WHEREAS, California Health and Safety Code section 11362.5, the Compassionate Use Act of 1996 (“CUA”), adopted by the voters in the State of California, authorizes a limited defense to criminal charges for the use, possession or cultivation of marijuana for medical purposes when a qualified patient has a doctor’s recommendation for the use of marijuana; and

WHEREAS, Health and Safety Code section 11362.7 et seq., the Medical Marijuana Program Act (“MMPA”), was adopted by the state legislature and offers some clarification on the scope of the CUA, and section 11362.83, and specifically authorizes cities and other governing bodies to adopt and enforce rules and regulations related to medical marijuana; and

WHEREAS, the Medical Marijuana Regulation and Safety Act (“MCRSA” (Business and Professions Code section 19300 et seq.)) was adopted by the Legislature in 2015, and regulates the commercial activity of medical marijuana and assigns certain state agencies with regulatory tasks regarding commercial medical marijuana, including product labeling and environmental regulation.

WHEREAS, the Control, Regulate and Tax Adult Use of Marijuana Act (“AUMA” or “Proposition 64”) to legalize the recreational use of marijuana in California for individuals twenty-one (21) years of age and older was approved by the voters and became effective November 9, 2016; and

WHEREAS, the California Legislature passed Senate Bill 94 in June 2017, which was signed by the Governor and went into effect immediately, and which repealed MCRSA entirely and merged certain portions of that law with AUMA to create a more comprehensive regulatory structure for both medical and recreational marijuana; and

WHEREAS, the new comprehensive regulatory system created by Senate Bill 94, intended to regulate all commercial cannabis uses, is called the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”); and

WHEREAS, MAUCRSA also authorizes the personal cultivation of up to six (6) cannabis plants in a private residence for nonmedical purposes by individuals 21 years and older; and

WHEREAS, pursuant to MAUCRSA, the City can enact reasonable regulations for the personal cultivation of nonmedical cannabis that occurs inside a residence or accessory structure, and may completely prohibit outdoor nonmedical cannabis cultivation until such time as the California Attorney General determines that the nonmedical use of cannabis is lawful in California under federal law; and
WHEREAS, the CUA, MMPA, and MAUCRSA do not prevent a city from using its constitutional authority to enact nuisance, health, and safety, and land use regulations regarding cannabis cultivation, dispensaries or other commercial cannabis uses; and

WHEREAS, the City Council desires to regulate all commercial cannabis businesses operating in the City of Cloverdale in a manner that mitigates potential negative impacts, prevents cannabis from reaching minors or the illicit market, preserves public health and safety, protects the environment, drives diverse economic opportunities, and implements the City’s General Plan; and

WHEREAS, the City Council desires to adopt a new Chapter 18.15 to Title 18, Zoning, of the Cloverdale Municipal Code, so that all cannabis regulations are contained in the same location; and

WHEREAS, the Planning Commission held a duly noticed public hearing on the proposed amendments on August 16, 2017, at which time all interested parties had the opportunity to be heard. Following the public hearing, the Planning Commission recommended that the City Council adopt the Ordinance; and

WHEREAS, the City Council held a duly noticed public hearing on the proposed amendments on September 12, 2017, at which time all interested parties had the opportunity to be heard.


SECTION 3. Amendment to Zoning Code. Title 18 of the Cloverdale Municipal Code, “Zoning,” is hereby amended to add Chapter 18.15, “Cannabis,” to read as follows:

Chapter 18.15 CANNABIS

Sections:

18.15.010 Purpose and Intent
18.15.020 Definitions
18.15.030 Standards for All Commercial Cannabis Uses
18.15.040 Standards for Commercial Cannabis Cultivation
18.15.050 Standards for Commercial Cannabis Dispensaries
18.15.060 Standards for Manufacturing, Testing, Storage, Distribution, Delivery, and Microbusiness Commercial Cannabis Uses
18.15.070 Personal Cannabis Cultivation
18.15.080 Enforcement

18.15.010 Purpose and Intent

A. The purpose of this Chapter is to identify and establish standards for uses related to cannabis cultivation, use, and commercial activities that are permitted or conditionally permitted in some or all districts, but which have the potential to create significant effects on the community and surrounding properties. Furthermore, it is the purpose and intent of this Chapter to:

1. Assist law enforcement agencies in performing their duties effectively and in accordance with California law.
2. Acknowledge that the cultivation of medical and nonmedical cannabis is illegal under federal law while granting limited immunity from local prosecution to those medical and nonmedical cannabis activities that do not violate the restrictions and limitations set forth in this section or California law.

3. Ensure that cannabis grown for medical and nonmedical purposes remains secure and does not find its way to minors or illicit markets.

4. Implement state law by providing an equitable approach for regulating the cultivation of medical cannabis and cannabis in a manner that is consistent with state law and balances the needs of businesses, medical patients and their caregivers with the health, safety, morals and general welfare of the residents and businesses within the city.

5. Require that medical cannabis and nonmedical cannabis be cultivated in appropriately secured, enclosed, and ventilated structures, so as not to be visible to the public domain, to provide for the health, safety, and welfare of the public, to prevent odor created by cannabis plants from impacting adjacent properties, and to ensure that cannabis remains secure and does not find its way to minors or illicit markets.

B. These provisions are supplemental standards and requirements to minimize the effects of these uses and activities and to protect the health, safety, and welfare of individuals and the general public in accordance with the goals, objectives, policies, and implementation programs of the general plan. Chapter 18.15 is a permissive ordinance and therefore, does not confer any rights or permitted uses related to cannabis uses, unless expressly stated as an allowed right or use in this Chapter or other provision of the Cloverdale Municipal Code.

18.15.020 Definitions

“Cannabis” means all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, or any other strain or varietal of the genus Cannabis that may exist or be discovered, or developed, that has psychoactive or medical properties, whether growing or not, including but not limited to the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Cannabis” also means the separated resin, whether crude or purified, obtained from cannabis. “Cannabis” also means marijuana as defined by California Health and Safety Code section 11018 and Business and Professions Code section 26000(f), as both may be amended from time to time. Any reference to cannabis or cannabis products shall include medical and nonmedical cannabis and medical and nonmedical cannabis products unless otherwise specified. Cannabis or cannabis product does not mean industrial hemp as defined by Health and Safety Code section 11018.5, or the weight of any other ingredient combined with cannabis to prepare topical or oral administrations, food, drink, or other product. Cannabis does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil or cake, or the sterilized seed of the plant which is incapable of germination.

“Cannabis cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis, including nurseries.

“Cannabis cultivation area” means the total aggregate area(s) of cannabis cultivation on a single
premise as measured around the outermost perimeter of each separate and discrete area of

cannabis cultivation at the drip-line of the canopy expected at maturity and includes, but is not

limited to, the space between plants within the cultivation area, the exterior dimensions of

garden beds, garden plots, hoop houses, green houses, and each room or area where cannabis

plants are grown, as determined by the review authority.

“Cannabis cultivation – indoor” means the cultivation of cannabis using exclusively artificial

lighting.

“Cannabis cultivation – mixed-light” means the cultivation of cannabis using any combination of

natural and supplemental artificial lighting. Greenhouses, hoop houses, hot houses and similar

structures, or light deprivation systems are included in this category.

“Cannabis cultivation – outdoor” means the cultivation of cannabis using no artificial lighting

conducted in the ground or in containers outdoors with no covering. Outdoor cultivation does

not include greenhouses, hoop houses, hot houses or similar structures.

“Cannabis cultivation site” means the premise(s), leased area(s), property, location or facility

where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a location

where all or any combination of those activities.

“Cannabis dispensary” or “dispensary” means a facility, whether fixed or mobile, operated in

accordance with state and local laws and regulations, where cannabis and/or cannabis products

are offered for retail sale, including an establishment that delivers cannabis and/or cannabis,

products as part of a retail sale.

“Cannabis distribution facility” means the location or a facility where a person conducts the

business of procuring cannabis from licensed cultivators or manufacturers for sale to licensed

dispensaries or delivery operations, and the inspection, quality assurance, batch testing by a

Type 8 licensee, storage, labeling, packaging and other processes, prior to transport to licensed

dispensaries or delivery operations. This facility requires a Type 11 license pursuant to the

Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”) or a state cannabis

license type subsequently established.

“Cannabis license” means a state license issued pursuant to MAUCRSA.

“Cannabis licensee” means a person issued a state license under MAUCRSA to engage in

commercial cannabis uses or activity.

“Cannabis manufacturer” means a person that produces, prepares, propagates, or compounds

manufactured cannabis or cannabis products, either directly or indirectly or by extraction

methods, or independently by means of chemical synthesis or by a combination of extraction

and chemical synthesis at a fixed location that packages or repackages medical cannabis or

medical cannabis products or labels or re-labels its container, that holds a valid state Type 6 or

7 license, or a state cannabis license type subsequently established, and that holds a valid local

license or permit.

“Cannabis manufacturing” means a facility, whether fixed or mobile, that produces, prepares,

propagates, or compounds manufactured cannabis or cannabis products, directly or indirectly,

by extraction methods, independently by means of chemical synthesis, or by a combination of

extraction and chemical synthesis, and is owned and operated by a licensee for these activities.
“Cannabis nursery” means a licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.

“Cannabis products” means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.

“Cannabis testing service” or “cannabis testing laboratory” means a laboratory, facility, or entity that offers or performs tests of cannabis or cannabis products, including the equipment provided by such laboratory, facility, or entity.

“Child care center” shall have the same meaning as “child day care facility” in Health and Safety Code section 1596.750, and as “day care center” in Health and Safety Code section 1596.76, as both may be amended from time to time: any child care facility, and includes infant centers, preschools, extended day care facilities, and school-age child care centers where nonmedical care is provided to children under 18 years of age in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual on less than a 24-hour basis.

“Commercial Cannabis Permit,” “Cannabis Permit,” or “Permit” shall mean a permit issued by the City pursuant to this Chapter for the operation of a commercial cannabis business within the City.

“Commercial cannabis uses” means any commercial cannabis activity licensed pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”), including but not limited to, cultivation, possession, distribution, laboratory testing, labeling, retail, delivery, sale or manufacturing of cannabis or cannabis products. “Commercial cannabis uses also means any cannabis activity licensed pursuant to additional state laws regulating such businesses. Commercial cannabis uses shall not include legal medical cannabis or cannabis activities carried out exclusively for one’s personal use that does not involve commercial activity or sales.

“Director” means the City Manager or his or her designee.

“Dispensary” means any commercial cannabis facility, whether fixed or mobile, engaged in the retail sale of cannabis or cannabis products to customers under a state medical cannabis license Type 10, or a state cannabis license type subsequently established.

“Distributor” means any commercial cannabis operation that distributes cannabis or cannabis products under a valid state Type 11, or a state cannabis license type subsequently established.

“Manufacture” means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

“Manufactured cannabis” means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product.

“Medical cannabis” or “medicinal cannabis” means cannabis that is intended to be used for

“Microbusiness” means a commercial cannabis facility operating under a state Type 12 license, or a state cannabis license type subsequently established, and meeting the definition of microbusiness Business and Professions Code section 26070(a)(3)(A), as may be amended from time to time, which cultivates less than 10,000 square feet of cannabis and acts as a licensed distributor, Level 1 manufacturer, and retailer.

“Person” means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, tribe, or any other group or combination acting as a unit and includes the plural as well as the singular number.

“Premise(s)” means a legal parcel, or a leasehold interest in land, or a leased or owned space in a building where the commercial cannabis use or activity is or will be conducted.

“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.

“Public place” means any publicly owned property or property on which a public entity has a right of way or easement. Public place also means any private property that is readily accessible to the public without a challenge or barrier, including but not limited to front yards, driveways, and private businesses.

“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.

“Operator” means the natural person or designated officer responsible for the operation of any commercial cannabis use.

“Review authority” means the individual or official City body (the Director, Council, Commission, or Board) and others as identified in the Cloverdale Municipal Code as having the responsibility and authority to review and approve or deny land use permit applications.

“Sale,” “sell,” and “to sell” shall have the same meaning as set forth in Business and Professions Code section 26001(aa), as the same may be amended from time to time: any transaction whereby, for any consideration, title to cannabis is transferred from one person to another, and includes the delivery of cannabis or cannabis products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of cannabis or cannabis products by a licensee to the licensee from whom such cannabis or cannabis product was purchased.

“School” means any public or private school providing instruction to students in kindergarten or any grades 1 through 12.

“Volatile solvent” means volatile organic compounds, including but not limited to: (1) explosive gases, such as Butane, Propane, Xylene, Styrene, Gasoline, Kerosene, O2 or H2; and (2) dangerous poisons, toxins, or carcinogens, such as Methanol, Methylene Chloride, Acetone,

“Youth center” shall have the same meaning as in Section 11353.1 of the Health and Safety Code, as may be amended from time to time: any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

18.15.030 Standards for All Commercial Cannabis Uses

A. Purpose. This Section provides the development, operating, and permit standards for all commercial cannabis uses to ensure neighborhood compatibility, minimize potential environmental impacts, mitigate potential nuisances, provide safe access to cannabis and provide opportunities for economic development. Additional standards may apply to particular commercial cannabis uses, as established in other Sections of this Chapter.

B. Applicability. Commercial cannabis uses shall be permitted only in compliance with the requirements of Chapter 18.15 of the Cloverdale Municipal Code, state law and all other applicable requirements for the specific type of use and those of the underlying base zone. In addition to the requirements of Chapter 18.15, commercial cannabis uses shall comply with all other applicable provisions of the City of Cloverdale’s General Plan and the Municipal Code. Except for hospitals and research facilities that obtain written permission for cannabis cultivation under federal law, it is unlawful to cultivate, distribute, manufacture, test or transport cannabis, in amounts that exceed personal use allowances under California law, within the City without a valid permit issued pursuant to the provisions of this Chapter. Possession of other types of State or City permits or licenses does not exempt an applicant from the requirement of obtaining a permit under this Chapter.

C. Limitations on Use. Commercial cannabis uses shall only be allowed in compliance with Chapter 18.15, and all applicable codes set forth in the Cloverdale Municipal Code, including but not limited to: building, plumbing, electrical, fire, hazardous materials, and public health and safety. The operator shall comply with all laws and regulations applicable to the type of use and shall comply with all permit, license, approval, inspection, reporting, and operational requirements of other local, state or other agencies having jurisdiction over the type of operation. The operator shall provide copies of other agency and department permits, licenses, or certificates to the review authority to serve as verification of such compliance.

D. Application Requirements. In addition to any other disclosures, data, forms, recitals, assurances, agreements, or other information required by federal, state, or local law, applicants for a cannabis permit shall provide the following information at the time of the application for a cannabis permit.

1. Property Owner Consent. Permits for commercial cannabis uses shall only be issued where written permission from the property owner and/or landlord is provided. The applicant shall provide evidence of such consent.
2. **Air Quality.** The applicant shall provide a calculation of the businesses anticipated emissions of air pollutants. The applicant shall also provide assurance that the business will comply with all Best Management Practices established by the Northern Sonoma County Air Pollution Control District (“NSCAPCD”). No cannabis permit shall be issued to any business that would exceed the thresholds of significance established by the NSCAPCD for evaluating air quality impacts under the California Environmental Quality Act for either operation or construction. Applicants are encouraged to design their project so as to minimize or avoid air pollutant emissions.

3. **Biotic Resources/Arborist Study.** Proposed cultivation operations, including all associated structures, shall require a biotic assessment and an arborist study at the time of application that demonstrates that the project is not located within, and will not impact sensitive or special status species habitat or City oak and woodland resources unless a use permit is obtained. Any proposed cultivation operation, including all associated structures, located within adopted federal critical habitat areas must have either all appropriate permits from the applicable state and federal agencies with jurisdiction over the listed species or expert biological studies supporting the unequivocal conclusion that no such permits are required.

4. **Greenhouse Gas Emissions.** The applicant shall provide calculations of the anticipated greenhouse gas emissions for the operation of the business and, where applicable, the operation of the business. The applicant shall further demonstrate compliance with any applicable state, regional, or local plan for the reduction of greenhouse gas emissions. No cannabis permit shall be granted for any business that would violate any state, regional, or local plan for the reduction of greenhouse gases, nor shall any cannabis permit be issued where the construction and/or operation of the business would exceed any applicable threshold of significance for greenhouse gas emissions under the California Environmental Quality Act.

5. **Hazardous Materials.** To the extent that the applicant intends to use any hazardous materials in its operations, the applicant shall provide a hazardous materials management plan that complies with all federal, state, and local requirements for management of such substances. “Hazardous materials” includes any hazardous substance regulated by any federal, state, or local laws or regulations intended to protect human health or the environment from exposure to such substances.

6. **Water Supply.** The applicant shall demonstrate to the satisfaction of the City Engineer that sufficient water supply exists for the use. To the extent any proposed use intends on relying on groundwater supplies, the applicant shall demonstrate to the satisfaction of the City Engineer that the use will not result in net groundwater depletion.

7. **Wastewater.** The applicant shall demonstrate to the satisfaction of the City Engineer that sufficient wastewater capacity exists for the proposed use. To the extent the proposed use will result in agricultural or industrial discharges to the City’s wastewater system, the applicant shall provide a plan for meeting all federal, state, and local requirements for such discharges.
E. **Compliance with County Health Officials.** Cannabis manufacturers, dispensaries, and delivery operations shall be subject to permit requirements and regulations, including inspections, established by the Sonoma County Department of Health Services under the direction of the County Health Officer, or any other individual designated by the Director to act on his or her behalf. All such permit requirements and regulations shall be interpreted to implement the purpose and intent of this Chapter 18.15, and shall not prohibit or unreasonably restrict any commercial cannabis use allowed under this Chapter 18. The City Manager may eliminate this requirement after the California Department of Public Health, or other applicable state agency establishes regulations related to cannabis product safety.

F. **Development Standards.**

1. **Building Requirements.** All structures used in commercial cannabis uses require a building permit and shall comply with all applicable sections of the Cloverdale Municipal Code. Commercial cannabis uses that provide access to the public including, but not limited to, employees, vendors, contractors, business partners, members, customers or patients shall meet Cloverdale Municipal Code requirements for accessibility including accessible parking, accessible path of travel, restrooms, and washing facilities.

2. **Emissions Control:** All commercial cannabis uses shall utilize appropriate measures in construction and, where applicable, operations to prevent the emissions of dust, smoke, noxious gases, or other substances that have the potential to impact local or regional air quality.

3. **Hours of Operation:** Hours of operation for commercial cannabis uses are established in sections below pertaining to each particular use category.

4. **Odor Control and Ventilation.** Commercial cannabis uses shall comply with all current and future state laws and regulations related to odor control and ventilation, in addition to any specific requirements for the particular use established in this Chapter. No commercial cannabis use may operate in a manner whereby cannabis odors are detectable from adjacent and nearby properties. All commercial cannabis uses must install a ventilation system that adequately controls for odor, humidity, and mold.

5. **Property Setbacks.** Property setbacks for commercial cannabis uses are established in sections below pertaining to each particular use category.

G. **Permit Requirements.** In addition to state permitting requirements and the requirements of this Chapter, all commercial cannabis uses shall be subject to the use permit requirements as shown in Table 1, “Allowed Commercial Cannabis Uses and Permit Requirements” attached hereto as Exhibit “A”. No other types of cannabis uses are permitted except as specified in Table 1 and this Chapter. The City may refuse to issue any discretionary or ministerial permit, license, variance or other entitlement, which is sought
pursuant to this Chapter, including zoning clearance for a building permit, where the property upon which the use or structure is proposed is in violation of the Cloverdale Municipal Code, or any other local, state or federal law. The City Manager may design application forms specific to each permitted category and require inspections of proposed facilities before issuing a permit under this Chapter. **Commercial cannabis uses shall also be subject to permit requirements and regulations established by the Cloverdale Municipal Code and any additional requirements established by other Sections of this Chapter, Resolution or Ordinance of the City Council.** Applicants must provide notice to properties and property owners within 300 feet of the boundaries of the property upon which the commercial cannabis business is proposed at least fifteen (15) days prior to the City Manager’s consideration of the permit application. A City business license is also required.

1. **Issuance and Term of Permit.** Permits for commercial cannabis uses, other than dispensaries shall be issued to the operator by the City Manager for a period not to exceed one (1) year from the date of permit approval and shall be subject to annual permit renewals. The operator must apply for permit renewal prior to the expiration of the limited term permit. No property interest, vested right, or entitlement to receive a future permit to operate a commercial cannabis use shall ever inure to the benefit of such permit holder as such permits are revocable. Permits issued pursuant to this Chapter 18.15 are not transferable without City approval. Permits may be issued with conditions. The City has no duty or obligation to issue commercial cannabis permits. The City may elect at any time to cease issuing commercial cannabis permits, including upon receiving credible information that the federal government will commence enforcement measures against such businesses and/or local governments that permit them.

2. **Operator/Permit Holder Qualifications.** Commercial cannabis operators/permit holders must meet the following qualifications:

   a. Commercial cannabis operators must be 21 years of age or older.

   b. Commercial cannabis operators shall be subject to background search by the California Department of Justice and local law enforcement. Permits for commercial cannabis uses shall not be permitted for operators with felony convictions, as specified in subdivision (c) of Section 667.5 of the Penal Code, and subdivision (c) of Section 1192.7 of the Penal Code. Permits for commercial cannabis uses shall not be permitted for operators with criminal convictions that substantially relate to the qualifications, functions, or duties of the business or profession, including a felony conviction involving fraud, deceit, or embezzlement or a criminal conviction for the sale or provision of illegal controlled substances to a minor.

   c. Applicants providing false or misleading information in the permitting process will result in rejection of the application and/or nullification or
revocation of any issued permit.

3. **Priority.** This section shall apply to commercial cannabis use permits except for dispensary permits, for which the procedure and priority classification is established in Section 18.15.050. When processing permit applications for commercial cannabis uses, priority shall be given to applications that score highest on any City Council adopted applicant ranking system. Priority regulations for cannabis dispensary permits are established in Section 18.15.050.

4. **Issues of Significant Public Interest.** In considering an application under Chapter 18.15 for a cannabis permit, the City Manager may, in the City Manager’s discretion, determine that the application raises issues of significant public interest, and forward the application to the City Council for the City Council’s review and approval or denial. “Significant public interest” shall include, but is not limited to, potential health or safety impacts, potential conflicts with neighboring uses, unique characteristics of the proposed site, unique characteristics of the proposed operations, and/or other factors that, in the City Manager’s discretion, warrant review by the City Council. In the case of review by the City Council, the City Council’s review shall be limited to compliance with Chapter 18.15.

5. **Revocation and Suspension.** Any permit issued under Chapter 18.15 for commercial cannabis uses may be immediately suspended for any of the reasons listed in (a) through (h) below. Any permit issued under Chapter 18.15 may be revoked by the City, following notice and opportunity for a hearing, upon any of the following:

   a. An operator ceases to meet any of the minimum qualifications listed in Section 18.15.030(G) above, fails to comply with the requirements of this Chapter or any conditions of approval of the permit.

   b. An operator’s state license for commercial cannabis operations is revoked, terminated, or not renewed.

   c. The commercial cannabis operation has not been in regular and continuous operation for three (3) consecutive months.

   d. State law permitting the use for which the permit was issued is amended or repealed resulting in the prohibition of such use, or the City receives credible information that the federal government will commence enforcement measures against such businesses and/or local governments that permit them.

   e. Circumstances under which the permit was granted have changed and the public health, safety, and welfare require the suspension,
revocation, or modification.

f. The permit was granted, in whole or in part, on the basis of a misrepresentation or omission of a material statement in the permit application.

g. The operator/permit holder/business is not current on City taxes or fees.

h. The operator’s state license for commercial cannabis operations is suspended. The City shall not reinstate the permit until documentation is received showing that the state license has been reinstated or reissued. It shall be up to the City’s discretion whether the City reinstates any permit.

**H. Health and Safety.** Commercial cannabis uses shall not create a public nuisance or adversely affect the health or safety of the nearby residents or businesses by creating dust, light, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, unsafe conditions or other impacts, or be hazardous due to the use or storage of materials, processes, products, run off or wastes.

**I. Taxes.** Commercial cannabis uses shall comply with any additional taxes that may be enacted by the voters or any additional regulations that may be promulgated in addition to all current applicable state and local taxes.

**J. Security.** The following security measures shall be adhered to by all operators. Additional security measures may apply to particular commercial cannabis uses, as established in this Chapter.

1. A Site Security Plan shall be required at the time of permit application and shall be subject to review and approval by the Cloverdale Police Department and the City Manager. All Site Security Plans shall be held in a confidential file, exempt from disclosure as a public record pursuant to Government Code Section 6255(a). Such plans shall include, at a minimum, information regarding the implementation of the requirements of this Section 18.15.030(J). The Police Chief may require additional information be included in the Security Plan.

2. Security cameras shall be required and shall be motion-sensored and be installed with capability to record activity on the property, including entry points to the property, and within all buildings and structures on the property, including all entrances, exits, perimeter windows and all areas where customers and employees may have access, with the exception of any restroom area. Security cameras shall record 24 hours a day, 7 days a week. Additionally:

   a. Areas where cannabis is grown, tested, cured, manufactured, or
stored shall have camera placement in the room facing the primary entry door at a height which will provide a clear unobstructed view of activity without sight blockage from lighting hoods, fixtures, or other equipment.

b. Cameras shall also be placed at each location where weighing, packaging, transport preparation, processing, or labeling activities occur.

c. At least one camera must be dedicated to record the access points to the secured surveillance recording area.

d. At each point-of-sale location, camera coverage must enable recording of the customer(s) and employee(s) facial features with sufficient clarity to determine identity.

3. Surveillance video shall be kept for a minimum of sixty (60) days in a format that can be easily accessed for viewing. Video must use standard industry format to support criminal investigations. Permit holders shall be required to cooperate with all law enforcement investigations and provide video footage related to any such investigation upon request. Motion-sensor lighting and alarms shall be required and shall be professionally installed and monitored to ensure the safety of persons and to protect the premises from theft. Alarm and surveillance systems shall be equipped with a failure notification system that provides prompt notification to the operator and any prolonged surveillance interruption and/or failure of the system. All surveillance equipment, records, and recordings must be stored in a secured area that is only accessible to management staff. Operators must keep a current list of all authorized employees who have access to the surveillance system and/or alarm system.

4. A Licensee shall maintain up-to-date and current records and existing contracts on the premises that describe the location and operation of each security alarm system, a schematic of security zones, the name of the alarm installation company, and the name of any monitoring company. Off-site monitoring and video recording storage of the premises by the licensee or an independent third-party is authorized as long as standards exercised at the remote location meet or exceed all standards for onsite monitoring.

5. All security measures installed on site shall have the capability to remain fully operational during a power outage.

6. Weapons and firearms are prohibited on the property.

7. Security measures shall be designed to ensure emergency access in compliance with fire safety standards.
8. All structures used for commercial cannabis activities shall have locking
doors, with commercial-grade non-residential locks, to prevent free access.

9. Security measures shall prevent individuals from remaining on the premises
of the commercial cannabis business if they are not engaging in activities expressly
related to the operations of the business.

10. Security measures shall include a transportation plan that details the
procedures established for the safe and secure transport of cannabis, cannabis products,
and currency to and from the business, including the transfer of currency for City tax
payments.

11. Except for live growing cannabis plants and products on display for sale at
dispensaries during hours which the business is open to the public, all cannabis and cannabis
products shall be stored in a secured and locked room, safe, or vault that meets approval by
the Cloverdale Police Department. To the fullest extent possible, all cannabis and cannabis
products shall be kept in a manner that prevents theft and loss, except for limited amounts
used for the purposes of display or immediate sales.

12. Panic buttons shall be installed in all commercial cannabis facilities with easy
access by employees and all employees shall be properly trained on its use.

13. Any security bars installed on the windows or the doors of the commercial
cannabis business shall be installed only on the interior of the building.

14. Security personnel hired by the commercial cannabis business shall be subject
to the prior review and approval of the Chief of Police or his or her designee.

15. Each commercial cannabis business shall identify a liaison and their contact
information to the Cloverdale Police Department who shall be reasonably available to meet
with the Chief of Police or his or her designees regarding security measures and operational
issues.

K. Employees.

1. All employees of commercial cannabis businesses must be at least 21 years of
age.

2. All employees of commercial cannabis businesses shall be subject to
background search by the California Department of Justice and local law enforcement.
Permits for commercial cannabis uses shall not be permitted for operators with felony
convictions, as specified in subdivision (c) of Section 667.5 of the Penal Code, and subdivision
(c) of Section 1192.7 of the Penal Code. Permits for commercial cannabis uses shall not be
permitted for operators with criminal convictions that substantially relate to the qualifications, functions, or duties of the business or profession, including a felony conviction involving fraud, deceit, or embezzlement or a criminal conviction for the sale or provision of illegal controlled substances to a minor.

3. Each owner or operator of a commercial cannabis business shall maintain onsite a current register of all the employees currently employed by the commercial cannabis business, and shall produce such register to the Chief of Police, designee, or any other City official authorized to enforce the Cloverdale Municipal Code for purposes of determining compliance with this chapter.

4. The Police Chief is authorized to implement an employee permit system, whereby any employee or volunteer of a commercial cannabis business, must obtain a work permit from the City of Cloverdale. At a minimum, such program shall require the issuance of a permit that must be visibly displayed at all times by the employee or volunteer when he or she is working and contains a recent photograph of the individual and the name of the commercial cannabis business where he or she works or volunteers. The Police Chief may establish a fee for the cost of issuing such permit.

L. **Weights and Measures.** All scales used for commercial transactions shall be registered for commercial use and sealed by the Department of Agriculture/Weights and Measures.

M. **Tracking.** Commercial cannabis operators shall comply with any track and trace program established by the City or state agencies. Commercial cannabis operators must maintain records tracking all cannabis production and products and shall make all records related to commercial cannabis activity available to the City upon request. The City Manager may require commercial cannabis operators to comply with a County track and trace system if deemed appropriate.

N. **Police Notification.** Commercial cannabis operators shall notify the Cloverdale Police Department within 24 hours of discovering any of the following:

1. Significant discrepancies identified during inventory. The level of significance shall be 2% of inventory or per state regulations, whichever is stricter.

2. Diversion, theft, or loss, or any criminal activity involving the commercial medical cannabis business or any agent or employee of the commercial medical cannabis business.

3. Any other breach of security.

O. **Inspections.** Commercial cannabis uses and operations shall be subject to
inspections by appropriate local and state agencies, including but not limited to, the Departments of Health Services, Agriculture/Weights & Measures, the Cloverdale Police Department and City Management. Cannabis operations shall be inspected at random times for conformance with the Cloverdale Municipal Code and permit requirements. Unless otherwise allowed under the law, the inspection shall be conducted during regular business hours, with at least 24-hours’ notice. If interference in the performance of the duty of the agency having jurisdiction occurs, the agency may temporarily suspend the permit and order the medical cannabis operation to immediately cease operations.

P. Monitoring. Administrative monitoring shall be required for each commercial cannabis use and operation to be granted a permit. An annual monitoring fee may be adopted by Resolution of the City Council and collected by the City.

Q. Restriction on Alcohol Sales. No alcoholic beverages may be sold, dispensed, or consumed on or about the premises of any commercial medical cannabis use business. This section shall not apply to responsible after-hours consumption by employees which does not violate any state or local law or regulation. After-hours consumption, however, is not permitted at any cannabis dispensary, manufacturer, or microbusiness.

R. Liability and Indemnification. To the fullest extent permitted by law, any actions taken by a public officer or employee under the provisions of this Chapter shall not become a personal liability of any public officer or employee of the City. To the maximum extent permitted by law, the permittees under this Chapter shall defend (with counsel acceptable to the City), indemnify and hold harmless the City of Cloverdale, the Cloverdale City Council, and its respective officials, officers, employees, representatives, agents and volunteers (hereafter collectively called “City”) from any liability, damages, actions, claims, demands, litigation, loss (direct or indirect), causes of action, proceedings, or judgment (including legal costs, attorneys’ fees, expert witness or consultant fees, City Attorney or staff time, expenses or costs) (collectively called “action”) against the City to attack, set aside, void or annul, any cannabis-related approvals and actions and strictly comply with the conditions under which such permit is granted, if any. The City may elect, in its sole discretion, to participate in the defense of said action and the permittee shall reimburse the City for its reasonable legal costs and attorneys’ fees. Permittees shall be required to agree to the above obligations in writing.

18.15.040 Standards for Commercial Cannabis Cultivation

A. Purpose. This Section establishes development, operating, and permit standards for commercial cannabis cultivation activities as allowed by the base zoning district in compliance with Section 18.15.030, “Standards for Commercial Cannabis Uses.”

B. Applicability. This Section shall apply to all commercial cannabis cultivation uses and activities, including but not limited to, outdoor, indoor and mixed light or greenhouse cultivation environments and associated drying, curing, grading, and trimming facilities. Cannabis cultivation does not include operations that manufacture cannabis products such as oils, tinctures, or edibles which are classified separately. Commercial cannabis cultivation operations shall comply with state laws and regulations, and the following standards in addition to the requirements of Section 18.15.030, “Standards for Commercial Cannabis Uses.” Permits shall only be issued to commercial cannabis cultivation uses coming under
state cannabis license classification Types 1, 1A, 1B, 1C, 2, 2A, 2B, 3, 3A, 3B and 4, under applicable Business and Professions Code sections.

C. **Permit Requirements.** In addition to the requirements of Section 18.15.030(G), commercial cannabis cultivation shall be subject to the permit requirements as shown in Table 1, “Allowed Cannabis Uses and Permit Requirements,” and under this Section 18.15.040. Permits for cultivation sites shall be issued by the City Manager. Structures shall follow all City of Cloverdale zoning requirements of the underlying base zone.

D. **Limitations on Use.** All cultivation shall be conducted and maintained in compliance with applicable state laws and regulations, this Chapter, and with any other standards and best management practices adopted by the City Council through resolution or ordinance. All structures used in cultivation shall be subject to all applicable laws, including the California Building Code, California Fire Code, and all regulations of the Cloverdale Municipal Code.

E. **Development Criteria.**

1. **Number of Permits.** Multiple use permits may be issued for multi-tenant operations on a single parcel provided that the total cultivation area of all tenants does not exceed the maximum cultivation area allowed under the state license with the largest allowable cultivation area and provided such permits are allowed under state law.

2. **Square Footage Limitations.** The total combined square footage of the cultivation area shall not exceed the maximum size thresholds as defined in Table 1, “Allowed Cannabis Uses and Permit Requirements,” and in the requirements for state cannabis license classification Types 1, 1A, 1B, 1C, 2, 2A, 2B, 3, 3A, 3B, and 4. Structures and areas where cannabis is processed, dried, aged, stored, trimmed, packaged or weighed, and areas where equipment is stored and washed, shall be limited to the onsite cultivation use only.

3. **Property Setbacks - Outdoor.** Outdoor commercial cultivation areas and all associated structures shall not be located in the front yard setback area, and shall be screened from public view and shall comply with the setbacks for the base zone districts. Outdoor cultivation areas shall not be visible from a public area or right of way. Outdoor cultivation areas shall be setback a minimum of one hundred feet (100') from property lines and a minimum of three hundred feet (300') from occupied residences and businesses on surrounding properties. Unless state law or regulation allows otherwise and the City approves, cannabis cultivation sites shall be setback:

   a. A minimum of six hundred feet (600') from a school, or childcare center, and

   b. A minimum of two hundred feet (200') from a park, library, or youth center.
The distance for setback requirements shall be measured in a straight line from the property line of the protected site to the cannabis cultivation area, except when measuring from a school, childcare facility or youth center, in which case the distance shall be measured in a straight line from both property lines pursuant to state law.

4. **Property Setbacks - Indoor.** All structures used for indoor commercial cultivation and all structures used for drying, curing, grading or trimming and all indoor cultivation structures shall comply with the setbacks for the base zone districts. Structures associated with the cultivation shall not be located in the front yard setback area and shall be screened from public view. There shall be no exterior evidence of cultivation either within or outside the structure.

5. **Property Setbacks - Mixed Light/Greenhouse.** Mixed Light/Greenhouses in industrial zones shall not be established on any parcel containing a dwelling unit used as a residence, nor within one hundred feet (100’) of a residential zoning district. Greenhouses/mixed light structures in all zones shall be setback a minimum of six hundred feet (600’) from a school or a childcare center, and at least two hundred feet (200’) from a park, library, or a youth center. The distance shall be measured in a straight line from the property line of the protected site to the closest property line of the parcel with the cannabis cultivation use.

6. **Building Requirements.** All structures used in commercial cultivation, including greenhouses, require a building permit and shall comply with all applicable sections of the Cloverdale Municipal Code. Cultivation uses that provide access to the public including, but not limited to, employees, vendors, contractors, business partners, members, customers or patients shall meet Cloverdale Municipal Code requirements for accessibility including accessible parking, accessible path of travel, restrooms, and washing facilities.

7. **Fire Code Requirements.** The operator shall prepare and implement a Fire Prevention Plan for construction and ongoing operations and obtain an Operational Permit from the Fire District. The Fire Prevention Plan shall include, but not be limited to: emergency vehicle access and turn-around at the facility site(s), vegetation management and fire break maintenance around all structures.

8. **Lighting.** All lighting shall be fully shielded, downward casting and not spill over onto structures, other properties or the night sky. All indoor and mixed light operations shall be fully contained so that little to no light escapes. Light shall not escape at a level that is visible from neighboring properties between sunset and sunrise.

9. **Runoff and Stormwater Control.** Runoff containing sediment, or other waste or by-products, shall not be allowed to drain to the storm drain system, waterways, or adjacent lands. Prior to beginning grading or construction, the operator shall prepare
and implement a Stormwater Management Plan and an Erosion and Sediment Control Plan, approved by the City. The plan must include best management practices for erosion control during and after construction, and permanent drainage and erosion control measures pursuant to Chapter 16.10, “StormWater,” of the Cloverdale Municipal Code.

10. Security and Fencing. In addition to the security requirements in Section 18.15.030(J), the following security and fencing standards apply to commercial cannabis cultivation uses.

a. Security cameras shall be motion-sensored and be installed with the capability to record activity beneath the canopy but shall not be visible from surrounding parcels and shall not be pointed at or recording activity on surrounding parcels.

b. All outdoor and mixed light cultivation sites shall be screened by native, fire resistant vegetation and fenced with locking gates consistent with height limitations of the base zoning district to screen cultivation operations from public view. Fencing shall be consistent with the surrounding area and shall not diminish the visual quality of the site or surrounding area. Razor wire, chain-link, and similar fencing shall not be permitted.

c. Security measures shall be designed to ensure emergency access in compliance with fire safety standards. All structures used for cultivation or storage of cannabis shall have locking doors, using commercial-grade locks, to prevent free access.

F. Operating Standards. In addition to standards contained in Section 18.15.030, the following standards shall apply to all commercial cannabis cultivation uses.

1. Compliance Inspections. All cultivation sites shall be subject to onsite compliance inspections by the City. The inspection shall be conducted during regular business hours, with at least 24-hours’ notice unless public health or safety requires otherwise.

2. Air Quality and Odor. All indoor, greenhouse and mixed light cultivation operations and any drying, aging, trimming and packing facilities shall be equipped with odor control filtration and ventilation system(s) to control odors, humidity, and mold. All cultivation sites shall utilize dust control measures on access roads and all ground disturbing activities. Cultivation sites may not create odors amounting to a nuisance and must comply with Cloverdale Municipal Code nuisance regulations.

3. Energy Use. Use of renewable resources for indoor cultivation and mixed light operations is encouraged, and the City’s commercial cannabis permit application procedures may award credit for use of renewable resources.
4. **Hazardous Materials.** All cultivation operations that utilize hazardous materials shall comply with applicable hazardous waste generator, underground storage tank, above ground storage tanks and AB 185 (hazardous materials handling) requirements and maintain any applicable permits for these programs from the Fire Prevention Division, Certified Unified Program Agency (“CUPA”) of Sonoma County Fire and Emergency Services Department or Agricultural Commissioner.

5. **Hours of Operation.** Indoor cultivation activities may be conducted seven days a week, 24-hours per day as needed, unless otherwise conditioned in the use permit or otherwise prohibited by the base zone. Outdoor processing activities, deliveries, and shipping shall be limited to the hours from 8:00 a.m. to 6:00 p.m., unless a use permit is obtained that allows otherwise.

6. **Noise Limits.** Cultivation operations shall not exceed the General Plan Noise Standards for industrial and agricultural development in General Plan Exhibit 4.1 measured in accordance with professional standards and a properly calibrated measuring device.

7. **Occupational Safety.** Cultivators shall comply with all applicable federal, state, and local laws and regulations governing California Agricultural Employers, which may include: federal and state wage and hour laws, CAL/OSHA, OSHA and the California Agricultural Labor Relations Act.

8. **Waste Management.** A Waste Management Plan addressing the storing, handling and disposing of all waste by-products of the cultivation and processing activities shall be submitted for review and approval by the City. This plan shall characterize the volumes and types of waste generated, and the operational measures that are proposed to manage and dispose or reuse the wastes in compliance with any regulations adopted by the City Council through resolution or ordinance.

   All garbage and refuse on the site shall be accumulated or stored in non-absorbent, water-tight, vector resistant, durable, easily cleanable, galvanized metal or heavy plastic containers with tight fitting lids. No refuse container shall be filled beyond the capacity to completely close the lid. All garbage and refuse on this site shall not be accumulated or stored for more than seven (7) calendar days, and shall be properly disposed of before the end of the seventh day in a manner prescribed by the Solid Waste Local Enforcement Agency. All waste, including but not limited to refuse, garbage, green waste, and recyclables, must be disposed of in accordance with local and state codes, laws and regulations. All waste generated from cannabis operations must be properly stored and secured to prevent access by the public.

9. **Waste Water Discharge.** A Waste Water Management Plan shall be submitted identifying the amount of waste water, excess irrigation and domestic waste water
anticipated, pre-treatment method (when applicable), as well as disposal method. All cultivation operations shall comply with all state regulations, any regulations adopted by the City Council through resolution or ordinance and the discharger shall submit to the City verification of compliance with the Waste Discharge Requirements of the applicable Regional Water Quality Control Board, or waiver thereof. Excess irrigation water or effluent from cultivation activities shall be directed to a sanitary sewer, septic, irrigation, grey water or bio-retention treatment systems. All waste water discharged to the City sewer system shall comply with the City’s Municipal Code. If discharging to a septic system, a system capacity evaluation by a qualified sanitary engineer shall be included in the management plan. All domestic waste for employees shall be disposed of in a permanent sanitary sewer or onsite septic system demonstrated to have adequate capacity.

10. **Water Supply.** An onsite water supply source adequate to meet all on site uses on a sustainable basis shall be provided. Trucked water shall not be allowed, except as noted below and for emergencies requiring immediate action as determined by the director. The onsite water supply shall be considered adequate with documentation of any one of the following sources:

   a. **Municipal Water:** The public water supplier providing water service to the site has adequate supplies to serve the proposed use.

   b. **Recycled Water:** The use of recycled process waste water from an onsite use or connection to a municipal recycled water supply for the cultivation use, provided that an adequate onsite water supply is available for employees and other uses.

18.15.050 **Standards for Commercial Cannabis Dispensaries**

A. **Purpose.** This Section provides the location, operational, and permit standards for any cannabis dispensary within the City in order to promote the health, safety, and general welfare of its residents and businesses. The standards in this section shall be in addition to standards contained in Section 18.15.030 for all commercial medical cannabis uses.

B. **Applicability.** Cannabis dispensaries shall be permitted only in compliance with the requirements of this Section, and all other applicable requirements of Chapter 18.15, and the underlying zoning district.

C. **Permit Requirements and Application Procedure.** A commercial cannabis permit for a dispensary issued in compliance with Section 18.15.030 and this Section 18.15.050 and any applicable permit issued by the Sonoma County Department of Health Services shall be required for any cannabis dispensary operating within the City of Cloverdale. Cannabis dispensaries shall also be subject to permit requirements and regulations established by the state and those established by the City Council through resolution or ordinance. Additionally, cannabis dispensaries must comply with all other
applicable building codes and requirements, including accessibility requirements. Permits
shall only be issued to cannabis dispensaries coming under state cannabis license Types
10 and 12. Commercial cannabis permits for dispensaries shall be subject to the
requirements and limitations set forth in this Chapter and shall be issued according to the
following procedure:

1. The City Council shall, following an open application period and review of
applications by City staff and recommendations by the City Manager, consider commercial
cannabis permit applications for dispensaries meeting all minimum qualifications at a
properly noticed public hearing. The City Council may approve up to two (2) commercial
cannabis permits for two (2) dispensaries to operate in the City at the same time, with
necessary conditions.

2. If a commercial cannabis permit for a dispensary becomes available within
twelve (12) months of a previous application period, City Staff may first review all
minimally qualified applications from the prior application process, and consider them for
submittal to the City Council prior to opening a new application process. If a new
application process is opened, prior applicants may inform City Staff in writing that they
wish to re-submit their application rather than file a new application.

3. The City Council may adopt by resolution such forms, fees, and procedures
as are necessary to implement this Chapter with respect to the initial selection, future
selection, investigation process, renewal, revocation, and suspension of cannabis
dispensary use permits. Such procedures may include a priority ranking system, and
appointment of staff review panel for cannabis dispensary use permits.

4. The application must include, at a minimum, the following:

a. Signed Affidavit. The property owner and applicant, if other than the
property owner, shall sign the application for the cannabis
dispensary use permit, and shall include affidavits agreeing to abide
by and conform to the conditions of the use permit and all provisions
of the Cloverdale Municipal Code pertaining to the establishment
and operation of the cannabis dispensary use, including, but not
limited to, the provisions of this Section. The affidavit(s) shall
acknowledge that the approval of the cannabis dispensary use
permit shall, in no way, permit any activity contrary to the Cloverdale
Municipal Code, or any activity which is in violation of any applicable
laws.

b. All necessary information related to the dispensary and its
operators, including names, birth dates, addresses, social security
numbers, relevant criminal history, relevant work history, names of
businesses owned or operated by the applicant within the last ten
(10) years, investor and/or partner information, and APN number of the parcel upon which the business will be located. Such private information will be exempt from disclosure to the public, pursuant to applicable law, to protect an individual’s privacy interests and public health and safety.

c. Operating Plan as required under Section 18.15.050(F).

d. Security Plan as required under Section 18.15.030(J).

e. Site Plans pursuant to Section 18.15.050(K)(3).

D. Limit on Number of Dispensaries. No more than two (2) cannabis dispensaries shall be permitted within the City at any one time.

E. Limit on Size of Dispensaries. Cannabis dispensaries shall not exceed one thousand five hundred square feet (1,500 square feet), exclusive of office space, restrooms and other non-dispensary retail or educational uses.

F. Compliance with Operating Plan and Conditions Required. In addition to the general requirements of Section 18.15.030, a cannabis dispensary shall submit, as a part of the use permit application, an operating plan that specifies the manner in which operations will be handled and security provided, and which details the number of employees, hours and days of operation allowed and approved. The operating plan shall provide that the dispensary shall require, at a minimum, a doctor’s written recommendation in compliance with state law for medical cannabis sales, as well as a photo identification for any person entering the site. Any cannabis dispensary approved under this section shall be operated in conformance with the approved operating plan and shall meet any specific, additional operating procedures and measures as may be imposed as conditions of approval to ensure that the operation of the dispensary is consistent with protection of the health, safety and welfare of the community, customers, qualified patients, and primary caregivers, and will not adversely affect surrounding uses.

G. Limited Term. Use permits for cannabis dispensaries shall be limited-term and shall be issued for a maximum period of one (1) year.

H. Exercise and Renewal of Permit. Commercial cannabis permits for dispensaries shall be exercised only by the applicant and shall expire upon termination of the business for which it was issued, or upon sale or transfer of ownership of the cannabis dispensary. All use permits issued for a cannabis dispensary shall include the following provision: “This use permit shall expire upon change of tenancy or sale or transfer of the business or property.” Any use permit that is abandoned for a period of six (6) months shall automatically expire and shall become null and void with no further action required on the part of the City. A commercial cannabis permit for a dispensary may have its renewal request administratively approved by the City Manager only if all of the following findings
The use has been conducted in accordance with this section, with the dispensary’s approved operating and security plans, and with all applicable use permit conditions of approval, state and local laws and regulations.

2. The business for which the use permit was approved has not been transferred to another owner or operator.

3. There are no outstanding violations of health, safety, or land use.

4. The business for which the permit was approved is current on all City taxes and fees due.

I. Revocation or Modification. A commercial cannabis permit for a dispensary approved under this section may be revoked, suspended, or modified at any time in accordance with Section 18.15.030(G)(5).  

J. Location Requirements. Unless otherwise allowed under state law:

1. A cannabis dispensary shall not be established on any parcel containing a dwelling unit used as a residence, nor within one hundred feet (100’) of a residential zoning district.

2. A cannabis dispensary shall not be established within six hundred feet (600’) of any other medical cannabis dispensary.

3. A cannabis dispensary shall not be established within six hundred feet (600’) from any school or child care facility.

4. A cannabis dispensary shall not be established within two hundred feet (200’) of any park, library, or youth center.

5. Notwithstanding, the subsections (J)(1)—(2) may be waived by the decision-maker when the applicant can show that an actual physical separation exists between land uses or parcels such that no off-site impacts could occur, unless otherwise prohibited under state law.

K. Operating Standards. In addition to standards contained in Section 18.15.030, the following are the minimum development criteria and operational standards applicable to any cannabis dispensary use:

1. The building in which the dispensary is located shall comply with all applicable local, state and federal rules, regulations, and laws including, but not limited to, building codes and accessibility requirements.
2. The dispensary shall provide adequate security on the premises pursuant to Section 18.15.030(J), and any additional requirements in this section, including lighting and alarms, to ensure the safety of persons and to protect the premises from theft. The applicant shall submit a security plan for review and approval by the Cloverdale Police Department. The Security Plan shall remain confidential.

3. The Site Plan, circulation, parking, lighting, facility exterior, and any signage shall be subject to all underlying zoning requirements, design review committee review, and approval. The Planning Director may waive this requirement where the applicant can demonstrate that existing facilities, including parking, lighting and landscaping, already meet the requirements of this section.

4. No exterior signage or symbols shall be displayed which advertises the availability of cannabis using drug-related symbols which are attractive to minors or which is carried out in a manner intended to encourage persons under twenty-one (21) years of age to consume cannabis or cannabis products, nor shall any such signage or symbols be displayed on the interior of the facility in such a way as to be visible from the exterior.

5. No person shall be allowed onto the premises unless they are an employee, customer, vendor or contractor of the dispensary, a primary caregiver, and/or a qualified patient or an employee of an agency having jurisdiction monitoring or investigating the terms of regulatory compliance. If the dispensary denies entry for monitoring and inspection to any employee of an agency having jurisdiction, the dispensary may be closed. In strict accordance with California Health and Safety Code Section 11362.5 et seq., no person under the age of eighteen (18) shall be allowed on a medical cannabis dispensary site unless allowed under state law, and no person under the age of twenty-one (21) shall be allowed on a nonmedical cannabis dispensary site pursuant to California Business and Professions Code section 26140. All persons entering the site shall present a photo identification and shall establish proof of doctor’s recommendation, except as representing a regulatory agency; a doctor’s recommendation shall not be required for customers of a nonmedical cannabis dispensary. The operating plan submitted as a part of the use permit application shall specify how this provision will be complied with and enforced.

6. No dispensary shall hold or maintain a license from the State Department of Alcoholic Beverage Control to sell alcoholic beverages, or operate a business that sells alcoholic beverages. No alcoholic beverages shall be allowed or consumed on the premises.

7. Odor control devices and techniques shall be incorporated in all commercial cannabis businesses to ensure that odors from cannabis are not detectable off-site. Commercial cannabis dispensaries shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the facility that is distinctive to its
operation and is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis dispensary. As such, commercial cannabis dispensaries must install and maintain the following equipment or any other equipment which the Building Official or designee determines has the same or better effectiveness:

a. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally; or,

b. An air system that creates negative air pressure between the commercial cannabis business’ interior and exterior so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.

8. No cannabis dispensary shall conduct or engage in the commercial sale of any product, good or service unless otherwise approved by the use permit. A dispensary may sell live starter plants, clones and seeds from qualified nurseries, but shall not cultivate or clone cannabis (unless the dispensary holds a microbusiness or cultivation license from the state and such uses are allowed on the same premises under state law). A dispensary may sell manufactured cannabis, including edible products, and vaporizing devices if allowed by a permit issued by the Department of Health Services. Not more than ten percent (10%) of the dispensary area, up to a maximum of fifty (50) square feet may be devoted to the sale of incidental goods for personal cannabis cultivation and use, but shall not include clothing, posters or other promotional items.

9. No cannabis shall be smoked on the premises, unless allowed under a condition of approval. The term “premises” includes the actual building, as well as any accessory structures, parking areas, or other immediate surroundings. Onsite consumption of cannabis may be allowed if the cannabis dispensary use permit explicitly allows it, and if done in accordance with state laws and regulations, as may be amended from time to time, and any conditions placed on the commercial cannabis permit, including those related to ventilation and odor control.

10. No dispensary may increase in size without amending the use permit. The size limitation shall be included in the operational plan required by 18.15.050(F), of this Chapter.


12. Operating hours shall be limited to seven days a week from 8:00 a.m. to 8:00 p.m., including deliveries, or as otherwise allowed by the use permit. Operating hours may be further restricted through the use permit process where needed to provide
land use compatibility.

13. **Record Keeping.** A medical cannabis dispensary shall maintain records of its members using only the State of California Medical Marijuana Identification Card number issued by the County or the County’s designee, pursuant to California Health and Safety Code Section 11362.7 et seq., or a copy of a written doctor’s prescription or recommendation, as a protection for the confidentiality of the cardholders. The dispensary shall track when members’ medical cannabis recommendations and/or identification cards expire and enforce conditions of membership by excluding those whose identification cards or recommendations are invalid or expired. The dispensary shall maintain member records in a manner to protect confidential information in the records if the records contain information protected by applicable law, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and Public Law 104-191. A dispensary shall exclude members who are caught diverting cannabis for nonmedical use. All membership records shall be maintained onsite.

   a. A dispensary shall, by using the patient or caregiver’s identification number, keep an accurate account of the number of members that visit the dispensary each month, and also for the entire permit year.

   b. The dispensary shall keep accurate records, follow accepted cash handling practices and maintain a general ledger of cash transactions. A medical dispensary shall maintain records of all members’ contribution of labor, resources or money to the dispensary.

   c. The dispensary shall allow the City to access the books, records, accounts and all data relevant to its operations for purposes of conducting an audit or examination to determine compliance with the Municipal Code, Administrative Regulations, conditions of approval, and applicable laws. Books, records, accounts and all relevant data shall be produced no later than twenty-four (24) hours after receipt of the City’s request.

   d. The dispensary shall maintain a log of member or customer complaints and shall make the log available to the City upon request. The log shall contain at a minimum: the date of the complaint, the complaining member’s identification number or reference to his or her written recommendation, the nature of the complaint, and the action taken by the dispensary to address the complaint.

14. **Required Signage.** The following signs, in measurements of not less than eight by ten inches (8x10”), shall be clearly and legibly posted in a conspicuous location inside the dispensary where they will be visible to customers in the normal course of a transaction, stating:

   a. “The sale of cannabis without a state license is illegal.”

   b. “Smoking cannabis on this property, within twenty feet (20’) of the dispensary, or in any public place is illegal under California law.”

   c. For medical cannabis dispensaries: “No one under the age of eighteen
shall be allowed on the premises, unless they are a qualified patient or a primary caregiver."

d. For nonmedical cannabis dispensaries: “No one under the age of twenty-one (21) shall be allowed on the premises.”

### 18.15.060 Standards for Manufacturing, Testing, Storage, Distribution, Delivery, and Microbusiness Commercial Cannabis Uses

A. Permits under this Section shall only be issued to commercial cannabis uses coming under state cannabis license classification Types 6, 7, 8, 11, and 12.

B. Permits shall be issued by the City Manager according to the requirements of Section 18.15.030 and this Chapter and may include conditions of approval.

C. Additional Operating Standards. In addition to the requirements of Section 18.15.030 and any base zone requirements, commercial cannabis uses permitted under this Section shall not be open to the general public and shall implement a track and trace program that records the movement of cannabis and cannabis products through the business.

D. Locational Restrictions. No commercial cannabis facility under this Section 18.15.070 shall be located within six hundred feet (600’) of any school or childcare center, or within two hundred feet (200’) of any park, library, or youth center, or within one hundred feet (100’) of a residential zoning district, unless State law allows otherwise.

E. Manufacturing and delivery operations shall be subject to additional permitting and inspection requirements of the Sonoma County Health Official, per Section 18.15.030(E).

F. Delivery. Deliveries of cannabis in the City of Cloverdale shall be permitted so long as the delivering business obtains a use permit under this Chapter for delivery of cannabis, and shall be in conformance with state law and all of the following:

1. Deliveries can only be conducted between the hours of 8:00 a.m. to 8:00 p.m.

2. A delivery business wishing to make deliveries must obtain a state license Type 10, or a state cannabis license type subsequently established.

3. Deliveries shall be made by an employee of the delivery business and said employee shall carry with him/her at all times a physical copy of the city commercial cannabis permit and business license and state license when such a license is available. Delivery businesses shall comply with all state law and regulations pertaining cannabis delivery businesses.

G. Microbusinesses. Any commercial cannabis permit issued to a microbusiness with a Type 12 state license, or a state cannabis license type subsequently established, that contains a dispensary operation, will be subject to the permit procedures and requirements for cannabis dispensaries under Section 18.15.050. Any such permit will count toward the
City’s maximum number of dispensaries. Any commercial cannabis permit issued to a microbusiness with a cultivation component will also be subject to the requirements of Section 18.15.040 for cultivation operations.

18.15.070 Personal Cannabis Cultivation

A. Personal cultivation of cannabis, both indoor and outdoor, is only allowed in residential zones according to this Section 18.15.070.

B. Personal Cultivation of Nonmedical Cannabis. No outdoor cultivation of nonmedical cannabis is permitted in any zone within the City. An adult twenty-one (21) years or older may personally cultivate up to six (6) cannabis plants inside his or her dwelling according to state law and regulations and this Section.

1. No more than six (6) plants may be cultivated in one private residence or within a legal accessory structure to the private residence, regardless of the number of qualifying adults who reside there.

2. The individual cultivating the cannabis within the dwelling must reside there.

3. Cultivation shall not be visible from any public right of way.

4. Cannabis shall not be accessible to minors.

5. If the individual cultivating the cannabis is a tenant on the parcel where cultivation occurs, he or she shall obtain permission of the owner of the property authorizing the cultivation of cannabis on the property.

6. Cultivation shall be for personal use and no commercial cultivation of cannabis shall be permitted in any residential zones, unless otherwise permitted under this Chapter.

7. Cultivation shall remain at all times a secondary, or accessory use, of the residence and the primary purpose of the residence shall at all times be as a dwelling.

C. Small-Scale Personal Cultivation of Medical Cannabis. Any qualified patient or primary caregiver who cultivates three (3) or less cannabis plants outdoors for medical purposes as authorized by State law, shall not be subject to the provisions of Section 18.15.070(D) of this Chapter, and shall not be required to obtain a Cultivation Permit from the Chief of Police, or his /her designee pursuant to Section 18.09.070(D) if all of the following requirements are met:

1. Cultivation of three (3) or less medical cannabis plants outdoors, per parcel, regardless of the number of qualified patients or primary caregivers residing on the property.

2. Cultivation of cannabis shall only occur on parcels located in an area of the City zoned for residential use.

3. The qualified patient or primary caregiver shall reside full-time on the premises where the cultivation of medical cannabis occurs and must provide written documentation of status as a qualified patient or primary caregiver.
4. If the qualified patient or primary caregiver is a tenant on the parcel where he/she wishes to cultivate cannabis, the qualified patient or primary caregiver shall obtain written permission with a signature of the owner of the property authorizing the qualified patient or primary caregiver to cultivate cannabis on the property.

5. No cannabis growth shall be visible from the right of way.

6. Any outdoor cultivation shall maintain a minimum of a ten (10) foot setback from any property line.

7. Cultivation shall remain at all times a secondary or accessory use of the residence and the primary purpose of the residence shall at all times be as a dwelling.

8. Any qualified patient or primary caregiver cultivating cannabis shall maintain an identification card with the State of California for medical cannabis use or a qualifying doctor’s recommendation.

9. Cultivation shall be for personal use (“cultivation for personal use”) and no commercial cultivation of cannabis shall be permitted in any zones.

10. All outdoor cultivated cannabis shall use only certified organic residual pesticides, herbicides, and fungicides.

D. Personal Medical Cannabis Cultivation in Detached Structure – Cultivation Permit Required.

1. A qualified patient or primary caregiver may cultivate medical cannabis for personal use in a detached structure subject to all of the following requirements:

   a. Cultivation shall occur inside one detached structure in an area not exceeding one-hundred (100) square feet. “Structure” shall mean a building completely enclosed and detached from a residence that complies with the California Building Code, as adopted by the City, and has a complete roof enclosure supported by connecting walls extending from the ground to the roof, a foundation, slab or equivalent base to which the floor is secured by bolts or similar attachments, is secure against unauthorized entry, and is accessible only through one or more lockable doors. Walls and roof must be constructed of solid materials that cannot be easily broken through. Exterior walls must be constructed with non-transparent material. Plastic sheeting, regardless of gauge, or similar products do not satisfy this requirement.

   b. Cultivation inside the detached structure shall not exceed thirty (30) cannabis plants (three (3) pounds processed cannabis) regardless of how many qualified patients or primary caregivers reside on the parcel.
c. Cultivation of cannabis in detached structures shall only occur on parcels with a detached single-family dwelling. Parcels containing duplexes or multi-family dwellings, such as apartment buildings, shall not be allowed to cultivate medical cannabis in detached structures.

d. Cultivation of cannabis in detached structures shall only occur on parcels located in an area of the City zoned for single family residential use (R-1, R-2, R-R, PD and PUD as set forth in Title 18).

e. The qualified patient or primary caregiver shall reside full-time on the premises where the cultivation of cannabis occurs.

f. If the qualified patient or primary caregiver is a tenant on the parcel where he/she wishes to cultivate cannabis, the qualified patient or primary caregiver shall obtain written permission with a signature of the owner of the property authorizing the qualified patient or primary caregiver to cultivate cannabis on the property.

g. No cultivation of cannabis shall occur within six hundred feet (600') of any school or child daycare. The six hundred feet (600') shall be measured from the closest property line of the school or daycare to the closest property line of the cultivating parcel.

h. The detached structure in which cultivation of cannabis will occur must comply with all of the following:

i. All applicable California Building, Electrical and Fire Codes as adopted by this City.

ii. No gas products, including without limitation, CO2, butane, propane and natural gas or generators shall be used within the structure.

iii. Structure shall maintain a minimum of a ten (10) foot setback from any property line.

iv. Structure shall not utilize grow lights that exceed 1200 Watts.

v. Structure shall be locked whenever the person responsible for cultivating is not present.

i. No cultivation growth shall be visible from the right of way.

j. Any qualified patient or primary caregiver cultivating cannabis shall maintain an identification card with the State of California for medical cannabis use or a qualifying doctor’s written
recommendation.

k. Cultivation shall be for personal use ("cultivation for personal use").

l. All cultivated cannabis shall use only certified organic residual pesticides, herbicides, and fungicides.

2. Any qualified patient or primary caregiver cultivating cannabis as allowed in this Section ("cultivation in detached structure") shall obtain a Cultivation Permit from the Chief of Police or his/her designee pursuant to this Section.

a. The Cultivation Permit Application shall include the following and the Chief of Police or his/her designee shall consider:

i. The name of each qualified patient or primary caregiver who participates in the cultivation and their identification number and expiration date of all identification cards issued by the State of California and/or Sonoma County for medical cannabis use or written recommendation from a qualifying doctor.

ii. The qualified patient or primary caregiver shall show proof of ownership of the parcel where cultivation is to occur or if the qualified patient or primary caregiver is a tenant, written consent of the owner, which has been notarized by a public notary.

iii. The physical site address where the cultivation will occur.

iv. The number of plants and square footage of the area that will be cultivated.

v. A Waste Disposal Plan that conforms to the requirements of this Chapter.

vi. A signed consent form, authorizing inspections by the Cloverdale Police Department or City Code Enforcement to enter and inspect the structure where cannabis cultivation occurs.

vii. The potential risk of crime or violence associated with the location and cultivation.

viii. If the qualified patient or primary caregiver cannot meet the regulations set forth here, the Chief of Police may consider additional information and may issue a Permit for Cultivation with specific exemptions.

b. The Chief of Police, or his/her designee shall charge a fee according to the City’s master fee schedule, for the Cultivation Permit. The fee shall be paid at the time the Application for Cultivation Permit is provided to the Chief of Police, or his/her designee.
c. The Permit shall be issued in two (2) year increments and can be renewed thereafter unless the Permit is suspended or revoked.

d. The Cultivation Permit may be suspended or revoked for any violation of local or State law. If the Permittee is issued a Notice of Violation (“NOV”) the following process may occur to suspend or revoke the Cultivation Permit which shall conform to the appeal process set forth in Chapter 1.14 of the Cloverdale Municipal Code:

i. The Chief of Police, or his designee, shall send written notice of the suspension or revocation which shall be served on the Permittee whose Cultivation Permit is to be revoked or suspended by certified mail with the legal violation and supporting facts. The notice shall contain an advisement of the right to request an appeal pursuant to Cloverdale Municipal Code 1.14.070.

ii. Any appeal requested pursuant to Cloverdale Municipal Code 1.14.070 shall include an appeal processing fee as set forth in the City’s master fee schedule, as that schedule shall be amended from time to time, and shall include a deposit in advance the amount of any penalty. No appeal shall proceed without payment of the fee and deposit of the penalty with the city clerk at the time the appeal is filed; provided, however, that the city manager may waive or defer the appeal fee upon written request for good cause shown. Good cause may include severe economic hardship, significant attempts to comply with the notice of violation, and other factors indicating good faith attempts to comply.

iii. Suspension or revocation issued pursuant to subsection (14) shall be stayed pending the appeal which is properly and timely filed, unless the City obtains an order from a court of competent jurisdiction requiring or authorizing the abatement of the condition that is the subject of the City’s enforcement efforts pursuant to Cloverdale Municipal Code 1.14.080.


v. The decision and order of the hearing officer shall be issued in conformance with Cloverdale Municipal Code 1.14.100.

vi. Any responsible party who is aggrieved by a decision of a hearing officer and who has exhausted the administrative remedies provided in the Cloverdale Municipal Code, or any other applicable law, shall have the right to seek judicial review of such decision by filing a petition for writ of mandate in accordance with Code of Civil Procedure Section 1094.5 in conformance with Cloverdale Municipal Code 1.14.110.
18.15.080 Enforcement

A. Violations.

1. Any activity performed contrary to the provisions of this Chapter is hereby declared to be a public nuisance.

2. Any violation of a term, condition, or the approved plans and specifications of any permit issued pursuant to this Chapter shall constitute a violation.

3. Each and every day during any portion of which any violation is committed, continued, or allowed to continue shall be a separate offense.

B. Remedies. In addition to the revocation and suspension provisions in Section 18.15.030(G)(5) and any all available remedies under the law, the following remedies shall be available to the City or other enforcement agency regarding violations of this Chapter:

1. Administrative enforcement pursuant to Chapter 1.14 of this Municipal Code.

2. Civil enforcement pursuant to Chapter 1.13 of this Municipal Code.

3. Criminal enforcement if allowed under State law.

City Council may, by Resolution, adopt specific fines, fees, and penalty amounts for violations and enforcement costs related to this Chapter.

In any enforcement action brought pursuant to this Section, whether by administrative or judicial proceedings, each person who causes, permits, suffers, or maintains the unlawful cannabis use shall be liable for all costs incurred by the City, including, but not limited to, administrative costs, and any and all costs incurred to undertake, or to cause or compel any responsible person to undertake, any abatement action in compliance with the requirements of this Section. In any action by the agency having jurisdiction to abate unlawful cannabis uses under this Section, whether by administrative or judicial proceedings, the prevailing party shall be entitled to a recovery of the reasonable attorney’s fees incurred. Recovery of attorneys’ fees under this subdivision shall be limited to those actions or proceedings in which the City elects, at the initiation of that action or proceeding, to seek recovery of its own attorney’s fees. In no action, administrative proceeding, or special proceeding shall an award of attorneys’ fees to a prevailing party exceed the amount of reasonable attorney’s fees incurred by the City in the action or proceeding.


In compliance with the requirements of CEQA, a Negative Declaration (“ND”) was prepared for this Ordinance No. 715-2017. The ND addressed all potentially significant environmental impacts associated with this Ordinance, and was adopted via City Council Resolution No. 061-2017 on September 12, 2017. The ND found that this Ordinance will not have a significant adverse impact on the environment. The ND reflects the City Council’s independent judgment and analysis.
SECTION 5. No Mandatory Duty of Care.

This Ordinance is not intended to, and shall not be construed or given effect in a manner that imposes upon the City or any officer, agent, employee or volunteer, thereof a mandatory duty of care towards persons and property, so as to provide a basis of civil liability for damages, except as otherwise imposed by law.


If any section, subsection, sentence, clause or phrase of this Chapter is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Chapter. The City Council hereby declares that it would have passed the Ordinance codified in this Chapter, and each and every section, subsection, sentence, clause or phrase not declared invalid or unconstitutional without regard to whether any portion of this Chapter would be subsequently declared invalid or unconstitutional.

SECTION 7. Effective Date.

This Ordinance shall be and the same is hereby declared to be in full force and effect from and after thirty (30) days after the date of its passage and shall be published once before the expiration of fifteen (15) days after said passage, with the names of the Council Members voting for or against the same, in a newspaper of general circulation published in the County of Sonoma, State of California.

I hereby certify that the foregoing is a true and complete copy of an ordinance duly and regularly adopted by the City at a regular meeting thereof held on September 26, 2017, by the following vote:

PASSED, APPROVED AND ADOPTED this 26th day of September 2017 by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:  ATTEST:

__________________________,  ____________________________
Gus Wolter, Mayor          Linda Moore, Deputy City Clerk

Attachment:
Exhibit "A": Table 1 - Allowed Commercial Cannabis Uses and Permit Requirements