit approval. The administrative guidelines shall have the force of law, and shall be enforceable in the same manner and to the same extent as the provisions of this chapter.

~~5.100.3120~~ Business license tax.

Notwithstanding any provision to the contrary, all Medical Cannabis ~~Dispensaries~~ 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.

5.100.320 Amendment by City Council permitted.

The terms of this Chapter, although adopted by initiative, may be amended by an ordinance adopted by the City Council.

SECTION II:

Chapter 16.20, Section 16.20.020 of the City of Stockton Municipal Code shall be amended as follows:

16.20.020 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	
<u>Medical Cannabis Cultivation</u>											<u>C</u>	<u>C</u>	<u>C</u>			<u>16.80.195</u>
Mining											A	A	A	A		

BUSINESS AND PROFESSIONAL USES

Banks and financial services					L	P	P	P	P	L			P			
Business support services						P	P	P	P	L		P	P			
Offices					L	A	P	P	P	L		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
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
<u>Medical Cannabis Distribution</u>																
<u>Medical Cannabis Manufacturer</u>																
<u>Medical Cannabis Testing Laboratory</u>																
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

[illegible]

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 and 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

**RECREATION, EDUCATION, AND PUBLIC ASSEMBLY
USES**

Activity centers	A	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							A	A	A	A	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 16.80.270
Clubs, lodges, and private meeting halls						A	A	A	A	A	L	A			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	L	A	P	P	P	L	L			L	A		
Live entertainment						P	P	P	P					P			16.80.180
Marinas							C	C			C		A	A			
Outdoor assembly facilities							A	A	A					L			

TABLE 2-2
ALLOWABLE LAND USES AND PERMIT REQUIREMENTS

LAND USES	PERMIT REQUIREMENT BY ZONING DISTRICT	
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	RE	RL	RM	RH	CO	CN	CG	CD	CL	CA	IL	IG	PT	PF	OS	SPECIFIC USE STANDARDS
Outdoor commercial recreation facilities							C	C	C	C	C			A		
Parks and playgrounds	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	L	A	L	L	A	L	L			L		16.80.080
Studios					L	P	P	P	P	L						

RESIDENTIAL USES

Caretaker and employee housing					L	A	L	L	P	A	L	L	L	L	L	
Dwelling group			P	P		A		L						L		
Duplexes		A	P	P				A						L		16.24.040
Mobilehome parks		A	A	A			A	A								16.80.210
Multifamily dwellings			A	A	C	C	C	A						L		16.80.220
Organizational houses				A				A								
Residential care facilities																
Assisted living facilities	A		C	A	C			A						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			A	L	C	C		L						L		16.80.220
Single-family dwellings	P	P	P	P				P						L		
Townhouses		A	P	P	C	C		A						L		
Triplexes			P	P				A						L		

RETAIL TRADE

Agricultural chemical sales											A	L	P			16.36.080
Alcoholic beverage sales																
Bars and nightclubs—On-sale						C	C	C	C							16.80.270
Sale of alcohol—Off-sale						C	C	C	C				C	C		16.80.040
With other establishments—On-sale						L	L	L	L				L	L		16.80.040(D)(3)(a)(i)
Full service restaurants—On-sale						P	P	P	P				P	P		16.80.040(D)(3)(b)(i)
Artisan shops					C	P	P	P	P	L	P					
Auto and vehicle sales—New									L		A					16.24.120 16.80.070 16.80.330
Auto and vehicle sales—Used							L				A	L				16.24.120 16.80.070 16.80.330

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	

Auto and vehicle leasing/rental						A	L		A	L					16.80.070
Auto parts sales					P	P	P	P	A						
Building material stores					A	A	L	P		A					16.80.330
Construction, farm & heavy equipment sales						A			A	P	P	P			16.80.330
Convenience stores					C	C	C	C							16.80.040 16.80.140 16.80.270
Furniture, furnishings, and appliance stores				C	P	P	P	P	P	P					16.80.330
Mobilehome sales									A	P					16.80.330
Nurseries and garden supply stores	A				A	P	P	P	A	P					16.80.330
Outdoor retail sales and activities							A	A		A					16.80.260
Pet shops					P	P	P	P							
Recreational vehicle & boat sales—New/used							L		A	L					16.80.330
Restaurants				C	P	P	P	P	L			P			16.80.250
Retail stores				C	P	P	P	P	A			P			16.80.330
Secondhand stores/pawn shops						A	A	A							
Shopping centers															
Neighborhood						A	A								16.80.330
Community						A	A								16.80.330
Regional							C	C							16.80.330
Warehouse retail stores						C	C	C							16.80.330

SERVICES

Adult day care facilities				L	A	P	P	P				A	L		
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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	L	L	P	L	L						16.80.370
Auto/vehicle services																	
Car washes							A	A	A	A	A		P				
Fueling stations						A	L	L	L	A	L		P				16.80.320 16.80.340
Inoperable vehicle storage											L	L					
Maintenance/minor repair						A	P	P	P	A	P	P	P				16.80.320
Major repair/body work										A	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		L	L	L	L	P	L		
Child care facilities																	
Child care centers	C	C	C	C	C	A	A	A	A	A			A	L			16.80.100
Large family child care homes	A	A	A	A	A	A	A	A						A			16.80.100

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	
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	A	A	A	A						A			16.80.090
Extended-stay facilities							A	A	A								
Single room occupancy facilities (SROs)							A	A									
Hotels and motels					A		A	A	A				P				
Massage establishment																	16.80.190
State certified					P	P	P	P	P								
Non-certified						C	C	A	A								
Medical marijuana <u>Cannabis Dispensaries</u>							<u>C</u>		<u>C</u>		<u>C</u>	<u>C</u>					16.80.195
Medical services																	
Ambulance service					A		P	P	P	L	P		P	L			
Clinics and laboratories					L	A	P	P	P	L			P	L			
Extended care	C	C	C	A	A		A	A						L			
Health-related					A	A	A		A					A			16.80.190
Hospitals					C		C	C						C			
Medical cannabis <u>dispensaries</u>	-	-	-	-	-		€		€		€	€	-	-	-		<u>16.80.195</u>
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		
Homeless shelters				C	C		C	C			C			A		
Transitional housing				C	C		C	C			C			A		16.80.350

**TRANSPORTATION AND COMMUNICATION
USES**

Broadcasting studios						A		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
Transit stations and terminals							C	C			C	C	P	C		
Vehicle and freight terminals											A	L	P			

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

LAND USES	PERMIT REQUIREMENT BY ZONING DISTRICT	
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	RE	RL	RM	RH	CO	CN	CG	CD	CL	CA	IL	IG	PT	PF	OS	SPECIFIC USE STANDARDS
--	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	------------------------

OTHER USES

Live-work space					L	P	P	P	P		P					
Major impact facilities												C	C	C		
Motion picture production								P			P	P	P			
Multi-use facilities					A	L	A	A	A		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

SECTION III:

Chapter 16.80, Section 16.80.195 of the City of Stockton Municipal Code shall be amended as follows:

16.80.195 Medical ~~marijuana~~ Cannabis Businesses- Permitting dispensaries are prohibited.

~~A. Medical marijuana dispensaries, as defined herein, are prohibited in the City of Stockton. No person or entity shall operate, locate or otherwise permit or suffer a medical marijuana dispensary within the City of Stockton.~~

~~B. The City shall not issue, approve or grant any permit, license or other entitlement for the establishment or operation of a medical marijuana dispensary.~~

~~C. The prohibition in subsections A and B, above, includes, without limitation, renting, leasing, or otherwise permitting a medical marijuana dispensary to occupy or use a location, building, structure or vehicle.~~

~~D. The establishment, maintenance or operation of a medical marijuana dispensary, as defined herein, within the City limits of the City of Stockton is a public nuisance. Violations of this ordinance may be enforced by any applicable law, with criminal penalties limited if inconsistent with the Compassionate Use Act of 1996 or California Health and Safety Code Section 11362.7 et seq. (Ord. 2013-07-30-1603-01 C.S. § 2; Ord. 013-10 C.S. § 1, eff. 9-23-10)~~

A. Medical Cannabis Dispensaries.

1. **Conditional use permit required.** A conditional use permit is required to establish or operate a medical cannabis dispensary.
2. **Operators permit required.** After acquiring a Conditional Use Permit, a medical cannabis dispensary 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 dispensaries and may not be waived or modified by conditional use permit, variance, or site plan and design review approval:
 - a. No medical 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 medical cannabis business or site having a valid use permit for a medical cannabis business;
 - b. No medical 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 medical 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 medical 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 medical 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 medical 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 medical cannabis dispensaries and shall be subordinate to conditions placed on the medical 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 medical cannabis dispensary shall include a floor plan, site plan, neighborhood context map, and a security and lighting plan.
7. **Pre-existing medical cannabis dispensaries- nonconforming.** No medical cannabis dispensary operating or purporting to operate without a valid business license and conditional use permit prior to the adoption of this ordinance, 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 medical cannabis dispensary may be revoked on either of the following grounds in accordance with the procedure under section 16.108.030(A):
 - a. The medical cannabis dispensary is operated in a manner that violates any of the provisions of state law or this code; or
 - b. The medical cannabis dispensary does not have a valid medical cannabis operators permit required by 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 and may not be waived or modified by conditional use permit, variance, or site plan and design review approval:
 - 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 used for cultivation on the premises of a medical cannabis cultivation site shall not exceed twenty-two thousand (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 this ordinance, 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
 - a.b. The medical cannabis cultivation site does not have a valid medical cannabis operator permit as required by chapter 5.100.

SECTION IV:

Chapter 16.240, Section 16.240.020 of the City of Stockton Municipal Code shall be amended as follows:

16.240.020 Definitions of specialized terms and phrases.

~~**Cannabis Clone.** A rooted cutting from a cannabis plant not to exceed 10 inches in height.~~

~~**Cannabis Cloning.** The process of using a root cutting from a cannabis plant to grow a genetically identical cannabis plant.~~

~~**Cannabis/Marijuana.** All parts of the cannabis plant; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seed or resin. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is~~

~~incapable of germination~~ Shall have the same meaning as set forth in Business and Professions Code Section 19300.5(f) as the same may be amended from time to time.

Cultivation. Shall have the same meaning as set forth in Business and Professions Code Section 19300.5(l) 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 19300.5(x) 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 19300.5(m) as the same may be amended from time to time.

Dispensary. Shall have the same meaning as set forth in Business and Professions Code Section 19300.5(n) as the same may be amended from time to time. 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.

Dispensing. Shall have the same meaning as set forth in Business and Professions Code Section 19300.5(o) as the same may be amended from time to time.

Distribution. Shall have the same meaning as set forth in Business and Professions Code Section 19300.5(p) as the same may be amended from time to time.

Distributor. Shall have the same meaning as set forth in Business and Professions Code Section 19300.5(q) as the same may be amended from time to time.

Marijuana. “Marijuana” (also known as cannabis) shall have the same meaning as set forth in California Health and Safety Code Section 11018 as of the effective date of the ordinance codified in this section and as subsequently amended. Currently under Section 11018, “marijuana” means all parts of the plant *Cannabis sativa* L., whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil or cake, or the sterilized seed of the plant which is incapable of germination. “Marijuana” shall

~~also include concentrated cannabis, the separated resin, whether crude or purified, obtained from marijuana, and any foodstuffs infused with marijuana or concentrated cannabis.~~

Manufacturer. Shall have the same meaning as set forth in Business and Professions Code Section 19300.5(y) as the same may be amended from time to time.

Manufacturing site. Shall have the same meaning as set forth in Business and Professions Code Section 19300.5(af) 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 19300.5(ag) as the same may be amended from time to time.

Medical Cannabis Cultivation. ~~The growing of cannabis for medical purposes as defined in strict accordance with California Health and Safety Code Sections 11362.5, and 11362.7 et seq. For the purposes of this title, the care of clones exceeding 10 inches in height is considered cultivation.~~

Medical Marijuana Regulation and Safety Act or “MMRSA.” Shall mean the following bills signed into law on October 9, 2015 as the same may be amended from time to time: AB 243, AB 246, and SB 643.

Nursery. Shall have the same meaning as set forth in Business and Professions Code Section 19300.5(ah) as the same may be amended from time to time.

Medical Cannabis Dispensary.

~~Any facility or location, whether fixed or mobile, where medical cannabis is made available to, distributed by, or distributed to one (1) or more of the following: a qualified patient, a person with an identification card, or a primary caregiver, in accordance with California Section 11362.5 et seq., as amended.~~

Medical Marijuana Dispensary.

~~1. Any facility, building, structure or location, whether fixed or mobile, where a primary caregiver makes available, sells, transmits, gives or otherwise provides medical marijuana to two (2) or more of the following: a qualified patient or a person with an identification card, or a primary caregiver in strict accordance with California Health and Safety Code Section 11362.5 et seq.~~

~~2. Any facility, building, structure or location where qualified patients and/or persons with identification cards and/or primary caregivers meet or congregate to cultivate or distribute marijuana for medical purposes.~~

~~3. Any not-for-profit site, facility, building, structure or location where two or more qualified patients and/or persons with an identification card associate, meet or congregate in order to collectively or cooperatively, distribute, sell, dispense, transmit, process, deliver, exchange or give away marijuana for medicinal purposes pursuant to Health and Safety~~

~~Code Section 11362.5 et seq., and organized as a marijuana cooperative or collective as set forth in Health and Safety Code Section 11362.775.~~

~~Notwithstanding the foregoing, “medical marijuana dispensary” shall not include or mean the following facility, building or location, or use, which shall not be subject to enforcement for violation of the ordinance codified in this section; provided that the location of such facility, building or location, or use are otherwise regulated by applicable law, and further provided any such facility, building or location, or use complies strictly with applicable law, including, but not limited to, California Health and Safety Code Section 11362.5 et seq., and California Health and Safety Code Section 11362.7 et seq.:~~

~~1. A clinic licensed pursuant to Chapter 1 of Division 2 of the California Health and Safety Code.~~

~~2. A healthcare facility licensed pursuant to Chapter 2 of Division 2 of the Health and Safety Code.~~

~~3. A residential care facility for persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code.~~

~~4. A residential care facility for the elderly, licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code.~~

~~5. A residential hospice, or a home health agency, licensed pursuant to Chapter 8 of Division 2 of the Health and Safety Code.~~

~~6. Any dwelling unit where one (1) qualified patient or person with an identification card, and one other individual identified as the primary caregiver of that qualified patient or person with an identification card associate to collectively or cooperatively cultivate marijuana on-site for the personal medical use of the single qualified patient or person with an identification card. Any such cultivation shall comply with all other City ordinances.~~

~~**Qualified Patient.** As defined in California Health and Safety Code Section 11362.5 et seq., and as may be am.~~

~~**Testing laboratory.** Shall have the same meaning as set forth in Business and Professions Code Section 19300.5(z) as the same may be amended from time to time.~~

~~**Transport.** Shall have the same meaning as set forth in Business and Professions Code Section 19300.5(am) as the same may be amended from time to time.~~

~~**Transporter.** Shall have the same meaning as set forth in Business and Professions Code Section 19300.5(aa) as the same may be amended from time to time.~~

SECTION V:

Although adopted by initiative, the terms of this ordinance may be amended by an ordinance adopted by the City Council.

SECTION VI. SEVERABILITY

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

SECTION VII. SUPERSEDE

If approved by a majority of the voters voting on the measure of the November 8, 2016, municipal election, this ordinance shall supersede all other previous City Council resolutions and ordinances that may conflict with, or be contrary to, this ordinance.

SECTION VIII. EFFECTIVE DATE

This ordinance shall take effect only if approved by a majority of the voters voting on the measure at the November 8, 2016, Municipal Election. If approved by a majority of the voters voting on the measure, this ordinance shall become effective ten (10) days after the City Council declares and certifies by resolution the results of the election and that the measure was approved by a majority of voters voting thereon.

ADOPTED: _____

EFFECTIVE: _____

ANTHONY SILVA, Mayor
of the City of Stockton

ATTEST:

BONNIE PAIGE, City Clerk
of the City of Stockton