



DATE: February 20, 2020

TO: PLANNING COMMISSION

FROM: Brendan Vieg, Community Development Director

By: Andrew L. Jared, City Attorney

RE: Amendments to Title 19 of the Chico Municipal Code Regarding Commercial Cannabis Regulation

File: Commercial
Cannabis Ordinance

REPORT IN BRIEF

The Planning Commission has been asked by the City Council to review a proposed ordinance amending Chapter 19.75 of the Chico Municipal Code to allow commercial cannabis activities at certain locations throughout the city (Ex. 1 to **Attachment A**).

The proposed ordinance amending Title 19 is the land use component of the larger policy considerations discussed by the Commercial Cannabis Ad Hoc Committee (May through August 2019), the Internal Affairs Committee, and the City Council to establish certain commercial cannabis businesses in Chico. The corresponding non-land use component will be a regulatory permit to be adopted by separate ordinance amending CMC Title 5 to establish Chapter 5.42 regarding Commercial Cannabis Business Permits. The proposed regulations would not allow for cultivation or microbusiness commercial cannabis businesses or land uses.

The commercial cannabis uses listed below are being proposed in specified zoning districts per Chico Municipal Code (CMC) Chapter 19.75 – Cannabis Regulations:

1. Retailer – Storefront
2. Testing laboratory
3. Manufacturer
4. Distributor
5. Retailer - Delivery Only

For each of these proposed allowed uses, staff has identified similar land use categories currently permitted by Title 19. The definitions and zoning limitations of like uses were then compared to determine which zoning districts would be most appropriate for the proposed commercial cannabis land uses (see **Attachment C**, Zoning and Land Use Report). Following the analysis of similar land use types, staff has provided a zoning analysis summarizing why each proposed use would or would not meet the purpose or intent of each district. Staff has then proposed land use zones in which such uses would be most appropriate given the current definitions of similar land uses and their allowed uses.

Recommendation:

The Community Development Director recommends that the Planning Commission:

Adopt Resolution 20-02 recommending City Council adoption of an ordinance to amend Title 19, Chapter 19.75 “Cannabis Regulations”, of the Chico Municipal Code regarding to allow commercial cannabis uses within the City of Chico (see **Attachment A**).

Proposed Motion:

I move that the Planning Commission adopt Resolution No. 20-02 recommending City Council adoption of amendments to Title 19, Chapter 19.75 “Cannabis Regulations”, of the Chico Municipal Code to allow commercial cannabis businesses within the specified zoning districts as described in the proposed ordinance.

BACKGROUND

On November 26, 2019, the City Council directed staff to bring back revisions to an ordinance regulating commercial cannabis activity in the City of Chico. Such regulations will involve creation of a Commercial Cannabis Business Permit under CMC Chapter 5.42, a codified resolution to address the application and selection process under CMC 5R42, and land use regulations under Title 19.

In 2016, California voters approved Proposition 64, the Adult Use of Marijuana Act (AUMA). AUMA legalized the personal possession and consumption, and limited personal cultivation, of recreational cannabis by adults aged 21 or older. AUMA also established a framework for regulating commercial cannabis activity related to recreational cannabis, under which such activity would be lawful only if conducted under approvals at both the state and local levels.

In 2017, consistent with AUMA's provisions regarding amendment by the Legislature, the Legislature later enacted the Medicinal and Adult Use Cannabis Regulation and Safety Act (MAUCRSA), which implemented this framework as to both medical and recreational cannabis.

On January 16, 2019, regulations adopted by the State Office of Administrative Law went into effect to address issues relating to state licensure across the entire cannabis supply chain (see [www.https://cannabis.ca.gov/cannabis-regulations/](https://cannabis.ca.gov/cannabis-regulations/)). State cannabis regulations are enforced by the Bureau of Cannabis Control (licensure of retailers, distributors, testing laboratories, microbusinesses, and temporary cannabis events); the California Department of Food and Agriculture (cultivation, and track-and-trace system); and the California Department of Public Health—Manufactured Cannabis Safety Branch (manufacturer practices and products). The regulations provide that for a cannabis business to qualify for state licensure, it must show compliance with all local regulations (*i.e.*, city codes and ordinances).

At this time, the Planning Commission is being asked to review the proposed regulation of the proposed cannabis land uses in regard to which zoning districts within Chico such uses should be allowed.

Existing City Regulation of Cannabis

Currently, cannabis land use regulations are addressed in Title 19, Chapter 19.75 through the prohibition of all commercial cannabis activity in the City of Chico, whether the activity is related to medical or recreational commercial purposes. The current regulations prohibit all outdoor cultivation but do allow for personal cultivation of medical cannabis indoors (up to 6 plants) consistent with state law after obtaining an Indoor Cultivation Permit. The proposed ordinance does not amend those sections of the code addressing indoor personal cultivation for personal (non-commercial) uses in general.

DISCUSSION

The proposed amendment to Chapter 19.75 will establish the zoning districts that the following proposed commercial cannabis land uses would be allowed:

1. Retailer – Storefront
2. Testing laboratory
3. Manufacturer
4. Distributor
5. Retailer - Delivery Only

State law has established these types of cannabis businesses as license types, along with cultivation and microbusiness uses. The Council-created ad hoc Commercial Cannabis Committee recommendation to the Internal Affairs Committee was to not allow cultivation or microbusinesses in the City of Chico as allowed commercial cannabis uses. Accordingly, the report, staff analysis, and proposed ordinance addresses only the five proposed uses.

Staff has prepared a Zoning and Land Use Analysis Report (**Attachment C**) to evaluate what existing land uses currently defined under Title 19 are most like the five proposed commercial cannabis uses under consideration. The report then analyzes what existing land use zones are most compatible with the proposed commercial cannabis uses based on where such similar existing land uses are permitted or conditionally permitted.

The summary of the Zoning and Land Use Analysis Report is as follows:

1. “Retailer – Storefront” uses should be allowed the in the same zoning districts as liquor stores, with limited hours, except within Downtown zoning districts.

RECOMMENDATION: Subject to Use Permit approval, where specific operational factors would be considered on a case-by-case basis:

- Add “Retailers – storefront” to Commercial Land Use Table 4-6 in the CC, CS and CR zoning districts; and
- Add “Retailers – storefront” to the TND Land Use Table 6-1 in the CORE zoning district.

2. "Testing laboratory" was classified as most-similar to a business support services land use.

RECOMMENDATION:

- Add "Testing laboratory" to Commercial Land Use Table 4-6 in the OC, CC and CS zoning districts;
 - Add "Testing laboratory" to Manufacturing/Industrial Land Use Table 4-8 in the ML, MG and IOMU zoning districts;
 - Add "Testing laboratory" to Airport Land Use Table 4-10 in the AC and AM zoning districts; and
 - Add "Testing laboratory" to TND Land Use Table 6-1 in the CORE zoning district.
3. "Manufacturer" was classified as most similar to industrial uses. Staff recommends additional discussion on whether to permit this use in the CS and CORE zoning districts.

RECOMMENDATION:

- Add "Manufacturer" to Commercial Land Use Table 4-6 in the CS zoning district;
 - Add "Manufacturer" to Manufacturing/Industrial Land Use Table 4-8 in the ML, MG and IOMU zoning districts;
 - Add "Manufacturer" to the Airport Land Use Table 4-10 in the AM zoning district; and
 - Add "Manufacturer" to TND Land Use Table 6-1 in the CORE zoning district.
4. "Distributor" was classified as most similar to wholesaling and distribution land uses.

RECOMMENDATION:

- Add "Distributors" to Commercial Land Use Table 4-6 in the CS zoning district;
- Add "Distributors" to Manufacturing/Industrial Land Use Table 4-8 in the ML, MG and IOMU zoning districts; and

- Add “Distributors” to Airport Land Use Table 6-1 in the AC and AM zoning districts.
5. “Retailer - Delivery Only” was classified as most-similar to business support services, based upon the land use definitions.
- Add “Retailers – delivery only” to Commercial Land Use Table 4-6 in the OC, CC and CS zoning districts;
 - Add “Retailers – delivery only” to Manufacturing/Industrial Land Use Table 4-8 in the ML, MG and IOMU zoning districts;
 - Add “Retailers – delivery only” to Airport Land Use Table 4-10 in the AC and AM zoning districts; and
 - Add “Retailers – delivery only” to Traditional Neighborhood Development (TND) Land Use Table 6-1 in the CORE zoning district.

The summary of such recommendations is as follows:

- A. Amend Commercial Land Use Table 4-6 in CMC Chapter 19.44 to include the following commercial cannabis uses:
- a. Retailers–storefront in the CC, CS and CR
 - b. Testing laboratories in the OC, CC and CS
 - c. Distributors in the CS
 - d. Manufacturers in the CS
 - e. Retailer–delivery only in the OC, CC and CS

Land Use	Permit Requirement by Zone								Subject to Standards in Section/ Chapter:
	OR	OC	CN	CC	DN	DS	CS	CR	
<i>Manufacturing and Processing Uses</i>									
Cannabis Distributor							P		19.75
<i>Retail Trade Uses</i>									
Cannabis Retailer – Storefront				UP			UP	UP	19.75
Cannabis Retailer – Delivery Only		P		P			P		19.75
<i>Service Uses</i>									
Cannabis Testing Laboratory		P		P			P		19.75

B. Amend Manufacturing/Industrial Land Use Table 4-8 in CMC Chapter 19.46 to include:

- a. Testing laboratories, Distributors, Manufacturers and Retailer – delivery only in the ML, MG and IOMU zoning districts

Land Use	Permit Requirements by Zone			Subject to Standards in Section/ Chapter:
	ML	MG	IOMU	
<i>Manufacturing and Processing Uses</i>				
Cannabis Distributor	P	P	P	19.75
Cannabis Manufacturer	P	P	P	19.75
<i>Retail Uses</i>				
Cannabis Retailer – Delivery Only	P	P	P	19.75
<i>Services</i>				
Cannabis Testing laboratory	P	P	P	19.75

- C. Amend Airport Land Use Table 4-10 in CMC Chapter 19.48 to include:
- a. Manufacturers in the AM zoning district; and
 - b. Testing laboratories, Distributors, and Retailer–delivery only in the AC and AM zoning districts

Land Use	Permit Requirements by Zone				Subject to Standards in Section/ Chapter:
	A(2)	AC(3)	AM(4)	AP	
<i>Manufacturing and Processing Uses</i>					
Cannabis Distributor		P	P		19.75
Cannabis Manufacturer			P		19.75
<i>Retail Uses</i>					
Cannabis Retailer – Delivery Only		P	P		19.75
<i>Services</i>					
Cannabis Testing laboratory		P	P		19.75

- D. Amend Traditional Neighborhood Development (TND) Land Use Table 6-1 in CMC Chapter 19.80.070 to include:

- a. Retailer–Storefront in the CORE with Use Permit approval
- b. Manufacturer, Testing Laboratories, Retailers–Delivery Only in the CORE zoning district

Land Use	Permit Requirement by Zone					Subject to Standards in Section/ Chapter:
		NE	NG	NC	CORE	
<i>Manufacturing and Processing Uses</i>						
Cannabis Manufacturer					P	19.75
<i>Retail/Trade Uses</i>						
Cannabis Retailer – Storefront					UP	19.75
Cannabis Retailer – Delivery Only					P	19.75
<i>Services</i>						
Testing laboratory					P	19.75

Additional Comments from Staff

The proposed ordinance was circulated among all departments in the City as well as with a consultant with experience in cannabis regulation and taxation, HdL Companies. Based on this input, changes were made to the proposed ordinance from earlier versions of the proposed ordinance presented to Council. Such changes are shown in redline format in **Attachment B**.

The primary issues included in these changes were to remove certain non-land use operational regulations (e.g., regulation of drivers and vehicles used in Retail-Delivery Only uses) and focus the operational regulations on issues related to the use at its primary physical business location.

The Chico Fire Department recommended that an operational requirement be added to specify that fire alarm and fire sprinkler systems be added to any commercial cannabis manufacturing use. The recommendation was also made to require an emergency access system. Such proposed changes have been made to the draft ordinance.

Additionally, the Chico Police Department recommends that the buffer zone distance for all commercial cannabis businesses from schools and other youth centers be extended to 1,000'. State law requires that such distance be a minimum of 600' for schools K-12 and daycare centers from all commercial cannabis uses. The ad hoc Commercial Cannabis Committee recommended that the buffer distance be extended to 1,000' for Middle and High schools in order to prevent exposure of such uses to youth within those grades.

The Police Department believes that the potential exists for incidents to occur at all of the commercial cannabis uses. Their recommendation for a 1,000' distance requirement from all schools for all uses is predicated on providing additional space to allow the apprehension of de-escalation of events (e.g., capture of a fleeing suspect from an incident at a commercial cannabis use). The ordinance has not been amended to reflect such proposed distance requirements and no exhibits have been prepared to reflect the effect such amendment would have on the location of commercial cannabis businesses.

FINDINGS

CHICO GENERAL PLAN 2030 CONSISTENCY

The proposed Title 19 amendments are consistent with the General Plan's policy framework, including the following Goals, Policies and Actions:

Goal LU-2: Maintain a land use plan that provides a mix and distribution of uses that meet the identified needs of the community.

Policy LU-2.4 (Land Use Compatibility) – Promote land use compatibility through use restrictions, development standards, environmental review and special design considerations.

Goal LU-3: Enhance existing neighborhoods and create new neighborhoods with walkable access to recreation, places to gather, jobs, daily shopping needs, and other community services.

Goal LU-4: Promote compatible infill development.

Policy LU-4.2 (Infill Compatibility) - Support infill development, redevelopment, and rehabilitation projects that are compatible with surrounding properties and neighborhoods.

Goal LU-5: Support development and redevelopment of the designated Opportunity Sites.

Goal CD-5: Support infill and redevelopment compatible with the surrounding neighborhood.

Policy ED-1.3 (Regulatory Environment) – Ensure that regulations and permitting processes for the conduct of commerce and land development do not unreasonably inhibit local business activity.

Action ED-1.3.2 (Development Standard Enhancements) – Continue to seek opportunities to simplify and streamline the permitting process, including allowing more uses outright subject to development standards.

Goal PPFS-7: Support arts, cultural, social service and health facilities and services to enhance the local quality of life.

Policy PPFS-7.2 (Health and Social Services) – Support efforts to improve and expand health and social services for all segments of the community.

ENVIROMENTAL REVIEW

The City of Chico, as Lead Agency, has conducted an environmental review on the proposed project pursuant to the California Environmental Quality Act (CEQA). The City Council will consider adopting Findings of Consistency, which states that the proposed project meets requirements for CEQA Guidelines Section 15183, Projects Consistent with a Community Plan or Zoning, and that no additional environmental review or documentation is required.

This Finding of Consistency evaluates consistency of the proposed ordinance with the Final Environmental Impact Report for the Chico 2030 General Plan Update (GPU EIR). Certified by the City Council on April 12, 2011, the GPU EIR establishes the City's vision for development of the City through the year 2030. The GPU EIR includes analyses of the potential environment impacts that could result from development at various commercially-designated sites located throughout the City with a range of commercial uses, as well as development at various manufacturing-designated sites with a range of manufacturing land uses.

As demonstrated in the Zoning and Land Use Analysis Report prepared for the proposed ordinance (**Attachment C**), the types of commercial cannabis-related uses that would be permitted or conditionally-allowable under the proposed ordinance involve operational characteristics substantially similar to other “like” land uses which are currently permitted or conditionally-allowable within the City of Chico. Further, instances of each of these like land uses currently exist and operate within the City, and none are known to generate significant environmental impacts as a result of their operations. Thus, staff’s review concludes that potential environmental impacts associated with the proposed ordinance, which would enable the approval of commercial cannabis-related sales, delivery or processing activities, are substantially similar to those potential environmental impacts anticipated in the GPU EIR for the City’s commercial and industrial land use designations.

Implementation of the Commercial Cannabis Ordinance would not result in any new environmental impacts, or substantially increase the severity of identified environmental impacts. Therefore, the Commercial Cannabis Ordinance is consistent with Section 15183 of the CEQA Guidelines and no additional environmental review is required.

PUBLIC CONTACT

A legal notice of proposed ordinance was published in the *Chico Enterprise Record* on February 10, 2020 and the *Chico News & Review* on February 13, 2020. As of the date of this report one comment letter has been received in response to the public notice (see **Attachment E**).

DISTRIBUTION: PC Distribution

ATTACHMENTS:

- A. PC Resolution 20-02
Exhibit 1 Proposed Ordinance
- B. Redline Text of Proposed Ordinance
- C. Zoning and Land Use Analysis Report
- D. Maps of Eligible Zoning Districts and Distance Requirements
- E. Public Comment Letter

RESOLUTION NO. 20-02

**RESOLUTION OF THE CITY OF CHICO PLANNING COMMISSION
RECOMMENDING THE CITY COUNCIL ADOPT AN ORDINANCE OF
THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19
CHAPTER 19.75 "CANNABIS REGULATIONS" OF THE CHICO
MUNICIPAL CODE TO ALLOW COMMERCIAL CANNABIS USE
WITHIN THE CITY OF CHICO**

WHEREAS, the City Council has previously adopted regulations concerning cannabis land use activities within the City of Chico, by establishing Chapter 19.75 to expressly prohibit commercial cannabis activity, whether for medicinal or other use;

WHEREAS, such regulations under Chapter 19.75 were adopted prior to the votes of California approving Proposition 64, titled the "Adult Use of Marijuana Act" (the AUMA), which enacted a state statutory scheme legalizing, controlling, and regulating the cultivation, processing, manufacturing, distribution, testing and sale of nonmedical ("adult-use" or "recreational") cannabis, including cannabis products, for use by adults twenty-one (21) years of age or older;

WHEREAS, on June 27, 2017, Governor Brown signed Senate Bill 94, the "Medicinal and Adult-Use Cannabis Regulation and Safety Act" (SB 94 or the "MAUCRSA"), which created one state regulatory structure for medical and adult-use commercial cannabis activities, reconciling AUMA with the Compassionate Use Act of 1996 (Proposition 215) and MCRSA;

WHEREAS, MAUCRSA provides that the state shall not issue a state license for a business to engage in Commercial Cannabis Activity if the business activity violates any local ordinance or regulation;

WHEREAS, the City Council desires to allow certain Commercial Cannabis Activity within the City of Chico, and Title 19.75 as presently written prevents such uses

Attachment A

1 of land and business activity, the City Council desires to amend Title 19.75 to allow for
2 the retail sales, retail delivery, manufacturing, distribution, and laboratory testing uses of
3 commercial cannabis within the City of Chico, while not allowing cultivation,
4 microbusiness or any other non-enumerated use as specifically allowed under Chapter
5 19.75 as such relates to cannabis;

6 WHEREAS, the City Council finds and declares that this Ordinance constitutes a
7 valid exercise of police power in accordance with Article XI, Section 7 of the California
8 Constitution, is consistent with the language and intent of the AUMA, MAUCRSA, and
9 related laws, regulations, and policies issued by the state, consistent with Chico
10 General Plan, and furthers the health, safety and general welfare of the residents of the
11 City of Chico; and

12 WHEREAS, by separate ordinance, the City Council will consider a commercial
13 cannabis operational permit, to be required prior to issuance of any land entitlement
14 afforded under this Ordinance.

15 WHEREAS, in considering the whole of the record and exercising independent
16 judgement, finds that the land use regulations meet the requirements for CEQA
17 Guidelines Section 15183 as a project consistent with a community plan or zoning, and
18 that no additional environmental review or documentation is necessary.
19 Implementation of this Ordinance would not result in any new environmental impacts, or
20 substantially increase the severity of identified environmental impacts. Therefore, the
21 Commercial Cannabis Ordinance is consistent with Section 15183 of the CEQA
22 Guidelines and no additional environmental review is required.

23 NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING COMMISSION OF
24 THE CITY OF CHICO AS FOLLOWS:

- 25 1. Based on all of the above, the Planning Commission hereby recommends that the
26 City Council introduce and adopt the proposed Ordinance included herein as

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Exhibit I, attached hereto.

THE FOREGOING RESOLUTION WAS ADOPTED at a meeting of the Planning Commission of the City of Chico held on February 20, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

DISQUALIFIED:

ATTEST:

APPROVED AS TO FORM:

BRUCE AMBO
Planning Commission Secretary

Andrew Jared, City Attorney*

*Pursuant to The Charter of
the City of Chico, Section 906(E)

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EXHIBIT I

***ORDINANCE NO.* _____**

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 CHAPTER 19.75 “CANNABIS REGULATIONS” OF THE CHICO MUNICIPAL CODE TO ALLOW COMMERCIAL CANNABIS USE WITHIN THE CITY OF CHICO

WHEREAS, the City Council has previously adopted regulations concerning cannabis land use activities within the City of Chico, by establishing Chapter 19.75 to expressly prohibit commercial cannabis activity, whether for medicinal or other use;

WHEREAS, such regulations under Chapter 19.75 were adopted prior to the votes of California approving Proposition 64, titled the “Adult Use of Marijuana Act” (the AUMA), which enacted a state statutory scheme legalizing, controlling, and regulating the cultivation, processing, manufacturing, distribution, testing and sale of nonmedical (“adult-use” or “recreational”) cannabis, including cannabis products, for use by adults twenty-one (21) years of age or older;

WHEREAS, on June 27, 2017, Governor Brown signed Senate Bill 94, the “Medicinal and Adult-Use Cannabis Regulation and Safety Act” (SB 94 or the “MAUCRSA”), which created one state regulatory structure for medical and adult-use commercial cannabis activities, reconciling AUMA with the Compassionate Use Act of 1996 (Proposition 215) and MCRSA;

WHEREAS, MAUCRSA provides that the state shall not issue a state license for a business to engage in Commercial Cannabis Activity if the business activity violates any local ordinance or regulation;

WHEREAS, the City Council desires to allow certain Commercial Cannabis Activity within the City of Chico, and Title 19.75 as presently written prevents such uses of land and

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business activity, the City Council desires to amend Title 19.75 to allow for the retail sales, retail delivery, manufacturing, distribution, and laboratory testing uses of commercial cannabis within the City of Chico, while not allowing cultivation, microbusiness or any other non-enumerated use as specifically allowed under Chapter 19.75 as such relates to cannabis;

WHEREAS, the City Council finds and declares that this Ordinance constitutes a valid exercise of police power in accordance with Article XI, Section 7 of the California Constitution, is consistent with the language and intent of the AUMA, MAUCRSA, and related laws, regulations, and policies issued by the state, consistent with Chico General Plan, and furthers the health, safety and general welfare of the residents of the City of Chico; and

WHEREAS, by separate ordinance, the City Council will consider a commercial cannabis operational permit, to be required prior to issuance of any land entitlement afforded under this Ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Chico that the following ordinance amending Chapter 19.75 shall be amended to allow commercial cannabis uses as follows:

SECTION 1. Amend current Chapter 19.75 concerning all cannabis activity prohibited to reflect new regulations allowing commercial cannabis permits:

Chapter 19.75 CANNABIS REGULATIONS

19.75.010 Purpose.

A. The purpose of this Chapter is to regulate ~~expressly prohibit~~ commercial cannabis activity in the City of Chico, whether the cannabis is for medicinal or adult-use commercial purposes by enacting a permitting and regulatory system for this action.

B. The purpose of this Chapter is also to enact and enforce reasonable regulations on medicinal and adult-use purposes, by enacting a permitting and regulatory scheme for this action

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citywide for commercial cannabis uses, by allowing certain commercial uses in specified zones, and continuing to allow personal cannabis cultivation activities (non-commercial) in residential zoning districts.

C. Personal cultivation activities give rise to, or pose a significant risk of giving rise to, various health and safety concerns and negative impacts to residents of the City of Chico, including but not limited to burglaries and robberies, trespassing, personal and property crimes, fire and building hazards, chemical and waste disposal, mold growth, offensive odors, and possession and use by persons under the age of twenty-one (21). In light of such concerns, the City Council for the City of Chico desires to ban outdoor personal cultivation activities, and impose reasonable regulations on indoor personal cultivation activities for both medicinal and recreational purposes.

D. The City Council finds that the regulation of commercial cannabis activity, including the prohibition of commercial cultivation and microbusiness uses~~seannabis deliveries~~, is necessary for the preservation and protection of the public health, safety and welfare for the City and its community. The City Council's regulation~~prohibition~~ of such activity is within the authority conferred upon the City Council by the City's Charter and applicable state law, and is an exercise of its police powers to enact and enforce regulations for the public benefit, safety, and welfare of the City and its community.

19.75.020 Definitions.

For purposes of this Chapter, the following definitions shall apply:

A. "Accessory structure" shall mean a fully enclosed, lawful structure that is physically detached from, and secondary and incidental to, the existing primary structure of a "private residence," as that term is defined herein.

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B. "California Adult Use of Marijuana Act" shall mean and refer to the provisions of California law added by Proposition 64, approved by California voters at the election occurring on November 8, 2016.

C. "Cannabis" shall mean all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. Cannabis shall also have the same meaning as in Section 26001(f) of the Business and Professions Code, as same may be amended from time to time. The terms "marijuana" and "cannabis" shall be synonymous and have the same meaning. It does not include:

1. Industrial hemp, as defined in Section 11018.5 of the California Health and Safety Code; or

2. The weight of any other ingredient combined with cannabis to prepare topical or oral administrations, food, drink or other product.

3. 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.

D. "Cannabis products" shall mean 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.

E. "City" shall mean the City of Chico and have the same meaning as CMC 1.04.010.

F. "Code" shall mean the Chico Municipal Code as defined in CMC 1.04.010, including all laws, ordinances, and regulations adopted and incorporated therein.

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G. "Commercial cannabis activity" shall mean, and includes, the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of cannabis and cannabis products, whether or not the cannabis or cannabis products is for medical or recreational purposes. "Commercial cannabis activity" is meant to include all cannabis related activities for which a State license is required, pursuant to applicable State laws, as they may be amended from time to time.

H. "Cultivation" shall mean any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis. Cultivation shall also have the same meaning as in Section 26001(1) of the Business and Professions Code, as same may be amended from time to time. Whenever references to cultivation are made in this Chapter, permitted or licensed cultivation shall only be personal cultivation, as commercial cultivation is expressly prohibited.

I. "Delivery" shall mean the transfer of cannabis or cannabis products, including the use of any technology platform to arrange for or facilitate the transfer of cannabis to or from any location within the City of Chico. "Deliver" or "delivery" shall also mean the actual, constructive, or attempted transfer from one person to another, or to or from any location within the City of Chico.

J. "Indoor" shall mean entirely within and inside a private residence, residential structure, or accessory structure.

K. "Medical cannabis" means cannabis used for medical purposes in accordance with the Compassionate Use Act of 1996 (Proposition 215), in accordance with California Health and Safety Code section 11362.5.

L. "Manufacture" shall mean to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

M. "Outdoor" shall mean any location within the City of Chico that is not within a fully lawfully existing enclosed structure.

N. "Permittee" shall mean any person having been issued and maintaining a valid personal cultivation permit under this Chapter.

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O. "Personal cultivation permit" or "permit" shall mean and refer to the permit issued by the City under this Chapter authorizing permittees to possess, plant, cultivate, harvest, dry, or process cannabis, cannabis plants, or the cannabis produced by the plants inside a private residence, or inside an accessory structure to a private residence located upon the grounds of a private residence, pursuant to AUMA, and to a qualified patient or primary caregiver, in accordance with the Compassionate Use Act of 1996 (Proposition 215).

P. "Physician's recommendation" means a recommendation by a physician and surgeon that a patient use cannabis provided in accordance with the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.

Q. "Primary caregiver" means the individual designated by a qualified patient, who has consistently assumed responsibility for the housing, health, or safety of that patient, and as defined in Health and Safety Code section 11362.7.

R. "Private residence" shall mean a legally existing house, an apartment unit, a mobile home, or other similar dwelling, and inclusive of any rooms, garages, or structures physically attached thereto, identified by a lawful street address and/or an assessor parcel number. A lawful accessory structure located on the same parcel as a private residence shall be considered a part of that private residence.

S. "Qualified patient" or "Patient" means a qualified patient who is entitled to the protections of the Compassionate Use Act of 1996, and as defined in Section 11362.7 of the Health and Safety Code.

"Adult Use" shall mean use of cannabis products by individuals 21 years of age and older and who do not possess a physician's recommendation.

"Applicant" under this Chapter shall include any individual or entity applying for a Commercial Cannabis Permit, and shall include any officer, director, partner, or other duly authorized representative applying on behalf of an entity.

"Business License" is the license issued by the City's Finance Department after payment

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of the business fee as set forth in Chapter 3.32 of the City of Chico City Code.

“Cannabis Accessories” means any equipment, products or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, smoking, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing cannabis or cannabis products into the human body. Cannabis accessories shall also have the same meaning as in Section 11018.2 of the Health and Safety Code, as same may be amended from time to time.

“Cannabis Concentrate” means cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product’s potency. Resin from granular trichomes from a cannabis plant is a concentrate for purposes of this Chapter. A cannabis concentrate is not considered food, as defined by Section 109935 of the Health and Safety Code, or drug, as defined by Section 109925 of the Health and Safety Code. Cannabis concentrate shall also have the same meaning as in Section 26001(h) of the Business and Professions Code, as same may be amended from time to time.

“Cannabis Concentrate Inhaled Products” means a cannabis concentrate product that is intended to be used, in whole or in part, through inhalation by the user. Cannabis Concentrate Inhaled Products include, but are not limited to, dabs, wax, shatter, budder, and butane hash oil.

"Cannabis Event" means a public or private event where compensation is provided or exchanged, either directly or indirectly or as part of an admission or other fee for service, for the provision, hosting, promotion or conduct of the event where consumption of cannabis is part of the activities.

“Cannabis Products” means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including but not limited to cannabis concentrate, or an edible or topical product containing cannabis or cannabis concentrate and other ingredients. Cannabis products shall also have the same meaning as in Section 11018.1 of the Health and Safety Code, as same may be amended from time to time.

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“Canopy” means all areas occupied by any portion of a cannabis plant, inclusive of all vertical planes, whether contiguous or noncontiguous on any one site.

“City” means the City of Chico, California.

“City Manager” means the City Manager of the City of Chico, including their designee.

“Code” means the City of Chico City Code.

“Commercial Cannabis Activity” includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of cannabis and cannabis products as provided for in MAUCRSA. Commercial cannabis activity shall also have the same meaning as in Section 26001(k) of the Business and Professions Code, as same may be amended from time to time.

“Commercial cannabis business” means any business or operation, which engages in medicinal or adult-use commercial cannabis activity, as authorized by this Chapter, as may be amended from time to time by the City, including, the manufacturing, testing, distribution, and retail as explicitly allowed herein, of medicinal and adult-use cannabis and cannabis products, and the ancillary transportation and delivery of same.

“Commercial Cannabis Permit” means the regulatory permit issued by the City of Chico to a commercial cannabis business, which is required before any commercial cannabis activity may be conducted in the City, pursuant to this Chapter.

“Conditional Use Permit” means a discretionary land use approval as required and pursuant to Section 24 of Title 19 of the Chico Municipal Code.

“Customer” means a natural person 21 year of age or older; or, a natural person 18 years of age or older who possesses a physician’s recommendation for medicinal use, or a primary caregiver. Customer shall also have the same meaning as in Section 26001(n) of the Business and Professions Code, as same may be amended from time to time.

“Day Care Center” has the same meaning as in Section 1596.76 of the Health and Safety Code, as

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same may be amended from time to time, and includes any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, and school-age child care centers.

“Development Agreement” is the agreement entered into between an applicant and the City authorizing said individual to engage in a commercial cannabis business as authorized in this Chapter, within the City’s jurisdictional boundaries.

“Delivery” is the commercial transfer of cannabis or cannabis products to a customer. Delivery also includes the use by a retailer of any technology platform owned and controlled by the retailer. Delivery shall also have the same meaning as in Section 26001(p) of the Business and Professions Code, as same may be amended from time to time.

“Dispensing” means any activity involving the retail sale of cannabis or cannabis products from a retailer.

“Distribution” means the procurement, sale, and transport of cannabis and cannabis products between licensees. Distribution shall also have the same meaning as in Section 26001(r) of the Business and Professions Code, as same may be amended from time to time.

“Distributor” means a person holding a valid Commercial Cannabis Permit for distribution issued by the City of Chico, and, a valid state license for distribution, required by state law to engage in the business of purchasing cannabis from a licensed cultivator, or cannabis products from a licensed manufacturer, for sale to a licensed retailer.

“Edible Cannabis Product” means a cannabis product that is intended to be used, in whole or in part, for human consumption, and is not considered food. Edible cannabis product has the same meaning as Business and Professions Code section 26001(t).

“Fire Chief” shall means the Fire Chief of the Chico Fire Department, or their designee.

“Law enforcement agency” refers to the agency charged with enforcing the pertinent laws in the City. The law enforcement agency for the City shall be the Chico Police Department. Unless the provisions of the context otherwise require, whenever any provision of this Code makes reference to the law enforcement agency of the City, such shall be construed to mean, and

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deemed to constitute, that person holding the office of Chief of Police for the City and their authorized deputies or officers, performing law enforcement functions for the City.

“License or State License” means a license issued by the State of California, or one of its departments or divisions, under MAUCRSA, and any subsequent State of California legislation or regulations regarding the same, to lawfully engage in commercial cannabis activity.

“Licensee” means any person holding a license issued by the State of California to conduct commercial cannabis business activities.

“Manager” means any person(s) designated by the commercial cannabis business to act as the representative or agent of the commercial cannabis business in managing day-to-day operations with corresponding liabilities and responsibilities, and/or the person in apparent charge of the premises where the commercial cannabis business is located. Evidence of management includes, but is not limited to, evidence that the individual has the power to direct, supervise, or hire and dismiss employees, controls hours of operations, creates policy rules, or purchases supplies.

“Manufacture” means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product. Manufacture shall also have the same meaning as in Section 26001(ag) of the Business and Professions Code, as same may be amended from time to time.

“Manufacturer” means a licensee that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or re-labels its container. A manufacturer may also be a person that infuses cannabis in its products but does not perform its own extraction. Manufacturer shall also have the same meaning as in Section 26001(ah) of the Business and Professions Code, as same may be amended from time to time.

“Manufacturing” means the use type that produces, prepares, propagates, or compounds cannabis or cannabis products, directly or indirectly, by extraction methods, independently by

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means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or re-labels its container, and is owned and operated by a person issued a valid Commercial Cannabis Permit for manufacturing from the City of Chico and, a valid state license as required for manufacturing of cannabis products.

“Medicinal cannabis or medicinal cannabis product” means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician’s recommendation.

“Medicinal use” means the use of medicinal cannabis or medicinal cannabis product.

“Microbusiness” means licensees who engage in at least three (3) of the following commercial cannabis activities: indoor cultivation (less than 10,000 square feet), manufacturing (level 1, type 6), distribution, and retailer-storefront, as defined within this Chapter.

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

“Premises” means the designated structure or structures and land specified in the application that is owned, leased, or otherwise held under the control of the applicant where the commercial cannabis business will be or is being conducted. The premises shall be a contiguous area and shall only be occupied by one permittee.

“Retailer-Storefront” is a storefront retailer of a commercial cannabis business facility where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale to customers at a fixed location, including an establishment that also offers delivery of cannabis and cannabis products as part of a retail sale, and which are open to the public, and where the operator is authorized to operate in the City as a retailer, and holds a valid state license as required by state law to operate as a retailer.

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“Retailer-Delivery” means a non-storefront, delivery only retailer as a commercial cannabis business facility where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale to customers, where the premises are non-storefront, closed to the public, and sales are conducted exclusively by delivery, where a vehicle is used to convey the cannabis or cannabis products to the customer from a fixed location, and where the operator is authorized by the City of Chico to operate as a retailer, and holds a valid state license as required by state law to operate as a retailer.

“Sell”, “sale”, and “to sell” includes any transaction whereby, for any consideration, title to cannabis or cannabis products are 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 permittee from whom the cannabis or cannabis product was purchased.

“State Law” means all laws of the State of California, which includes, but are not limited to, all rules, regulations, and policies adopted by State of California agencies, departments, divisions, and regulatory entities, as same may be amended from time to time.

“Testing Laboratory” means a laboratory, facility, or entity in the state that offers or performs tests of cannabis or cannabis products and that is both of the following:

(1) Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the State.

(2) Licensed by the State of California.

Testing laboratory shall also have the same meaning as in Section 26001(at) of the Business and Professions Code, as same may be amended from time to time.

“Transport” means the transfer of cannabis products from the permitted business location of one licensee to the permitted business location of another licensee, for the purposes of

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conducting commercial cannabis activity authorized by law and which may be amended or repealed by any subsequent State of California legislation regarding the same.

“Youth Center” means 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. Youth center shall also have the same meaning as in Section 11353.1 of the Health and Safety Code and Section 26001(av) of the Business and Professions Code, as each may be amended from time to time.

19.75.030 Prohibitions.

A. Commercial Cannabis Activity. ~~Commercial cannabis activity, whether the cannabis is for medical or recreational purposes, is expressly prohibited in the City of Chico, including, but not limited, in all zoning districts and designated zones within the City of Chico. No person shall establish, operate, maintain, conduct, cause, allow or engage in commercial cannabis activity anywhere within the City related to cannabis cultivation or microbusiness uses. This subsection is meant to prohibit all cannabis related activities for which a State license is required for cannabis cultivation or microbusiness uses. The City shall not issue any permit, license, variance or any other entitlement or permit, whether administrative or discretionary, for any establishment, operation or activity of any such prohibited use, business or commercial operation, or for any such activity for which a State license is required.~~

B. Medical Cannabis. With the exception of the indoor, personal cultivation of medical cannabis allowed or permitted in residential zoning districts pursuant to, and in accordance with, this chapter, the establishment or operation of any medical marijuana or cannabis collective, cooperative, dispensary, delivery service, operator, establishment, or provider shall be considered an explicitly prohibited use in the City of Chico, including in all zoning districts and designated zones of the City without an appropriate Commercial Cannabis Permit issued pursuant to CMC Chapter 5.42 and in accordance with the remainder of Chapter 19.75 and

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~~Section 19.52.110. Accordingly, the City shall not approve or issue any permit, license, variance or any other entitlement or permit, whether administrative or discretionary, for the establishment of any collective, cooperative, dispensary, delivery service, operator, establishment, or provider in any zoning district or designated zone, and no person shall otherwise establish such businesses or operations in any zoning district or designated zone within the City.~~

C. Personal Cannabis Cultivation for Medical or Recreational Use. With the exception of Section 19.75.040 that allows the personal cannabis cultivation of no more than six (6) plants in a private residence by first securing a permit from the City, personal cannabis cultivation shall be prohibited and considered unlawful in all areas of the City to the extent it is unlawful under California law.

D. Property Owners. A property owner shall not rent, lease, or otherwise allow, cause or allow any business that engages in commercial cannabis activity to occupy real property in the City unless such business is located in a zoning district where such use is allowed, and has received a Commercial Cannabis Permit issued pursuant to Chapter 5.42. A property owner shall not allow any person or business to establish, operate, maintain, conduct, cause, allow, or engage in commercial cannabis activity on any real property owned or controlled by that property owner that is located in the City unless such business is located in a zoning district where such use is allowed, and has received a Commercial Cannabis Permit issued pursuant to Chapter 5.42. This is not intended to prohibit a property owner from providing written prior permission to lawful tenants for the personal cultivation of medical or recreational cannabis in a residential zoning district, as allowed in Section 19.75.040 of this chapter.

E. Deliveries. To the extent not already prohibited herein, delivery of cannabis or cannabis products, whether the cannabis is for medicinal or adult-use purposes, to or from the City of Chico is expressly prohibited except to the extent allowed under State law. ~~No person shall conduct or perform any delivery of cannabis or cannabis products where the delivery either originates or terminates within the City.~~ Nothing herein prevents the use and traversing of public roads within the City of Chico by a lawful business pursuant to state law.

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F. Outdoor Cultivation. The outdoor cultivation of cannabis is expressly prohibited in the City of Chico, including all zoning districts and designated zones of the City of Chico.

19.75.040 Indoor personal cannabis cultivation.

[No change]

19.75.050 Permissive zoning.

[No change]

19.75.060 Smoking.

[No change]

19.75.070 Public nuisance.

[No change]

19.75.080 Violations.

[No change]

19.75.090 Effect on other ordinances.

[No change]

19.75.100 Applicability of provisions – non-compliance.

[No change]

19.75.110 Severability.

[No change]

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19.75.120 Location limitations.

A. All commercial cannabis businesses shall be located in an approved land use district pursuant to Division IV of Title 19.

B. Distance Limitations:

1. No distance limitation is established for the following business types:

a. Testing laboratory

b. Manufacturing

c. Distribution

d. Retailer- Delivery Only

2. Distance Limitation: Retailer-Storefront.

a. Retailer-Storefront uses shall be located at least:

i. 1000-feet from a school providing instruction in any grades six (6) through twelve (12) (“sensitive receptor”), and

ii. 600-feet from a school providing instruction in kindergarten or any grades one (1) through five (5), a day care center, or a youth center with primary youth center activities (“sensitive receptor”).

b. Distances specified in this section shall be the horizontal distance measured in a straight line from the property line of the sensitive receptor to the closest property line of the lot on which the commercial cannabis business is located, without regard to intervening structures.

c. Only sensitive receptors in existence at the time the City receives a Commercial Cannabis Permit application from the proposed Retailer-Storefront shall be considered.

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- d. One or more of the following factors may be considered by the City to determine if the sensitive receptor was in existence at the time of the City's receipt of the Commercial Cannabis Permit application:
 - i. The sensitive receptor is open and operating;
 - ii. The sensitive receptor has a Chico City Business Tax Certificate for the specific location and sensitive use;
 - iii. The sensitive receptor has submitted a Business Tax Certification application to the City for the specific location and sensitive use and is undergoing construction or other tenant improvements at the specific location in question; and
 - iv. Other factors that may indicate a sensitive receptor was in existence as determined by the Community Development Director
- e. Notwithstanding the foregoing, an application for a Commercial Cannabis Permit may be deemed in compliance with this Section if evidence is submitted, to the satisfaction of the Community Development Director, that the sensitive receptor will cease operation at the location prior to the issuance of a building permit for the Retailer-Storefront location.

19.75.130 Operational Requirements—All Commercial Cannabis Uses

- A. **Permit Required:** All commercial cannabis businesses shall obtain and maintain a Commercial Cannabis Permit issued by the City of Chico pursuant to Title 5.42.
- B. **Compliance with City, Local and State Law.** All commercial cannabis businesses shall comply with the standards set by State law, regulations and policies, and all city codes and resolutions, as well as any applicable requirements of the County of Butte.
- C. **Access Limited.** For all commercial cannabis businesses, the general public is only allowed to access those areas of the premises which are identified in the site plan included with the Commercial Cannabis Permit as being open to public access. Only agents, applicants, managers, employees, and volunteers of the commercial cannabis permittee and agents or employees of the City, or other governmental agency are allowed in non-public access areas.

D. Hours of Operation:

- a. Retail storefront and Retailer-Delivery businesses may operate no earlier than 8:00 a.m. and no later than 9:00 p.m., unless otherwise more restrictive hours are stated in a Use Permit for such location, or unless zoning regulations specify more restrictive hours.
- b. Manufacturing, distribution and testing businesses may only accept commercial traffic to and from the premises between 8:00 a.m. and 7:00 p.m., unless zoning regulations specify more restrictive hours.

E. **On-site consumption prohibited:** Cannabis shall not be consumed by anyone on the premises in any form at any commercial cannabis business, unless explicitly authorized by a City ordinance, resolution, rule, regulation and/or pursuant to explicit terms of a Commercial Cannabis Permit, or City-approved Conditional Use Permit or Development Agreement.

F. **Visibility:** No manufacturing process, testing methodology, storage, or loading/unloading cannabis or cannabis products, shall be visible from the exterior of any premises issued a Commercial Cannabis Permit. No cannabis or cannabis products shall be visible on part of any of the vehicles owned or used as part of the commercial cannabis business. No outdoor storage of cannabis or cannabis products is permitted at any time.

G. **Inventory Tracking:** Each commercial cannabis business shall have in place and at all times of operation of the business operate a point-of-sale or management inventory tracking system to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale) and other information which may be deemed necessary by the City. The commercial cannabis business shall ensure that such information is compatible with the City's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the City Manager or designee prior to being used by the permittee and be the same system as specified in their commercial cannabis business permit.

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- H. **Compliance with California law:** All cannabis and cannabis products sold, tested, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the State of California and local regulations. All activities related to the purchase, sales, delivery, distribution, cultivation, testing, and manufacture of cannabis or cannabis products shall be conducted in conformity with state law.
- I. **Contact Information:** Each commercial cannabis business shall provide the City Manager with the name, telephone number (both landline and mobile) of an on-site manager or owner to whom emergency notice may be provided at any hour of the day.
- J. **Signage and Notices:**
- a. In addition to the requirements otherwise set forth in this section, or as a term or condition imposed in a Use Permit, business identification signage for a commercial cannabis business shall conform to the requirements of state law and the City of Chico City Code, including, but not limited to, the requirements for a City sign permit, or applicable zoning laws regulating signs.
 - b. Each commercial cannabis business premises shall be visibly posted with clear and legible notices indoors indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.
- K. **Age restrictions:**
- a. Persons under the age of twenty-one (21) years shall not be allowed on the premises of a commercial cannabis business except as allowed under California law.
 - b. Persons under the age of twenty-one (21) years shall not be allowed to serve as a driver for a delivery service, except as allowed under California law pertaining to sales of cannabis for medicinal use.
 - c. It shall be unlawful and a violation of this Chapter for any person to employ any person at a commercial cannabis business who is not at least twenty-one (21) years of age.
- L. **Odor Control.**

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- a. Odor control devices and techniques shall be incorporated in all commercial cannabis businesses to ensure that odors from cannabis are not detectable off-site.
 - b. Commercial cannabis businesses shall provide a sufficient odor control devices and techniques, including but not limited to an odor absorbing ventilation and exhaust system utilizing air scrubbers or charcoal filtration systems, so that odor generated inside the commercial cannabis business that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, at any adjoining use of the property not part of the commercial cannabis premises, 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 business.
 - c. Commercial cannabis businesses shall install and maintain the following equipment, or other equipment which the City Engineer or Public Works Director or Building Official determines is a more effective method or technology, to address such odor control:
 - i. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally;
 - ii. An air system that creates negative air pressure between the commercial cannabis business's interior and exterior, so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.
 - d. All exhaust ventilation equipment is required to be appropriate for the use involved and must comply with the California Fire and Mechanical codes.
- M. **Display of Permit and City Business Tax Certificate.** The original copy of the Commercial Cannabis Permit issued by the City pursuant to this Chapter, the City issued business license, and the state-issued Seller's Permit, shall be posted inside the commercial cannabis business in a location readily-visible to any City, County or State employee, official, or agent authorized to enforce the City's Code, or applicable cannabis-related laws.

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- N. **Loitering Prohibited.** The permittee of a commercial cannabis business shall prohibit loitering by persons outside on the premises, and is required to enforce same within its premises and adjacent public areas, including cooperating with the City’s law enforcement agency dispatched to enforce same. The placement and use of no loitering signage shall be included as part of any application submittal, and depicted on a business or operational plan.
- O. **Permits and other Approvals.** Prior to the operation of a commercial cannabis business, the person intending to establish a commercial cannabis business must first obtain all applicable planning, zoning, building, and other applicable permits and approvals from the relevant City or County department or division which may be applicable to the zoning district in which such commercial cannabis business intends to establish and to operate.
- P. **Adherence to Operating Procedures.** Permittees shall adhere to all applicable operating procedures, including those submitted as part of the initial application process, and pursuant to those established in applicable State of California laws, regulations, and policies.
- Q. **Compliance with Disability Regulations.** This Chapter does not exempt a commercial cannabis business from complying with all applicable local, State and federal laws and regulations pertaining to persons with disabilities.
- R. **Non-Discrimination.** No commercial cannabis business may discriminate or exclude patrons in violation of local, State and federal laws and regulations.
- S. **Contact Information.** Each commercial cannabis business shall provide the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the commercial cannabis business can be provided. Each commercial cannabis business shall also provide this information to all businesses and residences located within 300 feet of the commercial cannabis business.
- T. **Coordination Meetings.** The owner, manager, and community relations representative from each commercial cannabis business holding a Commercial Cannabis Permit shall, if requested by the City Manager or designee, attend a quarterly meeting with the interested parties to discuss costs, benefits, and other community issues arising as a result of implementation of this Chapter.
- U. **Security Plan:** Each business shall maintain on file with the City a security plan.

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- V. **Restriction on Alcohol and Tobacco Sales, Dispensing or Consumption:** No person shall cause, allow, or permit the sale, dispensing, or consumption of alcoholic beverages or tobacco products on or about the premises of a commercial cannabis business, pursuant to and consistent with the prohibition of same by state law.
- W. **Restriction of On-site on Consumption:** No person shall cause, allow, or permit the consumption of cannabis on-site of any commercial cannabis business.

19.75.140 Operational Requirements—Storefront Retail

- A. **On-site Supervision:** All commercial cannabis retailers shall have a manager on the premises at all times during hours of operation.
- B. **Delivery Services.** Storefront retailers also providing delivery shall comply with the operational requirements pertaining to Storefront Delivery businesses in Section 19.75.150.
- C. **Site Access.** Entrances into the retailer shall be controlled at all times with either security personnel or electronic/mechanical entry system. Adult use storefront retailers without medicinal cannabis sales shall verify the age of all customers to ensure persons under the age of 21 are not permitted on the premises. Adult use medicinal sales storefront retailers shall verify the age and possession of valid doctor’s recommendation of all customers to ensure persons under the age of 18 are not permitted on the premises.
- D. **Medicinal Cannabis.**
 - a. Commercial cannabis storefront retailers selling medicinal cannabis shall verify the age and all necessary documentation of each customer to ensure the customer is not under the age of 18 years and that the potential customer has a valid doctor’s recommendation;
 - b. Verify the identity and age of the qualified patient, primary caregiver, or customer receiving cannabis or cannabis products from the delivery only retailer; and
 - c. If a medicinal cannabis transaction,

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- i. verify the validity of the qualified patient’s recommendation from a physician to use cannabis for medical purposes or primary caregiver’s status as a primary caregiver for the particular qualified patient, and
 - ii. maintain a copy of the physician recommendation or Identification Card, as described in Health and Safety Code Sections 11362.71 through 11362.77, as may be amended from time to time, at its permitted business location for a period of not less than seven (7) years.
- E. **Physician Evaluations Prohibited:** No physician shall be allowed at any time to evaluate patients or customers for the issuance of a medicinal cannabis recommendation or medicinal cannabis identification card where applicable.
- F. **Complimentary Promotions Prohibited.** A non-medicinal cannabis storefront retailer may not sell, give away, or donate specific devices, contrivances, instruments, or paraphernalia necessary for consuming cannabis products, including, but not limited to, rolling papers and related tools, pipes, water pipes, and vaporizers. A retailer may not give away samples or cannabis products free of charge.
- G. **Required Notifications.** All cannabis storefront retailers shall notify qualified patients, primary caregivers, and customers (verbally or by written agreement) and by posting of a notice or notices conspicuously in at least 15 point type within the permitted premises that state the following:
 - a. “The sale or diversion of cannabis or cannabis products without a permit issued by the City of Chico is a violation of State law and the Chico City Code.”
 - b. “Secondary sale, barter, or distribution of cannabis or cannabis products purchased from a permittee is a crime and can lead to arrest.”
 - c. “Patrons must not loiter in or near these premises and may not consume cannabis or cannabis products in the vicinity of this business or in any place not lawfully permitted. These premises and vicinity are monitored to ensure compliance.”
 - d. “Warning: the use of cannabis or cannabis products may impair a person’s ability to drive a motor vehicle or operate heavy machinery.”
 - e. “CALIFORNIA PROP. 65 WARNING: Smoking of cannabis and cannabis-derived products will expose you and those in your immediate vicinity to cannabis smoke. Cannabis smoke is known by the State of California to cause cancer.”

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- H. **Location of Products.** All cannabis concentrate inhaled products, including but not limited to, dabs, shatter, budder, wax, and butane hash oil shall be stored behind the retail counter and out of the reach of customers at all times except when being handled by an employee during a sales transaction.
- I. **Added Artificial Flavor Prohibited.** Retailers shall not sell cannabis products which contains an added characterizing flavor. For purposes of this Chapter, “characterizing flavor” means a taste or aroma, other than the taste or aroma of cannabis, imparted either prior to or during consumption. This includes, but is not limited to, tastes or aromas relating to food or drink of any sort; menthol; mint; wintergreen; fruit; chocolate; vanilla; honey; candy; cocoa; dessert; alcoholic beverages; herbs; or spices. Flavor agents consisting of terpenes of cannabis shall not be considered an added characterizing flavor.
- J. **Educational Materials.** A cannabis storefront retailer shall provide written educational materials to all customers:
 - a. Regarding each product sold, with information regarding the name and type of product, instructions for use, and expected effects.
 - b. Regarding all edible cannabis products and cannabis concentrate products sold to a customer, which shall include information on safe storage and use of the product, warning against child access and exposure to the product, and warnings of potential side effects concerning brain development of individuals under the age of twenty-five years and potential harm to pregnant women.
- K. **Training Required:** A cannabis storefront retailer shall require all employees who interact with public customers as well as all management staff to complete training to ensure competency of employees for their assigned functions within the first year of the retailers’ first year of operation, and within one year of each employee’s hire date thereafter. The retailer shall maintain records showing completion of each employee’s training for a period of two years, and provide such records to the City Manager or his/her designee upon request.
- L. ~~**THC Level Regulation.** A cannabis storefront retailer shall not sell cannabis flower products which contain a THC level greater than such level prohibited by resolution of the City Council or state law.~~

19.75.150 Operational Requirements— Retailer-Delivery Only.

- A. **Point of Sale System.** A cannabis delivery retailer shall facilitate the dispensing of cannabis or cannabis products with a technology platform owned by or licensed to the deliver retailer that uses point-of-sale technology to track and database technology to record and store the following information for each transaction involving the exchange of cannabis or cannabis products between the applicant and qualified patient, primary caregiver, or customer:
- a. The identity of the individual dispensing cannabis or cannabis products on behalf of the permittee;
 - b. The identity of the qualified patient, primary caregiver, or customer receiving cannabis or cannabis products from the permittee;
 - c. The type and quantity of cannabis or cannabis products dispensed and received; and
 - d. The gross receipts charged by the licensee and received by the individual dispensing cannabis or cannabis products on behalf of the permittee for the cannabis or cannabis products dispensed and received.
- B. **Security Plan.** Security plans developed pursuant to this Chapter shall include provisions relating to vehicle security and the protection of employees and product during loading and in transit.

19.75.160 Operational Requirements—Cannabis Manufacturing Business.

- A. **Visibility of Manufacturing Processes.** From a public right-of-way, there shall be no exterior evidence of cannabis manufacturing allowed on the premises except for any signage authorized by this Code.
- B. **Use of compressed gas.** Any compressed gases used in the manufacturing process shall be approved by the Fire Chief. Any compressed gases shall not be stored on any

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- property within the City of Chico in containers that exceed the amount which is approved by the Fire Chief. Each site or parcel subject to a Commercial Cannabis Permit shall be limited to a total number of tanks as authorized by the Fire Chief on the property at any time.
- C. **Use of solvents.** Any solvents used in the manufacturing process shall be approved by the Fire Chief. Cannabis Manufacturing Facilities using solvents or gases for extraction shall use N-butane, isobutane, propane, or heptane, or other solvents or gases exhibiting low to minimal potential human-related toxicity approved by the Fire Chief. These solvents must be of at least ninety-nine percent purity and procedures showing that any extraction process must use them in a professional grade closed loop extraction system designed to recover the solvents and work in an environment with proper ventilation, controlling all sources of ignition where a flammable atmosphere is or may be present.
- D. **Use of gas extraction systems.** If an extraction process uses a professional grade closed loop CO₂ gas extraction system, every vessel must be certified by the manufacturer for its safe use.
- a. Closed loop systems for compressed gas extraction systems must be commercially manufactured and bear a permanently affixed and visible serial number.
 - b. Certification from an engineer licensed by the State of California must be provided to the Fire Chief for a professional grade closed loop system used by any commercial cannabis manufacturing manufacturer to certify that the system was commercially manufactured, is safe for its intended use, and was built to codes of recognized and generally accepted good engineering practices, including but not limited to:
 - i. The American Society of Mechanical Engineers (ASME);
 - ii. American National Standards Institute (ANSI);
 - iii. Underwriters Laboratories (UL); or
 - iv. The American Society for Testing and Materials (ASTM).
 - c. Certification document must contain the signature and stamp of the professional engineer and serial number of the extraction unit being certified.

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- E. **Fire Chief Approval.** Professional closed loop systems, other equipment used, the extraction operation, and all related facilities must be approved for their use by the Fire Department and meet any required fire, safety, and building code requirements specified in Building and Fire Codes, as adopted by the City.
- F. **Approved Non-solvent/gas Manufacturing Methods.** Cannabis Manufacturing Facilities may use
 - a. heat, screens, presses, steam distillation, ice water, and other methods without employing solvents or gases to create kief, hashish, bubble hash, or infused dairy butter, or oils or fats derived from natural sources, and other extracts.
 - b. food grade glycerin, ethanol, and propylene glycol solvents to create or refine extracts.
- G. **Ethanol Recapture.** Ethanol shall be removed from all extracts in a manner to recapture the solvent and ensure that it is not vented into the atmosphere.
- H. **Procedures and Protocols.** Cannabis Manufacturing Facilities creating cannabis extracts must develop standard operating procedures, good manufacturing practices, and a training plan prior to producing extracts for the marketplace.
- I. **Training.** Any person using solvents or gases in a closed looped system to create cannabis extracts must be fully trained on how to use the system, and have direct access to applicable material safety data sheets and handle and store the solvents and gases safely. Training materials and records shall be presented to the City upon request.
- J. **Assurance Testing.** Parts per million for one gram of finished extract cannot exceed State standards for any residual solvent or gas when quality assurance tested.
- K. **Added Artificial Flavor Prohibited.** Manufacturers shall not manufacture cannabis products which contains an added characterizing flavor. For purposes of this Chapter, “characterizing flavor” means a taste or aroma, other than the taste or aroma of cannabis, imparted either prior to or during consumption. This includes, but is not limited to, tastes or aromas relating to food or drink of any sort; menthol; mint; wintergreen; fruit; chocolate; vanilla; honey; candy; cocoa; dessert; alcoholic beverages; herbs; or spices. Flavor agents consisting of terpenes of cannabis shall not be considered an added characterizing flavor.

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- L. **THC Level Regulation.** A cannabis manufacturer shall not process and manufacture sell cannabis products which contain a THC level greater than such level prohibited by resolution of the City Council or state law.
- M. **Annual California Fire Code Operational Permit.** Manufacturers shall annually obtain and keep current at all times a Fire Code Operational Permit.
- N. **Sprinkler System.** an automatic sprinkler system shall be installed throughout all buildings containing cannabis manufacturing uses, including but not limited to oil extraction operations and cannabis-infused product kitchens/bakeries.
- O. **Fire Alarm System.** An automatic fire alarm system shall be provided through building containing cannabis manufacturing uses, including but not limited to oil extraction operations and cannabis-infused product kitchens/bakeries. The installed fire alarm system shall meet the requirements of emergency voice/alarm communication systems required by the California Fire Code and shall be designed and installed in accordance with National Fire Protection Association standards.
- P. **Fire Department Access.** A key box shall be installed at an approved location to allow immediate access to the premises in the event of an emergency for life-saving and fire-fighting purposes, due to the potential hazards associated with manufacturing facilities. The box shall be of an approved type listed in accordance with UL 1037 and shall contain keys to gain necessary access as required by the fire code official.

19.75.170 Operational Requirements—Distribution

- A. **Visibility.** From a public right-of-way, there shall be no exterior evidence of cannabis distribution except for any signage authorized by this Code.
- B. **Tamper Resistant Packaging.** A cannabis distribution business shall only procure, sell, or transport cannabis or cannabis products that are packaged and sealed in tamper-evident packaging that uses a unique identifier, such as a batch and lot number or bar code, to identify and track the cannabis or cannabis products.
- C. **Recyclable Materials.** A cannabis distribution business shall minimize materials that are non-recyclable or non-reusable.

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D. Distribution Personnel.

- a. A cannabis distribution business shall maintaining a database and provide a list of individuals and vehicles authorized to conduct transportation on behalf of the permittee, pursuant to the Commercial Cannabis Permit, to the City.
- b. Individuals authorized to conduct transportation on behalf of the cannabis distribution business shall have a current and valid California Driver’s License.
- c. During transportation, the individual conducting transportation on behalf of the cannabis distribution business shall maintain a copy of the Commercial Cannabis Permit and shall make it available upon the request of agents or employees of the City requesting documentation.

E. ~~Distribution Vehicle.~~ Cannabis or cannabis products shall be transported only in a vehicle that is

- ~~a. insured at or above the legal requirement in California,~~
- ~~b. capable of securing (locking) the cannabis or cannabis products during transportation, and~~
- ~~c. capable of being temperature controlled if perishable cannabis products are being transported.~~

19.75.180 Operational Requirements—Testing

- A. Cannabis testing shall take place within an enclosed building.
- B. From a public right-of-way, there shall be no exterior evidence of cannabis testing except for any signage authorized by this Code.
- C. All cannabis testing shall be performed in accordance with State law.
- D. A cannabis testing business shall adopt a standard operating procedure using methods consistent with general requirements established by the International Organization for Standardization, specifically ISO/IEC 17025, to test cannabis and cannabis products, and shall operate in compliance with the law.
- E. A cannabis testing business shall be accredited by a body that is a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Agreement.

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- F. A cannabis testing business shall establish standard operating procedures that provide for adequate chain of custody controls for samples transferred to the testing laboratory for testing.
- G. A cannabis testing business shall destroy the remains of samples of any cannabis or cannabis product upon completion of analyses. Destruction shall be done in a manner compliant with State law and regulations.
- H. Any testing that requires the use of solvents, compressed gas, or gas extraction systems for extraction must comply with the requirements for manufacturers in Section 19.75.160.B-I Operational Requirements—Cannabis Manufacturing Business.

SECTION 2. Amend Section 19.44.030, Table 4-6, “Allowed Uses and Permit Requirements for Commercial Zone Districts,” to read and provide as follows:

Land Use	Permit Requirements by Zone								Subject to Standards in Section/Standards:
	OR	OC	CN	CC	DN	DS	CS	CR	
Retail Trade Uses									
<u>Cannabis Retail-Storefront</u>				<u>UP</u>					<u>19.75</u>
<u>Cannabis Retailer—Delivery Only</u>		P		P				<u>P</u>	<u>19.75</u>
Service Uses									

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<u>Cannabis Testing</u>		<u>P</u>	<u>P</u>	<u>P</u>				<u>P</u>	<u>19.75</u>
Manufacturing and Processing Uses									
<u>Cannabis Distributor</u>		<u>P</u>		<u>P</u>				<u>P</u>	<u>19.75</u>

SECTION 3. Amend Section 19.46.020, Table 4-8, to read and provide as follows:

Land Use	Permit Requirements by Zone			Subject to Standards in Section/Standards:
	ML	MG	IOMU	
Manufacturing & Processing Uses				
<u>Cannabis Manufacturing</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>19.75</u>
<u>Cannabis Distribution</u>				<u>19.75</u>
	<u>P</u>	<u>P</u>	<u>P</u>	
Retail Uses				
<u>Cannabis Retail-Delivery Only</u>	<u>P</u>	<u>P</u>		<u>19.75</u>

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Services				
<u>Cannabis Testing Lab</u>	<u>P</u>	<u>P</u>		<u>19.75</u>

SECTION 4. Amend chapter 19.80.070, table 6-1 by adding all commercial cannabis activities to table 6-1.

Land Use	Permit Requirements by Zone				Subject to Standards in Section/Standards:
	NE	NG	NC	CORE	
Retail					
<u>Cannabis Retail- Storefront</u>				<u>P</u>	<u>19.75</u>
<u>Cannabis Retailer – Delivery Only</u>				P	
Manufacturing and Processing uses					
<u>Cannabis Manufacturer</u>				P	<u>19.75</u>
Services					
<u>Testing Laboratory</u>				P	

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SECTION 5. Amend Section 19.48, Table 4-10, to read and provide as follows:

Land Use	Permit Requirements by Zone				Subject to Standards in Section/Standards:
	A(2)	AC(3)	AM(4)	AP	
Manufacturing & Processing Uses					
<u>Cannabis Distribution</u>		<u>P</u>	<u>P</u>		<u>19.75</u>
<u>Cannabis Manufacturing</u>			<u>P</u>		<u>19.75</u>
Retail Uses					
<u>Cannabis Retail-Delivery Only</u>		<u>P</u>	<u>P</u>		<u>19.75</u>
Services					
<u>Cannabis Testing Laboratory</u>			<u>P</u>		<u>19.75</u>

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SECTION 7. EFFECT ON OTHER LAWS. Nothing in this Ordinance shall be construed to allow persons to engage in conduct that violates state law or other local ordinance, endangers others, causes a public nuisance, allows the use or diversion of cannabis in an unlawful manner or inconsistent with state law or other local ordinance.

SECTION 8. ENVIRONMENTAL REVIEW. The City Council, on the basis of the whole of the record and exercising independent judgement, finds that the land use regulations meet the requirements for CEQA Guidelines Section 15183 as a project consistent with a community plan or zoning, and that no additional environmental review or documentation is necessary. Implementation of this Ordinance would not result in any new environmental impacts, or substantially increase the severity of identified environmental impacts. Therefore, the Commercial Cannabis Ordinance is consistent with Section 15183 of the CEQA Guidelines and no additional environmental review is required.

SECTION 9. SEVERABILITY. If any section, subsection, line, sentence, clause, phrase, or word of this Ordinance is for any reason held to be invalid or unconstitutional, either facially or as applied, by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Chico hereby declares that it would have passed this Ordinance, and each and every individual section, subsection, line, sentence, clause, phrase, or word without regard to any such decision.

SECTION 10. EFFECTIVE DATE. This Ordinance shall be effective thirty (30) days following the adoption date.

SECTION 11. CERTIFICATION. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted in the manner required by law.

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THE FOREGOING ORDINANCE was duly and properly introduced at a regular meeting of the City Council held on _____, 2020 and was thereafter, adopted by the City Council of the City of Chico, California at its City Council meeting held on _____, 2020, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

DISQUALIFIED:

ATTEST:

APPROVED AS TO FORM:

Deborah R. Presson, City Clerk

Andrew Jared, City Attorney*

*Pursuant to the Charter of the City of Chico,
Section 906(E)

Redline Text of proposed Ordinance

Chapter 19.75 CANNABIS REGULATIONS

19.75.010 Purpose.

A. The purpose of this Chapter is to regulate ~~expressly prohibit~~ commercial cannabis activity in the City of Chico, whether the cannabis is for medicinal ~~or recreational~~ adult-use commercial purposes by enacting a permitting and regulatory system for this action.

B. The purpose of this Chapter is also to enact and enforce reasonable regulations on personal cannabis cultivation activities, for medicinal and or adult-use ~~medical and recreational~~ purposes, by enacting a permitting and regulatory scheme for this action citywide for commercial ~~cannabis uses, by allowing certain commercial uses in specified zones, and continuing to allow~~ personal cannabis cultivation activities (non-commercial) in residential zoning districts.

C. Personal cultivation activities give rise to, or pose a significant risk of giving rise to, various health and safety concerns and negative impacts to residents of the City of Chico, including but not limited to burglaries and robberies, trespassing, personal and property crimes, fire and building hazards, chemical and waste disposal, mold growth, offensive odors, and possession and use by persons under the age of twenty-one (21). In light of such concerns, the City Council for the City of Chico desires to ban outdoor personal cultivation activities, and impose reasonable regulations on indoor personal cultivation activities for both medicinal and recreational purposes.

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D. The City Council finds that the regulation of commercial cannabis activity, including the prohibition of commercial cultivation and microbusiness use of cannabis deliveries, is necessary for the preservation and protection of the public health, safety and welfare for the City and its community. The City Council's regulation prohibition of such activity is within the authority conferred upon the City Council by the City's Charter and applicable state law, and is an exercise of its police powers to enact and enforce regulations for the public benefit, safety, and welfare of the City and its community.

19.75.020 Definitions.

For purposes of this Chapter, the following definitions shall apply:

A. "Accessory structure" shall mean a fully enclosed, lawful structure that is physically detached from, and secondary and incidental to, the existing primary structure of a "private residence," as that term is defined herein.

B. "California Adult Use of Marijuana Act" shall mean and refer to the provisions of California law added by Proposition 64, approved by California voters at the election occurring on November 8, 2016.

C. "Cannabis" shall mean all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin extracted from any part

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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 shall also have the same meaning as in Section 26001(f) of the Business and Professions Code, as same may be amended from time to time.

The terms "marijuana" and "cannabis" shall be synonymous and have the same meaning. It does not include:

1. Industrial hemp, as defined in Section 11018.5 of the California Health and Safety Code; or

2. The weight of any other ingredient combined with cannabis to prepare topical or oral administrations, food, drink or other product.

3. 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.

D. "Cannabis products" shall mean 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.

E. "City" shall mean the City of Chico and have the same meaning as CMC 1.04.010.

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F. "Code" shall mean the Chico Municipal Code as defined in CMC 1.04.010, including all laws, ordinances, and regulations adopted and incorporated therein.

G. "Commercial cannabis activity" shall mean, and includes, the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of cannabis and cannabis products, whether or not the cannabis or cannabis products is for medical or recreational purposes. "Commercial cannabis activity" is meant to include all cannabis related activities for which a State license is required, pursuant to applicable State laws, as they may be amended from time to time.

H. "Cultivation" shall mean any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

Cultivation shall also have the same meaning as in Section 26001(I) of the Business and Professions Code, as same may be amended from time to time. Whenever references to cultivation are made in this Chapter, permitted or licensed cultivation shall only be personal cultivation, as commercial cultivation is expressly prohibited.

I. "Delivery" shall mean the transfer of cannabis or cannabis products, including the use of any technology platform to arrange for or facilitate the transfer of cannabis to or from any location within the City of Chico. "Deliver" or "delivery" shall also mean the actual, constructive, or attempted transfer from one person to another, or to or from any location within the City of Chico.

J. "Indoor" shall mean entirely within and inside a private residence, residential structure, or accessory structure.

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K. "Medical cannabis" means cannabis used for medical purposes in accordance with the Compassionate Use Act of 1996 (Proposition 215), in accordance with California Health and Safety Code section 11362.5.

L. "Manufacture" shall mean to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

M. "Outdoor" shall mean any location within the City of Chico that is not within a fully lawfully existing enclosed structure.

N. "Permittee" shall mean any person having been issued and maintaining a valid personal cultivation permit under this Chapter.

O. "Personal cultivation permit" or "permit" shall mean and refer to the permit issued by the City under this Chapter authorizing permittees to possess, plant, cultivate, harvest, dry, or process cannabis, cannabis plants, or the cannabis produced by the plants inside a private residence, or inside an accessory structure to a private residence located upon the grounds of a private residence, pursuant to AUMA, and to a qualified patient or primary caregiver, in accordance with the Compassionate Use Act of 1996 (Proposition 215).

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P. "Physician's recommendation" means a recommendation by a physician and surgeon that a patient use cannabis provided in accordance with the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.

Q. "Primary caregiver" means the individual designated by a qualified patient, who has consistently assumed responsibility for the housing, health, or safety of that patient, and as defined in Health and Safety Code section 11362.7.

R. "Private residence" shall mean a legally existing house, an apartment unit, a mobile home, or other similar dwelling, and inclusive of any rooms, garages, or structures physically attached thereto, identified by a lawful street address and/or an assessor parcel number. A lawful accessory structure located on the same parcel as a private residence shall be considered a part of that private residence.

S. "Qualified patient" or "Patient" means a qualified patient who is entitled to the protections of the Compassionate Use Act of 1996, and as defined in Section 11362.7 of the Health and Safety Code.

"Adult Use" shall mean use of cannabis products by individuals 21 years of age and older and who do not possess a physician's recommendation.

Commented [3]: Upon final draft, these definitions will be arranged alphabetically into above definition list.

"Applicant" under this Chapter shall include any individual or entity applying for a Commercial Cannabis Permit, and shall include any officer, director, partner, or other duly
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authorized representative applying on behalf of an entity.

“Business License” is the license issued by the City’s Finance Department after payment of the business fee as set forth in Chapter 3.32 of the City of Chico City Code.

“Cannabis Accessories” means any equipment, products or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, smoking, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing cannabis or cannabis products into the human body. Cannabis accessories shall also have the same meaning as in Section 11018.2 of the Health and Safety Code, as same may be amended from time to time.

“Cannabis Concentrate” means cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product’s potency. Resin from granular trichomes from a cannabis plant is a concentrate for purposes of this Chapter. A cannabis concentrate is not considered food, as defined by Section 109935 of the Health and Safety Code, or drug, as defined by Section 109925 of the Health and Safety Code. Cannabis concentrate shall also have the same meaning as in Section 26001(h) of the Business and Professions Code, as same may be amended from time to time.

“Cannabis Concentrate Inhaled Products” means a cannabis concentrate product that is intended to be used, in whole or in part, through inhalation by the user. Cannabis Concentrate Inhaled Products include, but are not limited to, dabs, wax, shatter, budder, and butane hash oil.

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"Cannabis Event" means a public or private event where compensation is provided or exchanged, either directly or indirectly or as part of an admission or other fee for service, for the provision, hosting, promotion or conduct of the event where consumption of cannabis is part of the activities.

"Cannabis Products" means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including but not limited to cannabis concentrate, or an edible or topical product containing cannabis or cannabis concentrate and other ingredients. Cannabis products shall also have the same meaning as in Section 11018.1 of the Health and Safety Code, as same may be amended from time to time.

"Canopy" means all areas occupied by any portion of a cannabis plant, inclusive of all vertical planes, whether contiguous or noncontiguous on any one site.

"City" means the City of Chico, California.

"City Manager" means the City Manager of the City of Chico, including their designee.

"Code" means the City of Chico City Code.

"Commercial Cannabis Activity" includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of cannabis and cannabis products as provided for in MAUCRSA. Commercial cannabis

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activity shall also have the same meaning as in Section 26001(k) of the Business and Professions Code, as same may be amended from time to time.

“Commercial cannabis business” means any business or operation, which engages in medicinal or adult-use commercial cannabis activity, as authorized by this Chapter, as may be amended from time to time by the City, including, the manufacturing, testing, distribution, and retail as explicitly allowed herein, of medicinal and adult-use cannabis and cannabis products, and the ancillary transportation and delivery of same.

“Commercial Cannabis Permit” means the regulatory permit issued by the City of Chico to a commercial cannabis business, which is required before any commercial cannabis activity may be conducted in the City, pursuant to this Chapter.

“Conditional Use Permit” means a discretionary land use approval as required and pursuant to Section 24 of Title 19 of the Chico Municipal Code.

“Customer” means a natural person 21 year of age or older; or, a natural person 18 years of age or older who possesses a physician’s recommendation for medicinal use, or a primary caregiver. Customer shall also have the same meaning as in Section 26001(n) of the Business and Professions Code, as same may be amended from time to time.

“Day Care Center” has the same meaning as in Section 1596.76 of the Health and Safety Code, as same may be amended from time to time, and includes any child day care facility other than a family day care

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home, and includes infant centers, preschools, extended day care facilities, and school-age child care centers.

“Development Agreement” is the agreement entered into between an applicant and the City authorizing said individual to engage in a commercial cannabis business as authorized in this Chapter, within the City’s jurisdictional boundaries.

“Delivery” is the commercial transfer of cannabis or cannabis products to a customer. Delivery also includes the use by a retailer of any technology platform owned and controlled by the retailer. Delivery shall also have the same meaning as in Section 26001(p) of the Business and Professions Code, as same may be amended from time to time.

“Dispensing” means any activity involving the retail sale of cannabis or cannabis products from a retailer.

“Distribution” means the procurement, sale, and transport of cannabis and cannabis products between licensees. Distribution shall also have the same meaning as in Section 26001(r) of the Business and Professions Code, as same may be amended from time to time.

“Distributor” means a person holding a valid Commercial Cannabis Permit for distribution issued by the City of Chico, and, a valid state license for distribution, required by state law to engage in the business of purchasing cannabis from a licensed cultivator, or cannabis products from a licensed manufacturer, for sale to a licensed retailer.

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“Edible Cannabis Product” means a cannabis product that is intended to be used, in whole or in part, for human consumption, and is not considered food. Edible cannabis product has the same meaning as Business and Professions Code section 26001(t).

“Fire Chief” shall means the Fire Chief of the Chico Fire Department, or their designee.

“Law enforcement agency” refers to the agency charged with enforcing the pertinent laws in the City. The law enforcement agency for the City shall be the Chico Police Department. Unless the provisions of the context otherwise require, whenever any provision of this Code makes reference to the law enforcement agency of the City, such shall be construed to mean, and deemed to constitute, that person holding the office of Chief of Police for the City and their authorized deputies or officers, performing law enforcement functions for the City.

“License or State License” means a license issued by the State of California, or one of its departments or divisions, under MAUCRSA, and any subsequent State of California legislation or regulations regarding the same, to lawfully engage in commercial cannabis activity.

“Licensee” means any person holding a license issued by the State of California to conduct commercial cannabis business activities.

“Manager” means any person(s) designated by the commercial cannabis business to act as the representative or agent of the commercial cannabis business in managing day-to-day operations with corresponding liabilities and responsibilities, and/or the person in apparent charge of the premises where the commercial cannabis business is located. Evidence of management includes, but is not limited to, evidence that the individual has the power to direct, supervise, or hire and dismiss employees, controls hours of operations, creates policy rules, or

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purchases supplies.

“Manufacture” means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product. Manufacture shall also have the same meaning as in Section 26001(ag) of the Business and Professions Code, as same may be amended from time to time.

“Manufacturer” means a licensee that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or re-labels its container. A manufacturer may also be a person that infuses cannabis in its products but does not perform its own extraction. Manufacturer shall also have the same meaning as in Section 26001(ah) of the Business and Professions Code, as same may be amended from time to time.

“Manufacturing” means the use type that produces, prepares, propagates, or compounds 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 at a fixed location that packages or repackages cannabis or cannabis products or labels or re-labels its container, and is owned and operated by a person issued a valid Commercial Cannabis Permit for manufacturing from the City of Chico and, a valid state license as required for manufacturing of cannabis products.

“Medicinal cannabis or medicinal cannabis product” means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code, by a medicinal

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cannabis patient in California who possesses a physician’s recommendation.

“Medicinal use” means the use of medicinal cannabis or medicinal cannabis product.

“Microbusiness” means licensees who engage in at least three (3) of the following commercial cannabis activities: indoor cultivation (less than 10,000 square feet), manufacturing (level 1, type 6), distribution, and retailer-storefront, as defined within this Chapter.

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

“Premises” means the designated structure or structures and land specified in the application that is owned, leased, or otherwise held under the control of the applicant where the commercial cannabis business will be or is being conducted. The premises shall be a contiguous area and shall only be occupied by one permittee.

“Retailer-Storefront” is a storefront retailer of a commercial cannabis business facility where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale to customers at a fixed location, including an establishment that also offers delivery of cannabis and cannabis products as part of a retail sale, and which are open to the public, and where the operator is authorized to operate in the City as a retailer, and holds a valid state license as required by state law to operate as a retailer.

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“Retailer-Delivery” means a non-storefront, delivery only retailer as a commercial cannabis business facility where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale to customers, where the premises are non-storefront, closed to the public, and sales are conducted exclusively by delivery, where a vehicle is used to convey the cannabis or cannabis products to the customer from a fixed location, and where the operator is authorized by the City of Chico to operate as a retailer, and holds a valid state license as required by state law to operate as a retailer.

“Sell”, “sale”, and “to sell” includes any transaction whereby, for any consideration, title to cannabis or cannabis products are 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 permittee from whom the cannabis or cannabis product was purchased.

“State Law” means all laws of the State of California, which includes, but are not limited to, all rules, regulations, and policies adopted by State of California agencies, departments, divisions, and regulatory entities, as same may be amended from time to time.

“Testing Laboratory” means a laboratory, facility, or entity in the state that offers or performs tests of cannabis or cannabis products and that is both of the following:

(1) Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the State.

(2) Licensed by the State of California.

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Testing laboratory shall also have the same meaning as in Section 26001(at) of the Business and Professions Code, as same may be amended from time to time.

“Transport” means the transfer of cannabis products from the permitted business location of one licensee to the permitted business location of another licensee, for the purposes of conducting commercial cannabis activity authorized by law and which may be amended or repealed by any subsequent State of California legislation regarding the same.

“Youth Center” means 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. Youth center shall also have the same meaning as in Section 11353.1 of the Health and Safety Code and Section 26001(av) of the Business and Professions Code, as each may be amended from time to time.

19.75.030 Prohibitions.

A. Commercial Cannabis Activity. ~~Commercial cannabis activity, whether the cannabis is for medical or recreational purposes, is expressly prohibited in the City of Chico, including, but not limited, in all zoning districts and designated zones within the City of Chico. No person shall establish, operate, maintain, conduct, cause, allow or engage in commercial cannabis activity anywhere within the City related to cannabis cultivation or microbusiness uses. This subsection is meant to prohibit all cannabis related activities for which a State license is required for cannabis cultivation or microbusiness uses. The City shall not issue any permit, license, variance or any other entitlement or permit, whether administrative or discretionary, for any establishment, operation or activity of any such prohibited use, business or commercial operation, or for any such activity for which a State license is required.~~

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B. Medical Cannabis. With the exception of the indoor, personal cultivation of medical cannabis allowed or permitted in residential zoning districts pursuant to, and in accordance with, this chapter, the establishment or operation of any medical marijuana or cannabis collective, cooperative, dispensary, delivery service, operator, establishment, or provider shall be considered an explicitly prohibited use in the City of Chico, including in all zoning districts and designated zones of the City without an appropriate Commercial Cannabis Permit issued pursuant to CMC Chapter 5.42 and in accordance with the remainder of Chapter 19.75 and Section 19.52.110. Accordingly, the City shall not approve or issue any permit, license, variance or any other entitlement or permit, whether administrative or discretionary, for the establishment of any collective, cooperative, dispensary, delivery service, operator, establishment, or provider in any zoning district or designated zone, and no person shall otherwise establish such businesses or operations in any zoning district or designated zone within the City.

C. Personal Cannabis Cultivation for Medical or Recreational Use. With the exception of Section 19.75.040 that allows the personal cannabis cultivation of no more than six (6) plants in a private residence by first securing a permit from the City, personal cannabis cultivation shall be prohibited and considered unlawful in all areas of the City to the extent it is unlawful under California law.

D. Property Owners. A property owner shall not rent, lease, or otherwise allow, cause or allow any business that engages in commercial cannabis activity to occupy real property in the City unless such business is located in a zoning district where such use is allowed, and has received a Commercial Cannabis Permit issued pursuant to Chapter 5.42. A property owner shall not allow any person or business to establish, operate, maintain, conduct, cause, allow, or engage in commercial cannabis activity on any real property owned or controlled by that property owner that is located in the City unless such business is located in a zoning district where such use is allowed, and has received a Commercial Cannabis Permit issued pursuant to Draft Zoning Ordinance Amendment

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Chapter 5.42. This is not intended to prohibit a property owner from providing written prior permission to lawful tenants for the personal cultivation of medical or recreational cannabis in a residential zoning district, as allowed in Section 19.75.040 of this chapter.

E. Deliveries. To the extent not already prohibited herein, delivery of cannabis or cannabis products, whether the cannabis is for medicinal or adult-use medical or recreational purposes, to or from the City of Chico is expressly prohibited except to the extent allowed under State law. ~~No person shall conduct or perform any delivery of cannabis or cannabis products where the delivery either originates or terminates within the City.~~ Nothing herein prevents the use and traversing of public roads within the City of Chico by a lawful business pursuant to state law.

F. Outdoor Cultivation. The outdoor cultivation of cannabis is expressly prohibited in the City of Chico, including all zoning districts and designated zones of the City of Chico.

19.75.040 Indoor personal cannabis cultivation.

[No change]

19.75.050 Permissive zoning.

[No change]

19.75.060 Smoking.

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[No change]

19.75.070 Public nuisance.

[No change]

19.75.080 Violations.

[No change]

19.75.090 Effect on other ordinances.

[No change]

19.75.100 Applicability of provisions – non-compliance.

[No change]

19.75.110 Severability.

[No change]

19.75.120 Location limitations.

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A. All commercial cannabis businesses as allowed and regulated in Chapter 5.42 of this Code shall be located in an approved land use district pursuant to Division IV of Title 19.

Commented [4]: Results in interpretation that this only applies to those specified in the licensing chapter; leaves out issues of industrial hemp addressed here. No real need to specify.

B. Distance Limitations:

1. No distance limitation is established for the following business types:

Commented [5]: PD believes 1000' distance separation from schools is appropriate due to crimes occurring on site and fleeing suspects

- a. Testing laboratory
- b. Manufacturing
- c. Distribution
- d. Retailer- Delivery Only

2. Distance Limitation: Retailer-Storefront.

- a. Retailer-Storefront uses shall be located at least:
 - i. 1000-feet from a school providing instruction in any grades six (6) through twelve (12) (“sensitive receptor”), and
 - ii. 600-feet from a school providing instruction in kindergarten or any grades one (1) through five (5), a day care center, or a youth center with primary youth center activities (“sensitive receptor”).
- b. Distances specified in this section shall be the horizontal distance measured in a straight line from the property line of the sensitive receptor to the closest property line of the lot on which the commercial cannabis business is located, without regard to intervening structures.
- c. Only sensitive receptors in existence at the time the City receives a Commercial Cannabis Permit application from the proposed Retailer-Storefront shall be considered.

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- d. One or more of the following factors may be considered by the City to determine if the sensitive receptor was in existence at the time of the City's receipt of the Commercial Cannabis Permit application:
- i. The sensitive receptor is open and operating;
 - ii. The sensitive receptor has a Chico City Business Tax Certificate for the specific location and sensitive use;
 - iii. The sensitive receptor has submitted a Business Tax Certification application to the City for the specific location and sensitive use and is undergoing construction or other tenant improvements at the specific location in question; and
 - iv. Other factors that may indicate a sensitive receptor was in existence as determined by the [Community Development Director/City Manager](#).
- e. Notwithstanding the foregoing, an application for a Commercial Cannabis Permit may be deemed in compliance with this Section if evidence is submitted, to the satisfaction of the [Community Development Director/City Manager](#), that the sensitive receptor will cease operation at the location prior to the issuance of a building permit for the Retailer-Storefront location.

19.75.130 Operational Requirements—All Commercial Cannabis Uses

- A. Permit Required:** All commercial cannabis businesses shall obtain and maintain a Commercial Cannabis Permit issued by the City of Chico pursuant to Title 5.42.

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- B. **Compliance with City, Local and State Law.** All commercial cannabis businesses shall comply with the standards set by State law, regulations and policies, and all city codes and resolutions, as well as any applicable ~~County of Butte~~ requirements of the County of Butte.
- C. **Access Limited.** For all commercial cannabis businesses, the general public is only allowed to access those areas of the premises which are identified in the site plan included with the Commercial Cannabis Permit as being open to public access. Only agents, applicants, managers, employees, and volunteers of the commercial cannabis ~~distributor~~ permittee and agents or employees of the City, or other governmental agency are allowed in non-public access areas.
- D. **Hours of Operation:**
- a. Retail storefront and ~~Retailer-Delivery~~ ~~Retail delivery~~ businesses may only operate no earlier than 8:00 a.m. and no later than 9:00 p.m., unless otherwise more restrictive hours are stated in a ~~Conditional Use Permit or Development Agreement~~ for such location, or unless zoning regulations specify more restrictive hours.
 - b. Manufacturing, distribution and testing businesses may only accept commercial traffic to and from the premises between 8:00 a.m. and 7:00 p.m., unless zoning regulations specify more restrictive hours.
 - e. Commercial cannabis businesses may only be open to the public during the hours of 8:00 a.m. to 9 p.m.
 - d.c. Manufacturing, distribution and testing businesses may only accept commercial traffic to and from the premises between 8:00 a.m. and 7:00 p.m., unless zoning regulations specify more restrictive hours.
- E. **On-site consumption prohibited:** Cannabis shall not be consumed by anyone on the premises in any form at any commercial cannabis business, unless explicitly authorized by a City ordinance, resolution, rule, regulation and/or pursuant to explicit terms of a Commercial Cannabis Permit, or City-approved Conditional Use Permit or Development Agreement.

Commented [6]: Businesses are not open to the public except for the hours stated above.

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- F. **Visibility:** No manufacturing process, testing methodology, storage, or loading/unloading cannabis or cannabis products, shall be visible from the exterior of any premises issued a Commercial Cannabis Permit. No cannabis or cannabis products shall be visible on part of any of the vehicles owned or used as part of the commercial cannabis business. No outdoor storage of cannabis or cannabis products is permitted at any time.
- G. **Inventory Tracking:** Each commercial cannabis business shall have in place and at all times of operation of the business operate a point-of-sale or management inventory tracking system to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale) and other information which may be deemed necessary by the City. The commercial cannabis business shall ensure that such information is compatible with the City's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the City Manager or designee prior to being used by the permittee and be the same system as specified in their commercial cannabis business permit.
- H. **Compliance with California law:** All cannabis and cannabis products sold, tested, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the State of California and local regulations. All activities related to the purchase, sales, delivery, distribution, cultivation, testing, and manufacture of cannabis or cannabis products shall be conducted in conformity with state law.
- I. **Contact Information:** Each commercial cannabis business shall provide the City Manager with the name, telephone number (both landline and mobile) of an on-site manager or owner to whom emergency notice may be provided at any hour of the day.
- J. **Signage and Notices:**
- a. In addition to the requirements otherwise set forth in this section, or as a term or condition imposed in a Conditional Use Permit and/or Development Agreement, business identification signage for a commercial cannabis business shall conform to the requirements of state law and the City of Chico City Code, including, but

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not limited to, the requirements for a City sign permit, or applicable zoning laws regulating signs.

- b. Each commercial cannabis business premises shall be visibly posted with clear and legible notices indoors indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.

K. **Age restrictions:**

- a. Persons under the age of twenty-one (21) years shall not be allowed on the premises of a commercial cannabis business except as allowed under California law.
- b. Persons under the age of twenty-one (21) years shall not be allowed to serve as a driver for a delivery service, except as allowed under California law if pertaining to sales of cannabis for medicinal use.
- c. It shall be unlawful and a violation of this Chapter for any person to employ any person at a commercial cannabis business who is not at least twenty-one (21) years of age.

L. **Odor Control.**

- a. Odor control devices and techniques shall be incorporated in all commercial cannabis businesses to ensure that odors from cannabis are not detectable off-site.
- b. Commercial cannabis businesses shall provide a sufficient **odor control devices** and techniques, including but not limited to an odor absorbing ventilation and exhaust system utilizing air scrubbers or charcoal filtration systems, so that odor generated inside the commercial cannabis business that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, at any adjoining use of the property not part of the commercial cannabis premises, 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 business.
- c. Commercial cannabis businesses shall install and maintain the following equipment, or other equipment which the City Engineer or Public Works Director

Commented [7]: Fire department

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- Q. **Compliance with Disability Regulations.** This Chapter does not exempt a commercial cannabis business from complying with all applicable local, State and federal laws and regulations pertaining to persons with disabilities.
- R. **Non-Discrimination.** No commercial cannabis business may discriminate or exclude patrons in violation of local, State and federal laws and regulations.
- S. **Contact Information.** Each commercial cannabis business shall provide the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the commercial cannabis business can be provided. Each commercial cannabis business shall also provide this information to all businesses and residences located within 300 feet of the commercial cannabis business.
- T. **Coordination Meetings.** The owner, manager, and community relations representative from each commercial cannabis business holding a Commercial Cannabis Permit shall, if requested by the City Manager or designee, attend a quarterly meeting with the interested parties to discuss costs, benefits, and other community issues arising as a result of implementation of this Chapter.
- U. **Limitation on Number of Businesses.** Only one (1) retail permit per person with ownership interest is allowed in the city. Any person with community property rights of an ownership interest is considered a person with ownership interest in this section.
- ~~V.~~U. **Security Plan:** Each business shall maintain on file with the City a security plan.
- ~~W.~~V. **Restriction on Alcohol and Tobacco Sales, Dispensing or Consumption:** No person shall cause, allow, or permit the sale, dispensing, or consumption of alcoholic beverages or tobacco products on or about the premises of a commercial cannabis business, pursuant to and consistent with the prohibition of same by state law.
- ~~X.~~W. **Restriction of On-site on Consumption:** No person shall cause, allow, or permit the consumption of cannabis on-site of any commercial cannabis business.

Commented [9]: Non-operational requirement moved to 5.42

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19.75.140 Operational Requirements—Storefront Retail

- A. **On-site Supervision:** All commercial cannabis retailers shall have a manager on the premises at all times during hours of operation.
- B. **Delivery Services.** Storefront retailers also providing delivery shall comply with the operational requirements pertaining to Storefront Delivery businesses in Section 19.75.440150.
- C. **Site Access.** Entrances into the retailer shall be controlled at all times with either security personnel or electronic/mechanical entry system. Adult use storefront retailers without medicinal cannabis sales shall verify the age of all customers to ensure persons under the age of 21 are not permitted on the premises. Adult use medicinal sales storefront retailers shall verify the age and possession of valid doctor’s recommendation of all customers to ensure persons under the age of 18 are not permitted on the premises.
- D. **Medicinal Cannabis.**
- a. Commercial cannabis storefront retailers selling medicinal cannabis shall verify the age and all necessary documentation of each customer to ensure the customer is not under the age of 18 years and that the potential customer has a valid doctor’s recommendation;
 - b. Verify the identity and age of the qualified patient, primary caregiver, or customer receiving cannabis or cannabis products from the delivery only retailer; and
 - c. If a medicinal cannabis transaction,
 - i. verify the validity of the qualified patient’s recommendation from a physician to use cannabis for medical purposes or primary caregiver’s status as a primary caregiver for the particular qualified patient, and
 - ii. maintain a copy of the physician recommendation or Identification Card, as described in Health and Safety Code Sections 11362.71 through 11362.77, as may be amended from time to time, at its permitted business location for a period of not less than seven (7) years.

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- E. **Physician Evaluations Prohibited.** No physician shall be allowed at any time to evaluate patients or customers for the issuance of a medicinal cannabis recommendation or medicinal cannabis identification card where applicable.
- F. **Complimentary Promotions Prohibited.** A non-medicinal cannabis storefront retailer may not sell, give away, or donate specific devices, contrivances, instruments, or paraphernalia necessary for consuming cannabis products, including, but not limited to, rolling papers and related tools, pipes, water pipes, and vaporizers. A retailer may not give away samples or cannabis products free of charge.
- G. **Required Notifications.** All cannabis storefront retailers shall notify qualified patients, primary caregivers, and customers (verbally or by written agreement) and by posting of a notice or notices conspicuously in at least 15 point type within the permitted premises that state the following:
- a. “The sale or diversion of cannabis or cannabis products without a permit issued by the City of Chico is a violation of State law and the Chico City Code.”
 - b. “Secondary sale, barter, or distribution of cannabis or cannabis products purchased from a permittee is a crime and can lead to arrest.”
 - c. “Patrons must not loiter in or near these premises and may not consume cannabis or cannabis products in the vicinity of this business or in any place not lawfully permitted. These premises and vicinity are monitored to ensure compliance.”
 - d. “Warning: the use of cannabis or cannabis products may impair a person’s ability to drive a motor vehicle or operate heavy machinery.”
 - e. “CALIFORNIA PROP. 65 WARNING: Smoking of cannabis and cannabis-derived products will expose you and those in your immediate vicinity to cannabis smoke. Cannabis smoke is known by the State of California to cause cancer.”
- H. **Location of Products.** All cannabis concentrate inhaled products, including but not limited to, dabs, shatter, budder, wax, and butane hash oil shall be stored behind the retail counter and out of the reach of customers at all times except when being handled by an employee during a sales transaction.
- I. **Added Artificial Flavor Prohibited.** Retailers shall not sell cannabis products which contains an added characterizing flavor. For purposes of this Chapter, “characterizing flavor” means a taste or aroma, other than the taste or aroma of cannabis, imparted either

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prior to or during consumption. This includes, but is not limited to, tastes or aromas relating to food or drink of any sort; menthol; mint; wintergreen; fruit; chocolate; vanilla; honey; candy; cocoa; dessert; alcoholic beverages; herbs; or spices. Flavor agents consisting of terpenes of cannabis shall not be considered an added characterizing flavor.

- J. **Educational Materials.** A cannabis storefront retailer shall provide written educational materials to all customers:
- a. Regarding each product sold, with information regarding the name and type of product, instructions for use, and expected effects.
 - b. Regarding all edible cannabis products and cannabis concentrate products sold to a customer, which shall include information on safe storage and use of the product, warning against child access and exposure to the product, and warnings of potential side effects concerning brain development of individuals under the age of twenty-five years and potential harm to pregnant women.
- K. **Training Required:** A cannabis storefront retailer shall require all employees who interact with public customers as well as all management staff to complete training to ensure competency of employees for their assigned functions within the first year of the retailers' first year of operation, and within one year of each employee's hire date thereafter. The retailer shall maintain records showing completion of each employee's training for a period of two years, and provide such records to the City Manager or his/her designee upon request.
- L. ~~**THC Level Regulation.** A cannabis storefront retailer shall not sell cannabis flower products which contain a THC level greater than such level prohibited by resolution of the City Council or state law.~~

Commented [10]: Direction from council to eliminate THC regulation

19.75.150 Operational Requirements— ~~Retailer-Delivery~~ Retail-Delivery-Only.

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- A. **Point of Sale System.** A cannabis delivery retailer shall facilitate the dispensing of cannabis or cannabis products with a technology platform owned by or licensed to the deliver retailer that uses point-of-sale technology to track and database technology to record and store the following information for each transaction involving the exchange of cannabis or cannabis products between the applicant and qualified patient, primary caregiver, or customer:
- The identity of the individual dispensing cannabis or cannabis products on behalf of the permittee;
 - The identity of the qualified patient, primary caregiver, or customer receiving cannabis or cannabis products from the permittee;
 - The type and quantity of cannabis or cannabis products dispensed and received; and
 - The gross receipts charged by the licensee and received by the individual dispensing cannabis or cannabis products on behalf of the permittee for the cannabis or cannabis products dispensed and received.
- B. **Security Plan.** Security plans developed pursuant to this Chapter shall include provisions relating to vehicle security and the protection of employees and product during loading and in transit.
- C. California driver's license issued to the driver of any such vehicle on behalf of the cannabis delivery retailer to the Chief of Police.
- ~~D.~~
- E. **Delivery Request.** During delivery, a physical copy of the delivery request (and/or invoice) shall be in the vehicle at all times, and the driver shall make it available upon the request of agents or employees of the City requesting documentation.
- F. **Delivery Vehicle.** A cannabis delivery retailer shall only permit or allow delivery of cannabis or cannabis products in a vehicle that is
- insured at or above the legal requirement in California;
 - capable of securing (locking) the cannabis or cannabis products during transportation;

Commented [11]: Non-operational requirements moved to Cannabis Business Permit regulations in CMC 5.42.

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- ~~e. capable of being temperature controlled if perishable cannabis or cannabis products is being transported; and~~
- ~~d. does not display advertising or symbols visible from the exterior of the vehicle that suggest the vehicle is used for cannabis delivery or affiliated with a cannabis retailer.~~

~~G. **Delivery Sales Records.** A cannabis delivery retailer shall facilitate deliveries with a technology platform owned by or licensed to the non-storefront delivery only retailer that uses Global Positioning System technology to track and database technology to record and store the following information:~~

- ~~a. The time that the individual conducting vehicle dispensing on behalf of the storefront retailer departed the licensed premises.~~
- ~~b. The time that the individual conducting vehicle dispensing on behalf of the storefront retailer completed vehicle dispensing to the qualified patient, primary caregiver, or customer.~~
- ~~c. The time that the individual conducting vehicle dispensing on behalf of the storefront retailer returned to the licensed premises.~~
- ~~d. The route the individual conducting vehicle dispensing on behalf of the storefront retailer will travel between departing and returning to the permitted premises to conduct vehicle dispensing.~~
- ~~e. For each individual vehicle dispensing transaction, the identification of the individual conducting deliveries on behalf of the storefront retailer.~~
- ~~f. For each individual delivery transaction, the vehicle used to conduct vehicle dispensing on behalf of the storefront retailer permittee.~~
- ~~g. For each individual vehicle dispensing transaction, the identity of the qualified patient, primary caregiver, or customer receiving cannabis or cannabis products from the storefront retailer.~~
- ~~h. For each individual vehicle dispensing transaction, the type and quantity of cannabis or cannabis products dispensed and received.~~
- ~~i. For each individual vehicle dispensing transaction, the dollar amount to be charged by the storefront retailer and received by the individual conducting~~

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~~deliveries on behalf of the storefront retailer the cannabis or cannabis products dispensed and received.~~

~~H. **Customer Verification.** The individual making deliveries on behalf of the cannabis delivery retailer shall for each transaction:~~

- ~~a. Verify the identity and age of the qualified patient, primary caregiver, or customer receiving cannabis or cannabis products from the delivery only retailer, and~~
- ~~b. If a medicinal cannabis transaction,
 - ~~i. verify the validity of the qualified patient's recommendation from a physician to use cannabis for medical purposes or primary caregiver's status as a primary caregiver for the particular qualified patient, and~~
 - ~~ii. maintain a copy of the physician recommendation or Identification Card, as described in Health and Safety Code Sections 11362.71 through 11362.77, as may be amended from time to time, at its permitted business location for a period of not less than seven (7) years.~~~~

~~I. **Required Notifications.** Delivery retailers shall notify qualified patients, primary caregivers, and customers in writing of the following:~~

- ~~a. "The sale or diversion of cannabis or cannabis products without a permit issued by the City of Chico is a violation of State law and the Chico City Code."~~
- ~~b. "Secondary sale, barter, or distribution of cannabis or cannabis products purchased from a permittee is a crime and can lead to arrest."~~
- ~~c. "Warning: the use of cannabis or cannabis products may impair a person's ability to drive a motor vehicle or operate heavy machinery."~~
- ~~d. "CALIFORNIA PROP. 65 WARNING: Smoking of cannabis and cannabis-derived products will expose you and those in your immediate vicinity to cannabis smoke. Cannabis smoke is known by the State of California to cause cancer."~~

~~J. **Added Artificial Flavor Prohibited.** Delivery retailers shall not sell cannabis products which contains an added characterizing flavor. For purposes of this Chapter, "characterizing flavor" means a taste or aroma, other than the taste or aroma of cannabis,~~

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imparted either prior to or during consumption. This includes, but is not limited to, tastes or aromas relating to food or drink of any sort; menthol; mint; wintergreen; fruit; chocolate; vanilla; honey; candy; cocoa; dessert; alcoholic beverages; herbs; or spices. Flavor agents consisting of terpenes of cannabis shall not be considered an added characterizing flavor.

K. **Educational Materials.** A cannabis delivery retailers shall provide written educational materials to all customers:

- a. **Regarding each product sold, with information regarding the name and type of product, instructions for use, and expected effects.**
- b. **Regarding all edible cannabis products and cannabis concentrate products sold to a customer, which shall include information on safe storage and use of the product, warning against child access and exposure to the product, and warnings of potential side effects concerning brain development of individuals under the age of twenty-five years and potential harm to pregnant women.**

L. **Training Required:** All employees who interact with public customers as well as all management staff complete training to ensure competency of employees for their assigned functions within the first year of the retailers' first year of operation, and within one year of each employee's hire date thereafter. The retailer shall maintain records showing completion of each employee's training for a period of two years, and provide such records to the City Manager or his/her designee upon request.

M. **[THC Level Regulation.** A cannabis delivery retailer shall not sell cannabis flower products which contain a THC level greater than such level prohibited by resolution of the City Council.]

19.75.160 Operational Requirements—Cannabis Manufacturing Business.

- A. **Visibility of Manufacturing Processes.** From a public right-of-way, there shall be no exterior evidence of cannabis manufacturing allowed on the premises except for any signage authorized by this Code.
- B. **Use of compressed gas.** Any compressed gases used in the manufacturing process shall be approved by the Fire Chief. Any compressed gases shall not be stored on any property within the City of Chico in containers that exceed the amount which is approved by the Fire Chief. Each site or parcel subject to a Commercial Cannabis Permit shall be limited to a total number of tanks as authorized by the Fire Chief on the property at any time.
- C. **Use of solvents.** Any solvents used in the manufacturing process shall be approved by the Fire Chief. Cannabis Manufacturing Facilities using solvents or gases for extraction shall use N-butane, isobutane, propane, or heptane, or other solvents or gases exhibiting low to minimal potential human-related toxicity approved by the Fire Chief. These solvents must be of at least ninety-nine percent purity and procedures showing that any extraction process must use them in a professional grade closed loop extraction system designed to recover the solvents and work in an environment with proper ventilation, controlling all sources of ignition where a flammable atmosphere is or may be present.
- D. **Use of gas extraction systems.** If an extraction process uses a professional grade closed loop CO₂ gas extraction system, every vessel must be ~~will be~~ certified by the manufacturer for its safe use.
- a. Closed loop systems for compressed gas extraction systems must be commercially manufactured and bear a permanently affixed and visible serial number.
 - b. Certification from an engineer licensed by the State of California must be provided to the Fire Chief for a professional grade closed loop system used by

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- any commercial cannabis manufacturing manufacturer to certify that the system was commercially manufactured, is safe for its intended use, and was built to codes of recognized and generally accepted good engineering practices, including but not limited to:
- i. The American Society of Mechanical Engineers (ASME);
 - ii. American National Standards Institute (ANSI);
 - iii. Underwriters Laboratories (UL); or
 - iv. The American Society for Testing and Materials (ASTM).
- c. Certification document must contain the signature and stamp of the professional engineer and serial number of the extraction unit being certified.
- E. **Fire Chief Approval.** Professional closed loop systems, other equipment used, the extraction operation, and all related facilities must be approved for their use by the Fire Department and meet any required fire, safety, and building code requirements specified in Building and Fire Codes, as adopted by the City.
- F. **Approved Non-solvent/gas Manufacturing Methods.** Cannabis Manufacturing Facilities may use
- a. heat, screens, presses, steam distillation, ice water, and other methods without employing solvents or gases to create kief, hashish, bubble hash, or infused dairy butter, or oils or fats derived from natural sources, and other extracts.
 - b. food grade glycerin, ethanol, and propylene glycol solvents to create or refine extracts.
- G. **Ethanol Recapture.** Ethanol shall be removed from all extracts in a manner to recapture the solvent and ensure that it is not vented into the atmosphere.
- H. **Procedures and Protocols.** Cannabis Manufacturing Facilities creating cannabis extracts must develop standard operating procedures, good manufacturing practices, and a training plan prior to producing extracts for the marketplace.
- I. **Training.** Any person using solvents or gases in a closed looped system to create cannabis extracts must be fully trained on how to use the system, and have direct access to applicable material safety data sheets and handle and store the solvents and gases safely. Training materials and records shall be presented to the City upon request.

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J. **Assurance Testing.** Parts per million for one gram of finished extract cannot exceed State standards for any residual solvent or gas when quality assurance tested.

K. **Added Artificial Flavor Prohibited.** Manufacturers shall not manufacture cannabis products which contains an added characterizing flavor. For purposes of this Chapter, “characterizing flavor” means a taste or aroma, other than the taste or aroma of cannabis, imparted either prior to or during consumption. This includes, but is not limited to, tastes or aromas relating to food or drink of any sort; menthol; mint; wintergreen; fruit; chocolate; vanilla; honey; candy; cocoa; dessert; alcoholic beverages; herbs; or spices. Flavor agents consisting of terpenes of cannabis shall not be considered an added characterizing flavor.

~~L. **THC Level Regulation.** A cannabis manufacturer shall not process and manufacture sell cannabis products which contain a THC level greater than such level prohibited by resolution of the City Council or state law.~~

M. **Annual California Fire Code Operational Permit.** Manufacturers shall annually obtain and keep current at all times a Fire Code Operational Permit.

N. **Sprinkler System.** an automatic sprinkler system shall be installed throughout all buildings containing cannabis manufacturing uses, including but not limited to oil extraction operations and cannabis-infused product kitchens/bakeries.

O. **Fire Alarm System.** An automatic fire alarm system shall be provided through building containing cannabis manufacturing uses, including but not limited to oil extraction operations and cannabis-infused product kitchens/bakeries. The installed fire alarm system shall meet the requirements of emergency voice/alarm communication systems required by the California Fire Code and shall be designed and installed in accordance with National Fire Protection Association standards.

~~L.P. **Fire Department Access.** A key box shall be installed at an approved location to allow immediate access to the premises in the event of an emergency for life-saving and fire-fighting purposes, due to the potential hazards associated with manufacturing facilities. The box shall be of an approved type listed in accordance with UL 1037 and shall contain keys to gain necessary access as required by the fire code official.~~

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19.75.170 Operational Requirements—Distribution

- A. **Visibility.** From a public right-of-way, there shall be no exterior evidence of cannabis distribution except for any signage authorized by this Code.
- B. **Tamper Resistant Packaging.** A cannabis distribution business shall only procure, sell, or transport cannabis or cannabis products that are packaged and sealed in tamper-evident packaging that uses a unique identifier, such as a batch and lot number or bar code, to identify and track the cannabis or cannabis products.
- C. **Recyclable Materials.** A cannabis distribution business shall minimize materials that are non-recyclable or non-reusable.
- D. **Distribution Personnel.**
- a. A cannabis distribution business shall maintaining a database and provide a list of individuals and vehicles authorized to conduct transportation on behalf of the permittee, pursuant to the Commercial Cannabis Permit, to the City.
 - b. Individuals authorized to conduct transportation on behalf of the cannabis distribution business shall have a current and valid California Driver's License.
 - c. During transportation, the individual conducting transportation on behalf of the cannabis distribution business shall maintain a copy of the Commercial Cannabis Permit and shall make it available upon the request of agents or employees of the City requesting documentation.
- E. **Distribution Vehicle.** Cannabis or cannabis products shall be transported only in a vehicle that is
- a. insured at or above the legal requirement in California,

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- b. capable of securing (locking) the cannabis or cannabis products during transportation, and
- e. capable of being temperature controlled if perishable cannabis products are being transported.

19.75.180 Operational Requirements—Testing

- A. Cannabis testing shall take place within an enclosed building.
- B. From a public right-of-way, there shall be no exterior evidence of cannabis testing except for any signage authorized by this Code.
- C. All cannabis testing shall be performed in accordance with State law.
- D. A cannabis testing business shall adopt a standard operating procedure using methods consistent with general requirements established by the International Organization for Standardization, specifically ISO/IEC 17025, to test cannabis and cannabis products, and shall operate in compliance with the law.
- E. A cannabis testing business shall be accredited by a body that is a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Agreement.
- F. A cannabis testing business shall establish standard operating procedures that provide for adequate chain of custody controls for samples transferred to the testing laboratory for testing.
- G. A cannabis testing business shall destroy the remains of samples of any cannabis or cannabis product upon completion of analyses. Destruction shall be done in a manner compliant with State law and regulations.
- H. Any testing that requires the use of solvents, compressed gas, or gas extraction systems for extraction must comply with the requirements for manufacturers in Section 19.75.160.B-I Operational Requirements—Cannabis Manufacturing Business.

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SECTION 2. Amend Section 19.44.030, Table 4-6, “Allowed Uses and Permit

Requirements for Commercial Zone Districts,” to read and provide as follows:

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Land Use	Permit Requirements by Zone								Subject to Standards in Section/Standards:	
	OR	OC	CN	CC	DN	DS	CS	CR		
Retail Trade Uses										
<u>Cannabis Retail-Storefront</u>				UP						<u>19.75.120, 19.75.130, 19.75.140</u>
<u>Cannabis Retail—Delivery Only</u>		P		P				P		<u>19.75</u>
Service Uses										
<u>Cannabis Testing</u>		P	P	P					P	<u>19.75.130, 19.75.180</u>
Manufacturing and Processing Uses										
<u>Cannabis Distributor</u>		P		P				P		<u>19.75</u>

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SECTION 3. Amend Section 19.46.020, Table 4-8, to read and provide as follows:

Land Use	Permit Requirements by Zone			Subject to Standards in Section/Standards:
	ML	MG	IOMU	
Manufacturing & Processing Uses				
<u>Cannabis Manufacturing</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>19.75.130, 19.75.160</u>
<u>Cannabis Distribution</u>				<u>19.75</u>
	<u>P</u>	<u>P</u>	<u>P</u>	
Retail-Trade Uses				
<u>Cannabis Retail-Delivery Only</u>	<u>P</u>	<u>P</u>		<u>19.75.130, 19.75.150</u>
	<u>UP</u>	<u>UP</u>		
Services				
<u>Cannabis Distribution</u>	<u>P</u>	<u>P</u>		<u>19.75.130, 19.75.170</u>
<u>Cannabis Testing Lab</u>	<u>P</u>	<u>P</u>		<u>19.75.130, 19.75.180</u>

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SECTION 4. Amend chapter 19.80.070, table 6-1 by adding all commercial cannabis activities to table 6-1.

Land Use	Permit Requirements by Zone				Subject to Standards in Section/Standards:
	NE	NG	NC	CORE	
Retail					
<u>Cannabis Retail- Storefront</u>				P UP	19.75.120, 19.75.130, 19.75.140
<u>Cannabis Retailer- Delivery Only</u>				P	
Manufacturing and Processing uses					
<u>Cannabis Manufacturer</u>				P	19.75
Services					
<u>Testing Laboratory</u>				P	

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SECTION 5. Amend Section 19.48, Table 4-10, to read and provide as follows:

<u>Land Use</u>	<u>Permit Requirements by Zone</u>				<u>Subject to Standards in Section/Standards:</u>
	<u>A(2)</u>	<u>AC(3)</u>	<u>AM(4)</u>	<u>AP</u>	
<u>Manufacturing & Processing Uses</u>					
<u>Cannabis Distribution</u>		<u>P</u>	<u>P</u>		<u>19.75</u>
<u>Cannabis Manufacturing</u>			<u>P</u>		<u>19.75</u>
<u>Retail Uses</u>					
<u>Cannabis Retail-Delivery Only</u>		<u>P</u>	<u>P</u>		<u>19.75</u>
<u>Services</u>					
<u>Cannabis Testing Laboratory</u>			<u>P</u>		<u>19.75</u>

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and DS (Downtown South) zoning districts. While cannabis uses were debated in the OR (Office Residential) and CN (Neighborhood Commercial) zones, staff has determined that other commercial districts would be more suitable for these uses. As such, staff is only recommending cannabis uses for the OC, CC, CS and CR zoning districts. The purposes of the individual commercial zoning districts and the manner in which they are applied are as follows:

The *OR (Office Residential)* District permits office/residential mixed-use development in areas where retail and other community commercial uses are not appropriate.

The *OC (Office Commercial)* District is applied to areas appropriate for administrative, financial, business, professional, medical, and public offices, together with supporting commercial uses.

The *CN (Neighborhood Commercial)* District is applied to areas appropriate for retail sales, businesses, institutions, and services serving the daily needs of nearby residents.

The *CC (Community Commercial)* District is applied to areas appropriate for a wide range of retail businesses.

The *CS (Commercial Services)* District applies to areas appropriate for commercial businesses not allowed in other commercial areas because they attract high volumes of vehicle traffic or may have adverse impacts on other surrounding uses.

The *CR (Regional Commercial)* District is applied to sites appropriate for larger retail and service businesses that serve residents from the City and the region.

Manufacturing / Industrial Zoning Districts

Commercial cannabis land uses are being considered in all three industrial zoning districts. The purposes of the individual manufacturing/industrial zoning districts and the manner in which they are applied are as follows:

The *ML (Light Manufacturing/Industrial)* District is applied to areas appropriate for light assembly and manufacturing, wholesaling, warehousing and distribution, agricultural and industrial processing within structures, and support commercial services.

The *MG (General Manufacturing/Industrial)* District is applied to areas appropriate for a full range of manufacturing, agricultural, and industrial processing, general services and distribution uses, including uses with outdoor equipment and outdoor storage.

The *IOMU (Industrial Office Mixed Use)* District is applied to areas appropriate for a wide range and combination of light industrial and office development with commercial and other support services integrated vertically and horizontally.

Airport Zoning Districts

Commercial cannabis activities are not being considered in the A (Aviation) and AP (Airport Public Facilities) zones, which are intended for airport operations and support facilities. However, these uses may be consistent with the purpose of the AC (Airport Commercial) and AM (Airport Manufacturing) zones as described below.

The *AC (Airport, Commercial)* District is applied to areas of the airport site appropriate for commercial activities, including passenger services. The AC zoning district is primarily intended to implement the Commercial Mixed Use land use designation of the General Plan.

The *AM (Airport, Manufacturing/Industrial)* District is applied to areas appropriate for light industrial, manufacturing, and distribution uses that are related to aviation, require access to air transportation, or are otherwise compatible with the operational characteristics of the airport. The AM zoning district is primarily intended to implement the Manufacturing and Warehousing land use designation of the General Plan.

TND Zoning Districts

The *Neighborhood Edge (NE)* and *Neighborhood General (NG)* designations are intended for residential uses and structures and would not be considered compatible zoning districts for commercial cannabis related activities. Commercial cannabis land uses may, however, be compatible with the purpose of the two zoning districts described below.

The *Neighborhood Center (NC)* designation is intended to provide for civic and public assembly uses, small-scale commercial and mixed-use buildings, together with courtyard housing and other residential buildings at higher densities than in the NG subzone. This designation is intended to accommodate a variety of activities and services within easy walking distance from homes, including daily convenience shopping and personal service needs, and to provide opportunities for public gathering.

The *CORE* designation is intended for the most urban conditions within the TND zone. It is intended to accommodate a mixture of land uses emphasizing ground-floor retail with offices and residential above and to provide for lodging, restaurant, entertainment, and civic uses. Street frontages are pedestrian-oriented, and defined by building facades at the back of the sidewalk, with off-street parking provided in structures or located away from street frontages, behind buildings and includes on-street parking as a component of the total parking program. Buildings may be a maximum of four stories.

ZONING DISTRICT ANALYSIS OF PROPOSED USES

1. **Retailer – Storefront.** A storefront retailer of a commercial cannabis business facility where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale to customers at a fixed location, including an establishment that also offers delivery of cannabis and cannabis products as part of a retail sale, and which are open to the public, and where the operator is authorized to operate in the City as a retailer, and holds a valid state license as required by State law to operate as a retailer.

Similar land uses/definitions considered:

- Personal Services
- Retail Stores – general merchandise
- Liquor stores
- Liquor stores (limited hours)
- Pharmacies

TABLE 4-6 [CMC 19.44.020]
Existing Allowed Uses and Permit Requirements for Commercial Zoning Districts

Land Use	Permit Requirement by Zone								Subject to Standards in Section/ Chapter:
	OR	OC	CN	CC	DN	DS	CS	CR	
<i>Retail/Trade Uses</i>									
Drug stores/pharmacies, 4,000 sq. ft. or less	P	P	P	P	P	P	P	P	
Liquor stores - limited hours			P	P	UP	P	P	P	
Liquor stores			UP	P	UP	UP	P	P	
Drug stores/pharmacies, more than 4,000 sq. ft.			UP	P	UP	P	P	P	
Retail stores, general merchandise, 2,500 sq. ft. or less			P	P	P	P	P	P	
Retail stores, general merchandise, 2,500 sq. ft. or larger			UP	P	P	P	P	P	
<i>Service Uses</i>									
Personal services 2,500 sq. ft. or less	P	P	P	P	P	P	P	P	
Personal services, 2,500 sq. ft. or larger	UP	UP	UP	P	P	P	P	P	

TABLE 6-1 [CMC 19.80.070]
Existing Allowed Uses and Permit Requirements for TND Zoning Districts

Land Use	Permit Requirement by Zone				Subject to Standards in Section/ Chapter:
	NE	NG	NC	CORE	
<i>Retail Uses</i>					
Liquor Stores			UP	UP	
Retail store - general merchandise 5,000 sf or larger	—	—	P	P	
Retail store - general merchandise less than 5,000 sf	—	UP	P	P	

Land Use Analysis for “Retailer – Storefront”

“Personal Services” include establishments which provide non-medical related services, including beauty and barber shops, clothing rental, small-scale dry cleaners, laundromats (self-service laundries), shoe repair shops, tanning salons, psychic readers, therapeutic (nonsexual) massage services, body piercing, tattooing, electrolysis. These uses may also include accessory

retail sales of products related to the services provided.

Considering the definition above, planning staff **would not** consider “personal services” to be similar enough to the definition for “commercial cannabis retailer – storefront”. Retailer – storefront uses should be classified as retail uses rather than services uses, and retail sales associated with this use would be primary, not accessory.

“Drug stores / Pharmacies” are defined as retail stores where a licensed pharmacist prepares prescription medicines for sale, which may also sell over-the-counter medicines, personal care products, and other miscellaneous products.

Drug store/pharmacies are classified as a retail trade use. Similar to a cannabis storefront retailer, pharmacies sell products which are licensed, tested and labeled according to specific requirements. However, the sale of commercial cannabis products does not require a licensed medical professional. While cannabis can be prescribed medically, the state regulations and licensing requirements for medical marijuana and commercial cannabis dispensaries differ in terms of operating standards, purchase limitations and prices. Whereas it would be reasonable to consider a cannabis storefront retailer alike a pharmacy, staff would not consider this land use category the most comparable to a commercial cannabis storefront retailer.

“Liquor Stores”, as defined by CMC Chapter 19.04, refer to retail establishments that primarily sell a variety of alcoholic beverages for off-premise consumption. A liquor store which closes no later than 12 a.m. (midnight) is classified under the sub-category of "Liquor store - limited hours". Typically associated with a Type 21 ABC license.

Liquor stores are categorized as a retail trade use. While retail stores – general merchandise may be a similar use, staff believes the definition of “liquor stores” most closely aligns with the definition for storefront retailers. Commercial cannabis dispensaries would sell a variety of cannabis related products for off-site consumption to customers over the age of 21 possessing valid ID. Storefront retailers would have strictly limited hours of operation and be dually licensed by a state regulatory agency (CA Bureau of Cannabis Control as opposed to ABC). Planning staff would recommend that storefront retailers be permitted in the same zoning districts as liquor stores with limited hours, except for Downtown zoning districts.

Zoning Analysis for “Retailer – Storefront”

Commercial / Office Zoning Districts

“Retailer – storefront” uses would be considered a retail commercial use, which are typically less compatible within the OR district due to the proximity of residential zones and sensitive uses (i.e. schools, daycare/youth centers, etc.). Similarly, this land use does not meet the intent of the OC district to allow for supporting commercial uses associated with an office use, nor with the purpose of the CN zone to allow for uses that serve the daily needs of nearby residents.

“Retailer – storefront” uses would better fit within the CC, CS and CR zones which are intended for retail and commercial businesses, are typically located along main traffic corridors and separated (yet in proximity to) residential areas. A further analysis of the City’s zoning map yielded the following observations:

- Opportunities exist within the CC zoning district with potential for storefront retailers along Mangrove Avenue, Nord Avenue/Walnut Street, Park Avenue, Forest Avenue and Esplanade north of East Avenue.
- While storefront retailers may be appropriate by definition in the CR zoning district, the use may not be best suited in the major shopping areas associated with the district. Parcels with CR zoning are largely concentrated in or around existing shopping centers such as the North Valley Plaza and Chico Mall.
- The CS zoning district may present better opportunities for adult-oriented, storefront retailers than in the CR zone. Considering the intent of the CS zone is to provide for commercial uses “not allowed elsewhere because they attract high volumes of vehicle traffic or may have adverse impacts on other surrounding uses,” the locations where this zoning occurs are less centralized and exposed. For instance, several parcels along Park Avenue/East Park Avenue and Skyway east of Notre Dame Boulevard could be suitable locations for a commercial cannabis retailer-storefront.

Manufacturing / Industrial Zoning Districts

None of the similar retail or services uses analyzed above are permitted in the ML, MG or IOMU zoning districts. Retail uses in general are limited in these zones, which are intended to support light assembly and manufacturing, wholesaling, warehousing and distribution, agricultural and industrial processing, and supporting commercial services. At this time, staff is not recommending that storefront retailers be permitted in the manufacturing industrial zoning districts.

TND Zoning Districts

Liquor stores and general merchandise retail stores are permitted uses in the NC and CORE zoning district. Small-scale commercial buildings are allowed in the NC; however higher-density residential uses are also intended for this zone. The CORE district is purposed for the most urban conditions and would be most suitable for a cannabis storefront retailer use.

Airport Zoning Districts

Retail trade uses are limited in airport zoning districts. As there is not an allowed land use that resembles that of a storefront retailer, staff is not recommending that storefront retailers are permitted in the airport zones.

RECOMMENDATION: Subject to Use Permit approval, where specific operational factors would be considered on a case-by-case basis:

- Add “Retailers – storefront” to Commercial Land Use Table 4-6 in the CC, CS and CR zoning districts; and
- Add “Retailers – storefront” to the TND Land Use Table 6-1 in the CORE zoning district.

2. **Testing laboratory.** A laboratory, facility, or entity in the state that offers or performs tests of cannabis or cannabis products and that is both of the following:

- (1) Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the State.
- (2) Licensed by the State of California.

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Similar land uses/definitions considered: Professional offices, Research & Development, Medical services – clinics and labs, and Business Support Services

TABLE 4-6 [CMC 19.44.020]

Existing Allowed Uses and Permit Requirements for Commercial Zoning Districts

Land Use	Permit Requirement by Zone								Subject to Standards in Section/ Chapter:
	OR	OC	CN	CC	DN	DS	CS	CR	
<i>Service Uses</i>									
Business support services		P	P	P	P(4)	P(4)	P		
Medical services - Clinics and labs	P/UP(8)	UP		P	UP	P(4)	P	P	
Offices, business and professional	P	P	P	P	P(4)	P(4)		P	
Research and development (R&D)	UP	UP		P	P(4)	P(4)	P	P	

TABLE 4-8 [CMC 19.46.020]

Existing Allowed Uses and Permit Requirements for Industrial Zoning Districts

Land Use	Permit Requirements by Zone			Subject to Standards in Section/ Chapter:
	ML	MG	IOMU	
<i>Services</i>				
Business support services	P	P	P	
Offices, business and professional			P	
Research and development (R&D)	P	P	P	

TABLE 4-10 [CMC 19.48.050]

Existing Allowed Uses and Permit Requirements for Airport Zoning Districts

Land Use	Permit Requirements by Zone				Subject to Standards in Section/ Chapter:
	A(2)	AC(3)	AM(4)	AP	
<i>Services</i>					
Business support services	UP	P	P		

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Offices, business and professional		UP	UP		
Research and development (R&D)	UP	P	P		

Land Use Analysis for “Testing laboratory”

“Offices – Business and Professional” defined as professional or government offices including educational, scientific and research organizations.

“Medical Services - Clinics and Laboratories” refers to a facility intended for the examination of clinical specimens for the purpose of providing information such as diagnosis, prognosis, prevention, or treatment of disease to improve the health of a patient.

“Research and Development” includes facilities for scientific research and the design, development, and testing of computer software, electrical, electronic, magnetic, optical, and mechanical components in advance of product manufacturing, that are not associated with a manufacturing facility on the same site. Also includes chemical and biotechnology research and development. Does not include soils and other materials testing laboratories, which are included under "Business Support Services," or medical laboratories, which are included under "Medical Services - Clinics and Laboratories."

“Business Support Services” are establishments primarily within structures, providing other businesses with services, including maintenance, repair, service, testing, rental, and also including:

Blueprinting	Mail advertising services (reproduction and shipping)
Business equipment repair services	Office equipment rental and repair
Commercial art and design (production)	Other "heavy service" business services
Computer-related services (rental, repair)	Outdoor advertising services
Copying, quick printing, and blueprinting services	Photocopying
Equipment rental businesses within buildings	Photofinishing
Equipment repair services where repair occurs on the client's site	Protective services (other than office-related)
Film processing laboratories	Soils and materials testing laboratories
Janitorial services	Window cleaning

Considering the definitions above, planning staff would classify a cannabis testing laboratory to be most similar to a business support services land use. A testing laboratory would be a secure facility contained within a structure and would conduct a variety of materials tests to determine the potency and purity of cannabis products for cultivators, manufacturers and/or retailers.

Zoning Analysis for “Testing Laboratories”

Business support services are a permitted land use in several commercial/office zones, as well as

industrial/manufacturing zones and airport zones. Whereas a storefront retailer use may not be compatible in the OC zoning district, a testing laboratory would be more suitable as it relates more to office uses. Traffic associated with a testing laboratory use would be low and pose minimal impacts to existing traffic patterns and the business would be more discreet in nature than a retail storefront, consistent with the purpose of the OC zone.

This use would be likely better suited for smaller facility or site. Parcels zoned CR are generally larger in size and may not be practical for this type of use. Planning staff recommends that testing laboratories be permitted in the same zoning districts as business support services, except for the DN, DS, CN and A zoning districts.

RECOMMENDATION:

- Add “Testing laboratory” to Commercial Land Use Table 4-6 in the OC, CC and CS zoning districts;
 - Add “Testing laboratory” to Manufacturing/Industrial Land Use Table 4-8 in the ML, MG and IOMU zoning districts;
 - Add “Testing laboratory” to Airport Land Use Table 4-10 in the AC and AM zoning districts; and
 - Add “Testing laboratory” to TND Land Use Table 6-1 in the CORE zoning district.
3. **Distributor.** A person holding a valid Commercial Cannabis Permit for distribution issued by the City of Chico, and, a valid state license for distribution, required by state law to engage in the business of purchasing cannabis from a licensed cultivator, or cannabis products from a licensed manufacturer, for sale to a licensed retailer. “Distribution” means the procurement, sale, and transport of cannabis and cannabis products between licensees.

Similar land uses/definitions considered: Wholesaling and Distribution

Land Use Analysis for “Distributor”

“Wholesaling and Distribution” is a land use defined as establishments engaged in selling merchandise to retailers; to industrial, commercial, institutional, farm, or professional business users; or to other wholesalers; or acting as agents or brokers in buying merchandise for or selling merchandise to persons or companies. Includes merchant wholesalers; agents, merchandise or commodity brokers, and commission merchants; assemblers, buyers and associations engaged in the cooperative marketing of farm products; stores primarily selling electrical, plumbing, heating and air conditioning supplies and equipment.

Staff recommends that a cannabis distributor be permitted in most zoning districts where other wholesaling and distribution uses are permitted, which is allowed in all industrial districts as well as the A, AC and AM zones.

Zoning Analysis for “Distributor”

Commercial / Office Zoning Districts

For commercial zones, distributors would be limited to the CS zone. As previously discussed, there may be some opportunities for cannabis distributors within the CS zoning district. The activities

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involved with commercial cannabis distribution best fit within the CS zone, which is intended to provide for commercial uses “not allowed elsewhere because they attract high volumes of vehicle traffic or may have adverse impacts on other surrounding uses.” Several parcels along Park Avenue/East Park Avenue and the Skyway east of Notre Dame Boulevard could be suitable locations for a commercial cannabis distributor.

Manufacturing / Industrial Zoning Districts

Wholesaling and distribution activities are permitted in all industrial zoning districts. Cannabis distributors would be most compatible within these zones as these uses would likely function very similarly in terms of traffic, scale and operating standards.

TND Zoning Districts

Wholesaling and distribution activities are not permitted in the TND zoning districts. As such, staff is not recommending that cannabis distribution activities be permitted in these zones.

Airport Zoning Districts

Wholesaling and distribution are permitted in all airport zones except the AP zoning district. Staff would recommend that cannabis distributors be permitted in the AC and AM districts.

RECOMMENDATION:

- Add “Distributors” to Commercial Land Use Table 4-6 in the CS zoning district;
- Add “Distributors” to Manufacturing/Industrial Land Use Table 4-8 in the ML, MG and IOMU zoning districts; and
- Add “Distributors” to Airport Land Use Table 6-1 in the AC and AM zoning districts.

4. **Manufacturer.** A licensee that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or re-labels its container. A manufacturer may also be a person that infuses cannabis in its products but does not perform its own extraction.

Similar land uses/definitions considered: Handicraft industries: Small-scale manufacturing; Pharmaceuticals

TABLE 4-6 [CMC 19.44.020]

Existing Allowed Uses and Permit Requirements for Commercial Zoning Districts

Land Use	Permit Requirement by Zone								Subject to Standards in Section/ Chapter:
	OR	OC	CN	CC	DN	DS	CS	CR	
<i>Manufacturing and Processing</i>									
Handicraft industries, small scale manufacturing						P(2)	P(2)		

(2) With accessory retail use on site.

TABLE 4-8 [CMC 19.46.020]

Existing Allowed Uses and Permit Requirements for Industrial Zoning Districts

Land Use	Permit Requirements by Zone			Subject to Standards in Section/ Chapter:
	ML	MG	IOMU	
<i>Manufacturing and Processing</i>				
Handicraft industries, small-scale manufacturing	P	P	P	
Pharmaceuticals	P	P	P	

TABLE 4-10 [CMC 19.48.050]

Existing Allowed Uses and Permit Requirements for Airport Zoning Districts

Land Use	Permit Requirements by Zone				Subject to Standards in Section/ Chapter:
	A(2)	AC(3)	AM(4)	AP	
<i>Manufacturing and Processing</i>					
Handicraft industries, small-scale manufacturing			P		

TABLE 6-1 [CMC 19.80.070]

Existing Allowed Uses and Permit Requirements for TND Zoning Districts

Land Use	Permit Requirement by Zone				Subject to Standards in Section/ Chapter:
	NE	NG	NC	CORE	
<i>Manufacturing and Processing</i>					
Handicraft industries, small-scale manufacturing			UP	P	

Land Use Analysis for “Manufacturer”

“Handicraft Industries, Small-Scale Manufacturing (land use)” Manufacturing establishments not classified in another major manufacturing group, including jewelry; musical instruments; toys; sporting and athletic goods; pens, pencils, and other office and artists' materials; buttons; costume novelties; brooms and brushes; and other miscellaneous manufacturing industries.

“Pharmaceuticals” is a land use defined as the production or development of federally licensed medications.

The existing land uses described above only loosely fit the definition for a cannabis manufacturer.

Though cannabis manufacturing may not fall into another major manufacturing group, the examples listed within the definition for handicraft industries do not align very closely. While pharmaceuticals is similar to cannabis manufacturing in terms of producing or developing licensed products, definition for “pharmaceuticals” makes reference to federally licensed products, which cannabis is not.

Zoning Analysis for “Manufacturer”

Though cannabis manufacturing may not fall into a specific land use category, the zoning districts in which handicraft industries are permitted may be appropriate areas for cannabis manufacturers, such as in the industrial districts and AM zoning district.

Handicraft industries are allowed in the CS zone with an accessory retail use. Though a retail use is not likely to be associated with a cannabis manufacturer, the intent of the CS district is to allow for commercial businesses that may have adverse impacts on surrounding areas. As such, the areas where this zoning is applied may be best suited for unique land uses which may include cannabis manufacturing operations. Staff recommends additional discussion on whether to permit this use in the CS and CORE zoning districts.

RECOMMENDATION:

- Add “Manufacturer” to Commercial Land Use Table 4-6 in the CS zoning district;
- Add “Manufacturer” to Manufacturing/Industrial Land Use Table 4-8 in the ML, MG and IOMU zoning districts;
- Add “Manufacturer” to the Airport Land Use Table 4-10 in the AM zoning district; and
- Add “Manufacturer” to TND Land Use Table 6-1 in the CORE zoning district.

5. **Retailer – Delivery only.** A non-storefront, delivery only retailer as a commercial cannabis business facility where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale to customers, where the premises are non-storefront, closed to the public, and sales are conducted exclusively by delivery, where a vehicle is used to convey the cannabis or cannabis products to the customer from a fixed location, and where the operator is authorized by the City of Chico to operate as a retailer, and holds a valid state license as required by state law to operate as a retailer.

Similar land uses/definitions considered: Accessory retail uses, Business Support Services, Retails Stores – general merchandise

TABLE 4-6 [CMC 19.44.020]
Existing Allowed Uses and Permit Requirements for Commercial Zoning Districts

Land Use	Permit Requirement by Zone								Subject to Standards in Section/ Chapter:
	OR	OC	CN	CC	DN	DS	CS	CR	
<i>Retail Trade Uses</i>									

Attachment C

Accessory retail uses	P	P	P	P	P	P	P	P	19.76.020
Business support services		P	P	P	P	P	P		
Retail stores, general merchandise, 2,500 sq. ft. or less			P	P	P	P	P	P	
Retail stores, general merchandise, 2,500 sq. ft. or larger			UP	P	P	P	P	P	

TABLE 4-8 [CMC 19.46.020]
Existing Allowed Uses and Permit Requirements for Industrial Zoning Districts

Land Use	Permit Requirements by Zone			Subject to Standards in Section/ Chapter:
	ML	MG	IOMU	
<i>Retail Uses</i>				
Accessory retail uses	P	P	P	
<i>Services</i>				
Business support services	P	P	P	

TABLE 4-10 [CMC 19.48.050]
Allowed Uses and Permit Requirements for Airport Zoning Districts

Land Use	Permit Requirements by Zone				Subject to Standards in Section/ Chapter:
	A(2)	AC(3)	AM(4)	AP	
<i>Retail Uses</i>					
Accessory retail uses	P	P	P		
<i>Services</i>					
Business support services	UP	P	P		

TABLE 6-1 [CMC 19.80.070]
Existing Allowed Uses and Permit Requirements for TND Zoning Districts

Land Use	Permit Requirement by Zone				Subject to Standards in Section/ Chapter:
	NE	NG	NC	CORE	
<i>Retail Uses</i>					
Accessory retail uses			P	P	
<i>Services</i>					

Business support services			P	P	
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Land Use Analysis for “Retailer – Delivery only”

“Accessory Retail Uses” are defined as retail sales of various products (including food) in a store or similar facility that is located within a health care, hotel, office, or industrial complex for the purpose of serving employees or customers. These uses include pharmacies, gift shops, and food service establishments within hospitals, and convenience stores and food service establishments within hotel, office, and industrial complexes.

“Business Support Services” are establishments primarily within structures, providing other businesses with services, including maintenance, repair, service, testing, rental, and also including:

- | | |
|--|---|
| Blueprinting | Mail advertising services (reproduction and shipping) |
| Business equipment repair services | Office equipment rental and repair |
| Commercial art and design (production) | Other "heavy service" business services |
| Computer-related services (rental, repair) | Outdoor advertising services |
| Copying, quick printing, and blueprinting services | Photocopying |
| Equipment rental businesses within buildings | Photofinishing |
| Equipment repair services where repair occurs on the client's site | Protective services (other than office-related) |
| Film processing laboratories | Soils and materials testing laboratories |
| Janitorial services | Window cleaning |

“Retail Stores, General Merchandise” include retail trade establishments selling many lines of merchandise. These stores and lines of merchandise include but are not limited to:

- | | |
|---|---|
| Art supplies | Hardware |
| Auto parts (not repair or machine shops) | Hobby materials |
| Bakeries (retail only) | Jewelry |
| Bicycles and mopeds | Luggage and leather goods |
| Books | Musical instruments, parts, and accessories |
| Clothing and accessories | Newsstands |
| Department stores | Orthopedic supplies |
| Discount stores | Religious goods |
| Dry goods | Secondhand stores |
| Fabrics and sewing supplies | Small wares |
| Florists and houseplant stores (indoor sales only; outdoor sales are "Plant Nurseries") | Specialty shops |
| General stores | Sporting goods and equipment |
| Gifts, novelties and souvenirs | Stationery |
| Handcrafted items (stores may include crafting operations subordinate to sales) | Toys and games |
| | Variety stores |

CMC Section 19.76.020 states that accessory retail uses are allowed, provided there will be only minor external evidence of any commercial activity other than the *main* use of the site. By definition, accessory retail is considered a secondary land use and would not be the appropriate category for retail – delivery only, which is a primary land use. The frequency of deliveries and vehicle traffic to and from the site should be considered.

The definition for retail stores is not the best fit as this type of use would involve no customer visits to the facility and be limited to delivery retail sales only. Furthermore, retail stores are not a permitted use in industrial or airport zoning districts, where this a cannabis delivery service may be appropriate.

Staff would consider a retailer – delivery use to be most similar to business support services, based upon the land use definitions.

Zoning Analysis for “Retailer – Delivery only”

Accessory retail uses are permitted in almost every zoning district, while retail stores are not allowed in any industrial or airport districts, as well as the OR and OC commercial zones. The zoning districts in which “business support services” are limited to may be the most compatible with a retailer – delivery/non-storefront use. Staff would recommend permitting retailer – delivery only uses of the zoning districts where business support services are allowed, with exceptions as previously noted.

RECOMMENDATION:

- Add “Retailers – delivery only” to Commercial Land Use Table 4-6 in the OC, CC and CS zoning districts;
- Add “Retailers – delivery only” to Manufacturing/Industrial Land Use Table 4-8 in the ML, MG and IOMU zoning districts;
- Add “Retailers – delivery only” to Airport Land Use Table 4-10 in the AC and AM zoning districts; and
- Add “Retailers – delivery only” to Traditional Neighborhood Development (TND) Land Use Table 6-1 in the CORE zoning district.

SUMMARY OF RECOMMENDATIONS

- A. Amend Commercial Land Use Table 4-6 in CMC Chapter 19.44 to include the following commercial cannabis uses:
- a. Retailers – storefront in the CC, CS and CR
 - b. Testing laboratories in the OC, CC and CS
 - c. Distributors in the CS
 - d. Manufacturers in the CS
 - e. Retailer – delivery only in the OC, CC and CS

Land Use	Permit Requirement by Zone								Subject to Standards in Section/ Chapter:
	OR	OC	CN	CC	DN	DS	CS	CR	
<i>Manufacturing and Processing Uses</i>									
Cannabis Distributor							P		19.75
<i>Retail Trade Uses</i>									
Cannabis Retailer – Storefront				UP			UP	UP	19.75
Cannabis Retailer – Delivery Only		P		P			P		19.75
<i>Service Uses</i>									
Cannabis Testing Laboratory		P		P			P		19.75

- B. Amend Manufacturing/Industrial Land Use Table 4-8 in CMC Chapter 19.46 to include:
- a. Testing laboratories, Distributors, Manufacturers and Retailer – delivery only in the ML, MG and IOMU zoning districts

Land Use	Permit Requirements by Zone			Subject to Standards in Section/ Chapter:
	ML	MG	IOMU	
<i>Manufacturing and Processing Uses</i>				
Cannabis Distributor	P	P	P	19.75
Cannabis Manufacturer	P	P	P	19.75
<i>Retail Uses</i>				

Attachment C

Cannabis Retailer – Delivery Only	P	P	P	19.75
<i>Services</i>				
Cannabis Testing laboratory	P	P	P	19.75

C. Amend Airport Land Use Table 4-10 in CMC Chapter 19.48 to include:

- a. Manufacturers in the AM zoning district; and
- b. Testing laboratories, Distributors, and Retailer – delivery only in the AC and AM zoning districts

Land Use	Permit Requirements by Zone				Subject to Standards in Section/ Chapter:
	A(2)	AC(3)	AM(4)	AP	
<i>Manufacturing and Processing Uses</i>					
Cannabis Distributor		P	P		19.75
Cannabis Manufacturer			P		19.75
<i>Retail Uses</i>					
Cannabis Retailer – Delivery Only		P	P		19.75
<i>Services</i>					
Cannabis Testing laboratory		P	P		19.75

D. Amend Traditional Neighborhood Development (TND) Land Use Table 6-1 in CMC Chapter 19.80.070 to include:

- a. Retailers – Storefront in the CORE with Use Permit approval
- b. Manufacturers, Testing Laboratories, Retailers – Delivery Only in the CORE zoning district

Land Use	Permit Requirement by Zone				Subject to Standards in Section/ Chapter:
	NE	NG	NC	CORE	
<i>Manufacturing and Processing Uses</i>					
Cannabis Manufacturer				P	19.75
<i>Retail/Trade Uses</i>					
Cannabis Retailer – Storefront				UP	19.75
Cannabis Retailer – Delivery Only				P	19.75

Attachment C

<i>Services</i>					
Testing laboratory				P	19.75

MAPID Name**1,000 FT BUFFERS**

CUSD Schools

1	Chico HS
5	Marsh JHS
6	Chico JHS
15	Fairview HS
19	Bidwell JHS
37	Academy for Change HS
38	Pleasant Valley HS
40	Oak Bridge Academy (online, 6-12)
66	Inspire CHS

CUSD Charter Schools

12	Chico Country Day CES
34	Blue Oak CS
42	CORE Butte CHS
57	Wildflower Charter CS

Private Schools

20	Chico Oaks Adventist ES (Preschool - 8)
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600 FT BUFFERS

CUSD Schools

3	Little Chico Creek ES
7	Citrus ES
8	Emma Wilson ES
11	Rosedale ES
17	Marigold ES
18	Loma Vista SS
22	Hooker Oak ES
24	Sierra View ES
25	Neil Dow ES
27	Chapman ES
29	McManus ES
32	Parkview ES
33	Shasta ES

Private Schools

10	Notre Dame PES
35	Progressive PES
60	Pleasant Valley Baptist PES
49	Paradise Adventist PES (temporary)

Paradise Charter Schools (relocations)

43	Achieve Charter School of Paradise CES (temporary)
44	Children's Community School of Paradise CES (temporary)

KEY

ES	Elementary School
JHS	Junior High School
HS	High School
SS	Special Services School
C	Charter School
P	Private School

MAPID Name**600 FT BUFFERS**

Daycares, Preschools, Youth Centers

2	Head Start Preschool
4	BCOE Preschool
9	Head Start Preschool
13	Children's Community - Children Center
14	Castles Preschool
16	Peanut Butter Palace
21	Kinder Kids
23	Little Discoveries
26	Chico Montessori Children's Playhouse
28	Laura's Preschool
30	Storybook Schoolhouse
31	Laura's Daycare
36	Mi Escuelita Maya
39	Little Sprouts
41	Smart Start Preschool
45	Kids Need to Be Kids
46	Boys & Girls Club
47	Teen Center
48	Bright Beginnings
50	Super Luper Kids
51	Child Development Lab / Preschool (CSUC)
52	King's Christian Preschool
53	Parkside Preschool & Daycare
54	Sunny Garden Montessori
55	Salvation Army Youth Complex
56	Enchanted Play Center
58	Little Treasures
59	Lutheran Church Preschool
61	Youth Center
62	Notre Dame Preschool
63	Dorothy Johnson Community Center
64	Bidwell Academy
65	Esplanade House Childcare
67	Kids Park

HIGHLIGHTED AREAS

Regional Commercial Areas

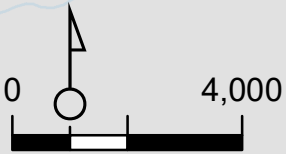
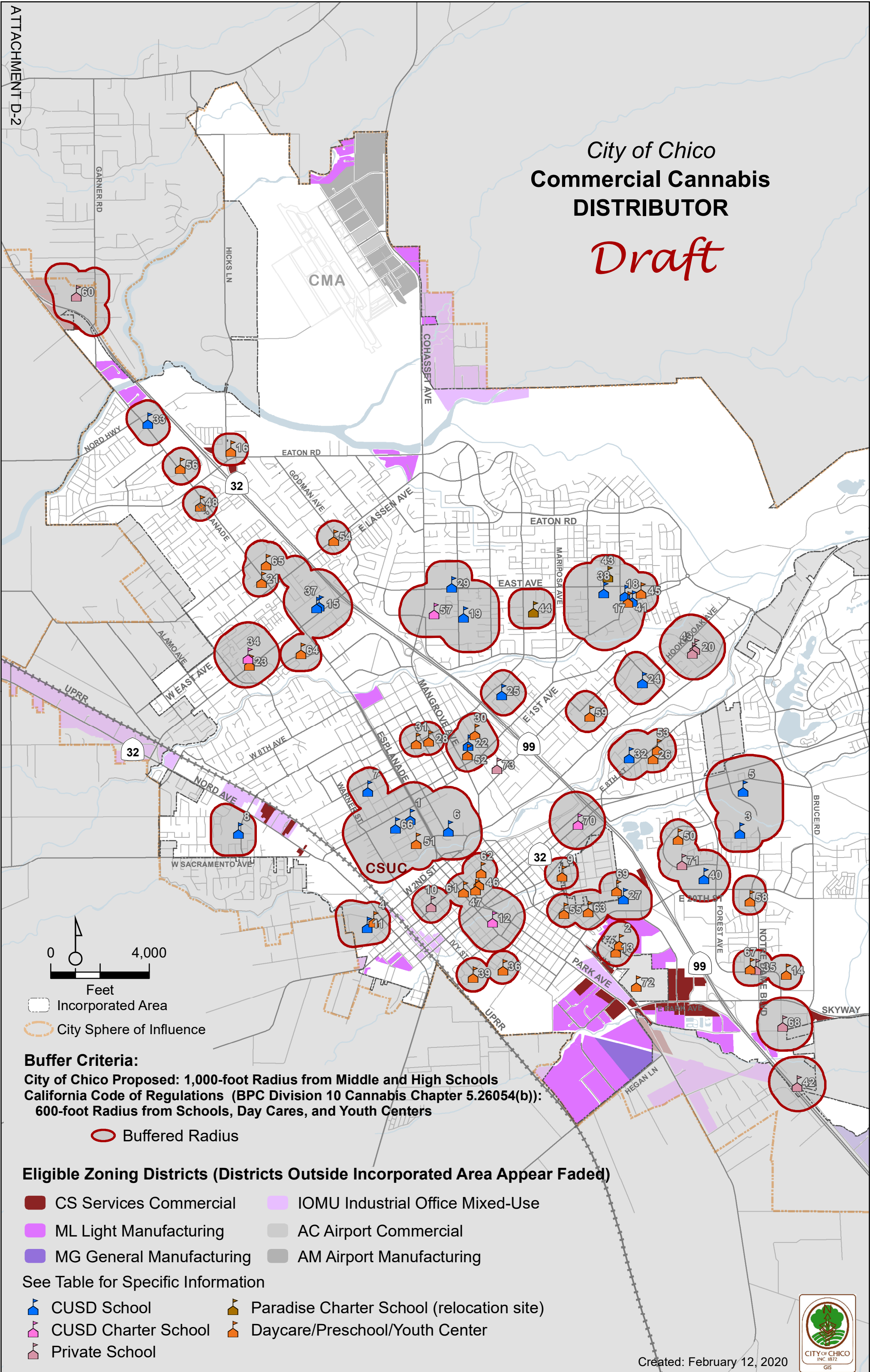
A	Skyway
B	E 20th Street
C	North Valley Plaza

Corridors

1	Esplanade
2	Mangrove Avenue
3	Nord Avenue / Walnut Street
4	Park Avenue

City of Chico Commercial Cannabis DISTRIBUTOR

Draft



- Incorporated Area
- City Sphere of Influence

Buffer Criteria:

City of Chico Proposed: 1,000-foot Radius from Middle and High Schools
 California Code of Regulations (BPC Division 10 Cannabis Chapter 5.26054(b)):
 600-foot Radius from Schools, Day Cares, and Youth Centers

- Buffered Radius

Eligible Zoning Districts (Districts Outside Incorporated Area Appear Faded)

- CS Services Commercial
- IOMU Industrial Office Mixed-Use
- ML Light Manufacturing
- AC Airport Commercial
- MG General Manufacturing
- AM Airport Manufacturing

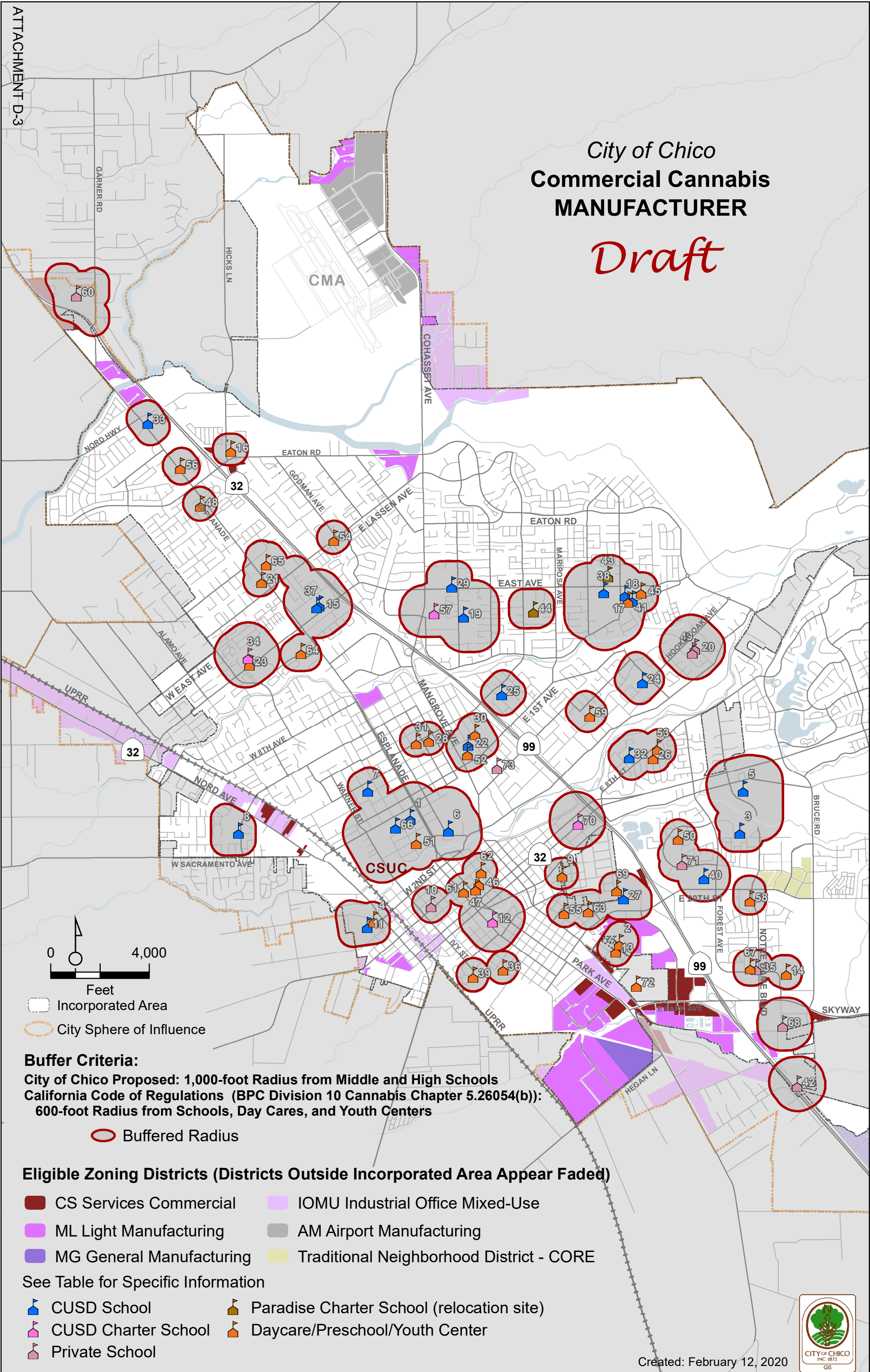
See Table for Specific Information

- CUSD School
- Paradise Charter School (relocation site)
- CUSD Charter School
- Daycare/Preschool/Youth Center
- Private School



City of Chico Commercial Cannabis MANUFACTURER

Draft



Buffer Criteria:

City of Chico Proposed: 1,000-foot Radius from Middle and High Schools
 California Code of Regulations (BPC Division 10 Cannabis Chapter 5.26054(b)):
 600-foot Radius from Schools, Day Cares, and Youth Centers

Buffered Radius

Eligible Zoning Districts (Districts Outside Incorporated Area Appear Faded)

- CS Services Commercial
- IOMU Industrial Office Mixed-Use
- ML Light Manufacturing
- AM Airport Manufacturing
- MG General Manufacturing
- Traditional Neighborhood District - CORE

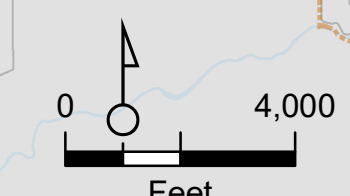
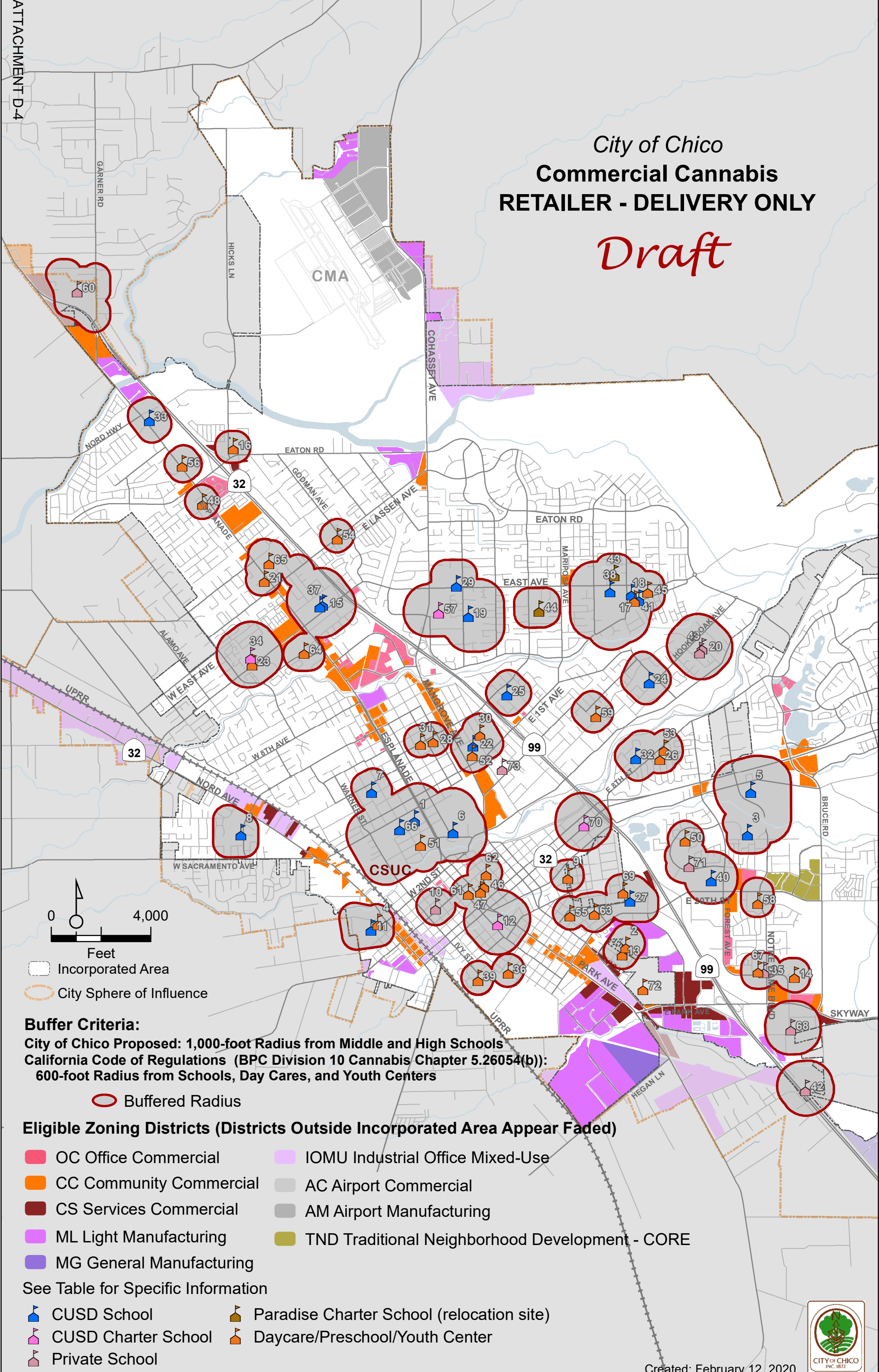
See Table for Specific Information

- CUSD School
- Paradise Charter School (relocation site)
- CUSD Charter School
- Daycare/Preschool/Youth Center
- Private School



City of Chico Commercial Cannabis RETAILER - DELIVERY ONLY

Draft



- Feet
- Incorporated Area
- City Sphere of Influence

Buffer Criteria:

City of Chico Proposed: 1,000-foot Radius from Middle and High Schools
 California Code of Regulations (BPC Division 10 Cannabis Chapter 5.26054(b)):
 600-foot Radius from Schools, Day Cares, and Youth Centers

Buffered Radius

Eligible Zoning Districts (Districts Outside Incorporated Area Appear Faded)

- | | |
|--------------------------|---|
| OC Office Commercial | IOMU Industrial Office Mixed-Use |
| CC Community Commercial | AC Airport Commercial |
| CS Services Commercial | AM Airport Manufacturing |
| ML Light Manufacturing | TND Traditional Neighborhood Development - CORE |
| MG General Manufacturing | |

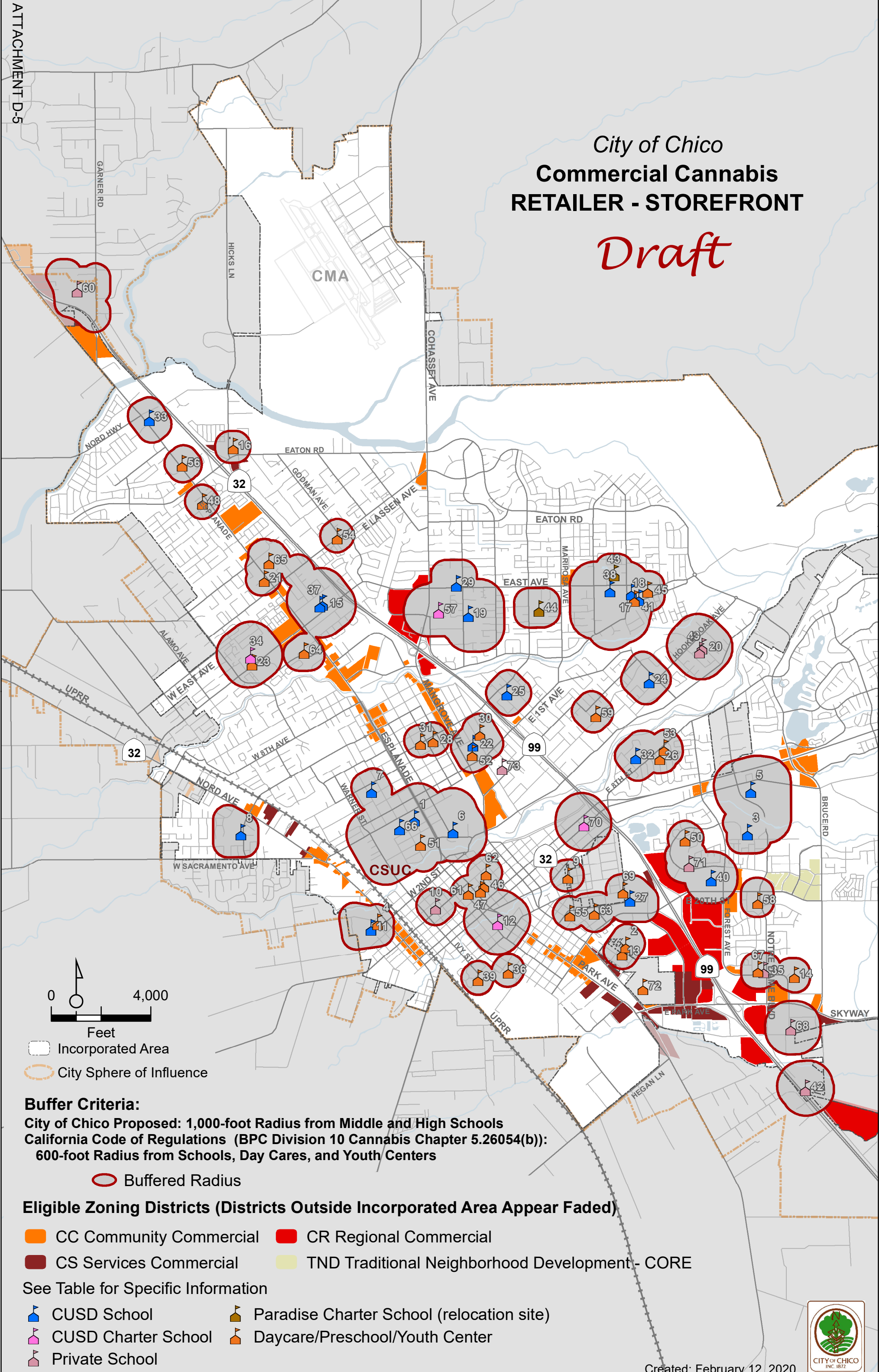
See Table for Specific Information

- | | |
|---------------------|---|
| CUSD School | Paradise Charter School (relocation site) |
| CUSD Charter School | Daycare/Preschool/Youth Center |
| Private School | |



City of Chico Commercial Cannabis RETAILER - STOREFRONT

Draft



Buffer Criteria:
 City of Chico Proposed: 1,000-foot Radius from Middle and High Schools
 California Code of Regulations (BPC Division 10 Cannabis Chapter 5.26054(b)):
 600-foot Radius from Schools, Day Cares, and Youth Centers

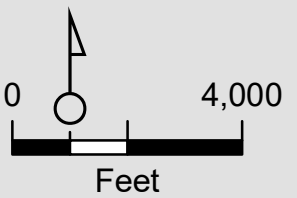
Buffered Radius

Eligible Zoning Districts (Districts Outside Incorporated Area Appear Faded)

- CC Community Commercial
- CR Regional Commercial
- CS Services Commercial
- TND Traditional Neighborhood Development - CORE

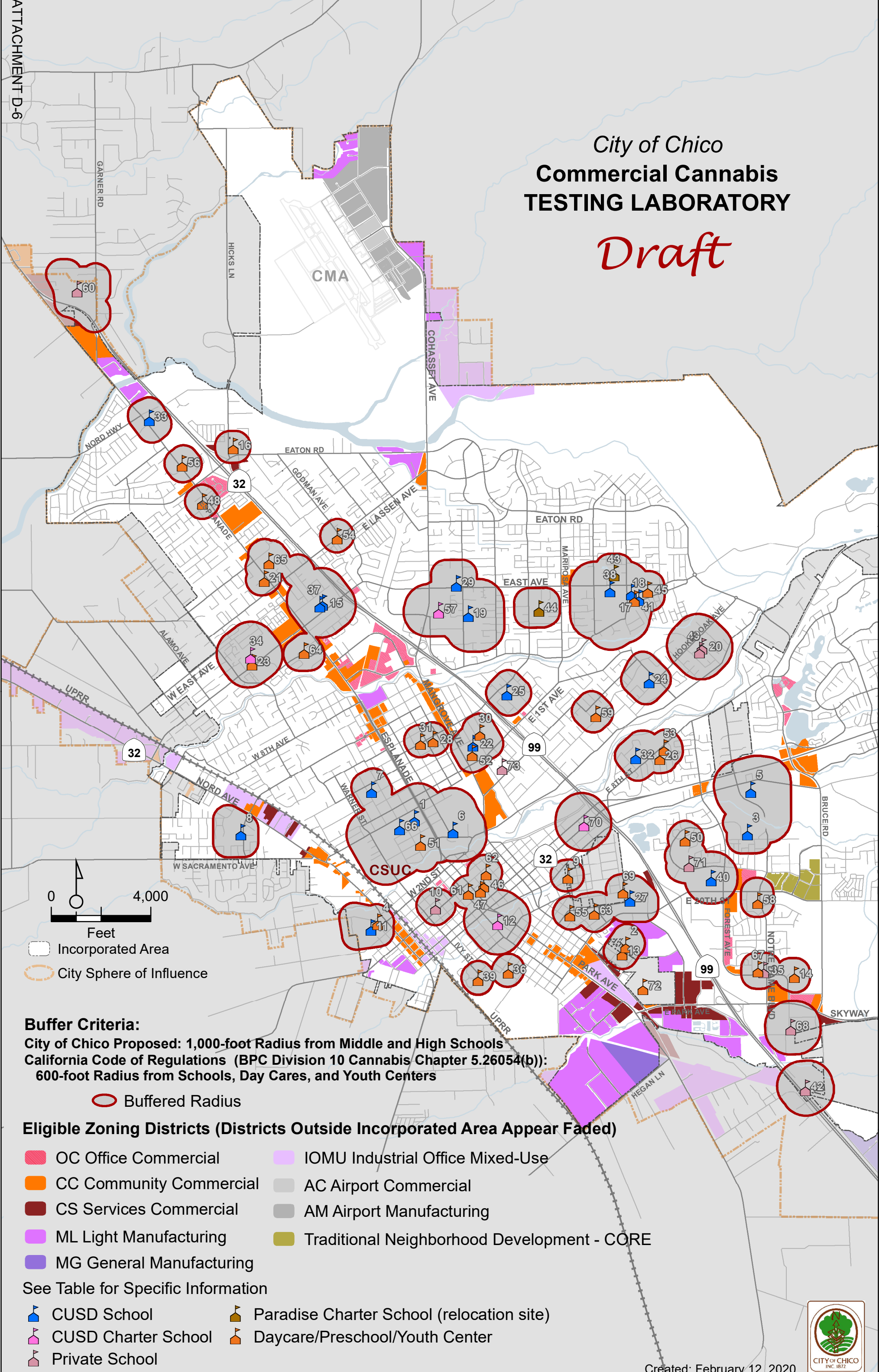
See Table for Specific Information

- CUSD School
- Paradise Charter School (relocation site)
- CUSD Charter School
- Daycare/Preschool/Youth Center
- Private School



City of Chico Commercial Cannabis TESTING LABORATORY

Draft



0 4,000
Feet
 Incorporated Area
 City Sphere of Influence

Buffer Criteria:
 City of Chico Proposed: 1,000-foot Radius from Middle and High Schools
 California Code of Regulations (BPC Division 10 Cannabis Chapter 5.26054(b)):
 600-foot Radius from Schools, Day Cares, and Youth Centers

○ Buffered Radius

Eligible Zoning Districts (Districts Outside Incorporated Area Appear Faded)

- | | |
|--------------------------|---|
| OC Office Commercial | IOMU Industrial Office Mixed-Use |
| CC Community Commercial | AC Airport Commercial |
| CS Services Commercial | AM Airport Manufacturing |
| ML Light Manufacturing | Traditional Neighborhood Development - CORE |
| MG General Manufacturing | |

See Table for Specific Information

- | | |
|----------------------|---|
| CUUSD School | Paradise Charter School (relocation site) |
| CUUSD Charter School | Daycare/Preschool/Youth Center |
| Private School | |





February 07, 2020

**COLDWELL BANKER COMMERCIAL
DUFOR REALTY**
1350 E. LASSEN AVE., SUITE #1
CHICO, CA 95973
BUS. (530) 895-1545
FAX (530) 343-8233

TO: City of Chico Planning Commission

FROM: Mr. Brian Littrell, Coldwell Banker Commercial Dufour.

RE: Proposed Cannabis Ordinance: Clarification of Cannabis Manufacturing Activities, as they pertain to Manufacturing Zoning, and existing Conforming Land Uses. Request for consideration; Inclusion of verbiage to allow Cannabis/Hemp plant Research and Development, and Commercial Plant Nurseries, to Wholesale Cannabis/Hemp root and seed stock, within established Manufacturing Zones, with both pre-existing, and already Conforming Title 19 Land Use Designation(s) for; Research and Development, Commercial Plant Nurseries, and Wholesale and Distribution.

Dear Chico Planning Commission,

My name is Mr. Brian Littrell, I am a Chico State graduate, and twenty four year resident of Chico. I have been a full time licensed Real Estate Professional here in town for the past 19 years, and currently work for Coldwell Banker Commercial Dufour. I have a Botanical Research and Development Company that I am trying to bring to Chico, called Innovative Research and Biomedics, but it seems to fall into a "grey area" when it comes to the new Cannabis Ordinance, because Cannabis/Hemp Research and Development, as well as Commercial Cannabis/Hemp Plant Nurseries, are not specifically addressed in the Ordinance, one way or another.

IRB studies plants, to research and identify beneficial botanicals, or other naturally occurring compounds, in both Cannabis/Hemp (i.e. CBD for cancer) and other plant types, like hot peppers (i.e. Capsaicin oil for arthritis), to help improve, and enrich the quality of life, health, and well being of individuals, and share that research with the world.

To pay the rent, IRB also is a commercial plant nursery, that wholesales immature plants and commercial seed stock, to Licensed Cannabis/Hemp farms around the State. A perfect example of this model, with similar laboratory and operations is; the world renowned, Sierra Gold Nursery, whom through the use of micropropagation and plant tissue culture techniques, manufactures immature fruit and nut trees, for wholesale and distribution, to tree farmers and orchard owners, throughout the world. For an example of their state of the art facility, please see; "Sierra Gold Nursery Tissue Culture Lab". <https://youtu.be/ze7igYT-s4A>

Under the existing Title 19 Land Use Designations for Manufacturing Zones, these business types and activities are both permissible, and already Conforming Uses, without the need of any additional City approvals, such as a Conditional Use Permit. (Excluding Butte County Ag Commissioner approval, and a State of California; Type 4, Commercial Cannabis Nursery License).

Manufacturing/Industrial Zoning Allowed Uses:

(See Title 19: 19.46.020 Manufacturing/industrial zone land uses and permit requirements.

Table 4-8 ALLOWED USES AND PERMIT REQUIREMENTS FOR MANUFACTURING & INDUSTRIAL ZONING DISTRICTS.)

- **Greenhouses, Commercial: Permitted** in ML, MG, and IOMU Zones (Not Subject to Standards in other Sections/Chapters).
- **Wholesaling and Distribution: Permitted** in ML, MG, and IOMU Zones (Not Subject to Standards in other Sections/Chapters).
- **Research and Development: Permitted** in ML, MG, and IOMU Zones (Not Subject to Standards in other Sections/Chapters).
- **Pharmaceuticals: Permitted** in ML, MG, and IOMU Zones (Not Subject to Standards in other Sections/Chapters).
- **Schools-Specialized Education and Training: Permitted** in ML, MG, and IOMU Zones (Not Subject to Standards in other Sections/Chapters).

The ambiguity for placing this Company arises with the new Cannabis Ordinance, which proposes to allow for unlimited Cannabis manufacturing businesses (except for cultivation, or micro business license types), within designated Manufacturing Zones, but does not specifically address, or define; 1) Cannabis/Hemp Research, 2) Commercial Cannabis/Hemp Plant Nurseries, 3) "Micropropagation or Plant Tissue Culture (i.e. cloning) of immature Cannabis plants, or 4) the generation of seed stock for a commercial seed bank, as permissible or allowable Cannabis Manufacturing Activities. Since the immature plants are grown in test tubes, from a tissue sample, or small cutting off of another clone or mother plant, and then sold, once rooted, as immature plants,(i.e. not grown to maturity onsite); by both process and definition, this is "Manufacturing" and "Propagation", not "Cultivation", and needs to be defined as such, so that these activities do not get excluded, or merely not allowed, because of an oversight , and the fact that they were not specifically addressed in the Ordinance.

In summary, I truly believe that Innovative Research and Biomedics is a shining example of the creative and entrepreneurial spirit that this town was founded on, and continues to make it a great today. Chico is, was, and always will be an Ag town, and now legalized; Commercial Cannabis and Hemp are, and should be considered just another Agriculture Commodity or Market, no different than Almonds, Rice, or Walnuts, so why not embrace it as such? Simply put; my goal is to help contribute, and be part of the revolutionary breakthroughs occurring in both plant and medical sciences happening today, now that legitimate Cannabis/Hemp research and clinical trials are able to be legally conducted. I want to embrace our community's agricultural roots, and at the same time put it on the cutting edge of the industry. We have the opportunity to enrich our community, by making something great together, and at the same time, trying to help a bunch of people along the way, with a natural approach to health and wellness. This is my vision. This is my dream. Now your decision makes it real.

Thank you for your time and consideration. I look forward to hearing your feedback, and addressing any questions or concerns you may have. For more information or to discuss in further detail, call Brian Littrell at (530) 514-9035, or email: blittrell@gmail.com

Innovative Research and Biomedics Overview and Summary of Benefits.

Building and Facilities:

Located within one of the City's Enterprise/Opportunity Zones, the proposed location for the IRB Research Center is 1072 Marauder St. Suite "K", Chico CA 95973 (APN 047-560-055). The Subject Property is situated within the City of Chico, and connected to City Services (including Sanitary Sewer system). The property consists of a pre existing, 35,312 sq. ft. concrete tilt up building, constructed in 1988, on a 2.87 acre paved parcel, with existing Industrial/Manufacturing zoning designation. The Suite is approx. 4800 total sq. ft., and currently consists of approximately 3300 sq. ft. of professional office space, with attached warehouse (approx. 1500 sq. ft.). The facility is located near the Chico Municipal Airport, and is more than 1000 feet from any other Commercial Cannabis Licensed businesses, or designated schools, day care, etc. The Landlord/Property Owner has also given his approval for the business and use, at the Subject Property.

Historic Use of Building and Suite:

The historic use of the building and Subject Property has been primarily warehousing/distribution, and light manufacturing. The last use of the proposed Suite was a research and development company, which had a "clean room" and lab area, used to grow human cartilage, into prosthetic ears and noses for human transplant. Because the intended research and development use is very similar to the previous tenant's use, the space has already proven to conform with previous City approval(s) and Zoning Compliance, in regards to Title 19, Land Use Regulations. Because of its' historic use, it should also not require a "Change of Use" process, or any additional Development Impact Fees.

Operations:

The secure facility will be separated into three primary components; 1) a "clean room" or sterile laboratory environment, 2) an indoor hydroponic/vertical farming plant nursery, and 3) wholesaling and distribution center/office. The day to day operations of the lab will consist of plant tissue micropropagation and cloning of mother plants (i.e. generating little plants from plant tissue cultures, developing them in test tubes/little jars until rooted, and then transferred into the nursery room). The lab will also conduct small controlled pollination projects/experiments, to produce hybrid plant types and commercial seed stock. The plant nursery area, serves a dual purpose; both as a plant genetic bank, and an immature plant development system (for an example, see YouTube.com; "The Bowery, Vertical Farm" in New Jersey at https://youtu.be/_BmuxlprjdU

The immature plants are nurtured for approx. 2-3 weeks, in a vertically stacked hydroponic watering system, under LED lights, and then once strong enough to survive outside the controlled environment, they are shipped out to licensed farms around the State. Both the Lab and Nursery will be restricted "Authorized Personnel Only" areas, secured with; an alarm, electric locks with ID Badge/Key FOB system, security guard(s), and camera system.

Operations (Cont):

The Wholesaling and Distribution Center which utilizes the “Track and Trace” Inventory system, will handle order fulfillments, packaging and shipping of the small plants/seeds to the State Licensed Farms and Distributors, and reporting of “Track and Trace” serial number transfers to the State Bureau of Cannabis.

There will also be an Administration and Office area that will be securely separated from the Lab, Nursery and Distribution area. It will be the only “General Public” area in the facility, but still with very limited access, for only purposes such as; business meetings, software development (i.e. for “Track and Trace”), or shipping and receiving. The General Office day to day operations will consist of; Administrative activities, including; Marketing, Accounting, Public Relations, Human Resources, Sales, software development, etc. There will be no onsite retail sales at the facility, and no readily available, or usable Cannabis products manufactured, or kept on site.

Industry and Market Summary:

According to the Cannabiz Media License Database, as of 2019 there are currently 690 adult use cultivation licenses and 1682 medical licenses in California. This number is expected to double in the next 2 years, as more and more Counties and Municipalities, approve Commercial Cannabis Licenses. In comparison, there are only a handful of active Cannabis Nursery Licenses to provide them clones/root stock or seeds.

With most farms now cultivating in large green houses or indoor facilities of upwards of 25,000 sq. ft. to 100,000 sq. ft., planting on average 1000-5000 plants per cycle, and harvesting 3-4 times a year, means the demand for clones and commercial seed stock will continue to grow exponentially over the next five years, making this business model and concept extremely viable over that same time frame.

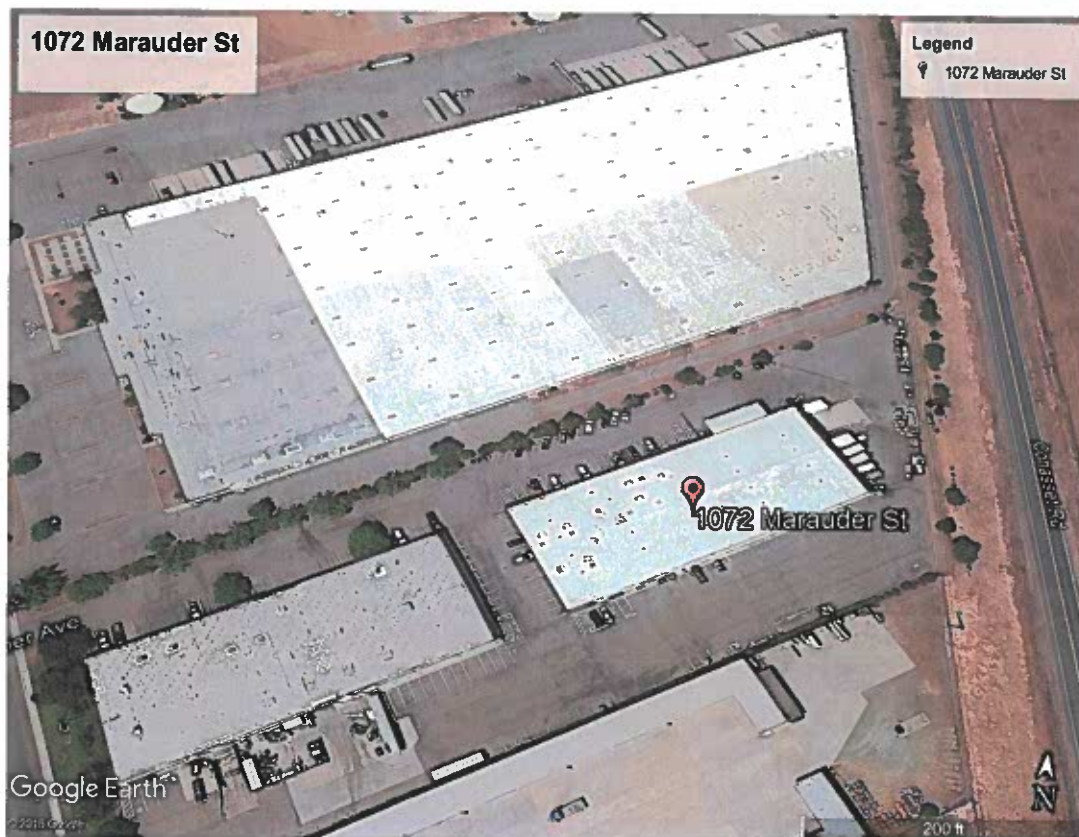
5 Year Estimated Income/Sales Volume

<u>Year</u>	<u>Units Sold</u>	<u>Price per Unit</u>	<u>Total</u>
1.	100,000	@ \$10.00	= \$1,000,000.00
2.	400,000	@\$8.00	= \$3,200,000.00
3.	1,000,000	@\$6.00	= \$6,000,000.00
4.	2,000,000	@\$5.00	= \$10,000,000.00
5.	<u>2,500,000</u>	<u>@\$4.00</u>	<u>= \$10,000,000.00</u>
	6,000,000		\$30,200,000.00

Summary of Benefits:

- Utilizes and promotes the use of The City Enterprise/Opportunity Zones.
- Creates 15-20 jobs. (Initial estimate, once in full operation).
- Majority of Revenue originates from outside the County. (No Commercial Cannabis Cultivation Licenses permitted in Butte County currently, so the only local sales would be to the handful of local Licensed Hemp farms, at this time).
- Generates a new City/Local Tax per Unit or plant/seed sold. (Example: 1,000,000 units sold X \$0.25 per unit = \$250,000 annually).
- Generates additional State/Local Sales Tax. (Example: 1,000,000 units sold @ \$5 per unit = \$5,000,000 x 7.75% = \$387,500.00 annually).
- Light impact on City Services and Utilities, including;
 - a) Minimal discharge into City Sanitary Sewer System. (Washing lab/grow equipment only. Plant nursery water containing fertilizers and nutrients, is reused to water mother plants and nursery root stock kept in soil).
 - b) Light Trash and Recycling disposal (Use of reusable plastic/glass lab/grow equipment, minimizes trash or packaging waste).
 - c) Nominal water usage (small plants and clones do not need much water. De-humidifiers also pull moisture from the inside air, and the clean water generated is collected, and re-circulated into the hydroponic watering system).
 - d) Minimal fertilizer and pesticide use (small plants do not need much food, and an indoor closed system environment minimizes pests and disease).
 - e) Low energy use. (Primarily LED lighting throughout facility. No high wattage grow lights).
 - f) All plant clippings or organic waste material is composted and reused as fertilizer for the mother plant(s), or rootstock orders, requesting plant orders in soil.
- Low threat of theft or crime. (No significant "street value" or "black market" potential for immature small plants or seeds. No finished Cannabis products manufactured or kept on site).
- Uses State Required "Track and Trace System", to inventory and keep track of all plants/seeds from germination in the lab, to sale to the farm, (and ultimately end sale to the consumer at the retail storefront. (Work with Local Officials and Law Enforcement to help establish a "standard of care" or "regimented inventory process/system" for the future Commercial Cannabis Cultivation Ordinance.
- Accredited Plant Micropropagation Lab, and Vertical Farming Program, for CSU Chico AG students to earn units towards their Degree.

1072 Marauder St. Chico CA 95973 Aerial Photos



1072 Marauder St. Chico CA 95973
Building exterior photos



1072 Marauder St. Chico CA 95973
Building interior photos

