

**CITY OF RED BLUFF
MEASURE E
ORDINANCE NO. 1069**

ORDINANCE OF THE PEOPLE OF THE CITY OF RED BLUFF APPROVING COMMERCIAL CANNABIS ACTIVITIES

The People of the City of Red Bluff do hereby ordain as follows:

THAT CHAPTER 25: ZONING, ARTICLE XXII: PROHIBITED USES, SECTION 25.214 (MARIJUANA CULTIVATION, PROCESSING, DELIVERY, AND DISPENSARIES PROHIBITED) OF THE RED BLUFF MUNICIPAL CODE BE **DELETED**; AND THAT CHAPTER 25: ZONING, ARTICLE XXVIII: COMMERCIAL CANNABIS REGULATION, SECTION 25.260.000 et. seq. OF THE RED BLUFF MUNICIPAL CODE BE **ADDED** to regulate Commercial and personal Cannabis uses as follows:

SECTION 1. Current CHAPTER 25: ZONING, Article XXII: Prohibited Uses, Section 25.214: Marijuana Cultivation, Processing, Delivery, and Dispensaries, is **deleted**.

SECTION 2. CHAPTER 25: ZONING, Article XXVIII: Commercial Cannabis Regulation, Section 25.260, et. seq., is **added**.

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GENERALLY

25.260.010 Purpose and intent.

The purpose of this Article is to regulate Commercial and personal Cannabis activity in the City of Red Bluff, by enacting Permitting and regulatory procedures for this action. It is the purpose and intent of this Article to provide access to Cannabis as authorized by the California Medicinal and Adult-Use Cannabis Regulation and Safety

Act ("MAUCRSA" or the Act), and related laws, Regulations, and policies issued by the State of California, while imposing reasonable Regulations on Commercial activities to protect the City's residents, neighborhoods, and businesses from significant negative impacts. As such, it is the purpose and intent of this chapter to regulate the Commercial Cannabis Business activity in a responsible manner to protect the health, safety, and welfare of the residents of the City of Red Bluff and to enforce local rules and Regulations consistent with State Law. Nothing in this Article is intended to authorize the Possession, use, or provision of Cannabis for purposes that violate State Law. The provisions of this Article are in addition to any other Permits, Licenses, approvals, and compliance or regulatory inspections which may be required to conduct business in the City, and are in addition to any Permits, Licenses, approvals and compliance or regulatory inspections required under the City of Red Bluff, the State of California, or other state and local laws, rules and Regulations.

25.260.020 Commercial Cannabis Businesses prohibited unless specifically authorized.

Engaging in, conducting or operating Commercial Cannabis Businesses, shall be unlawful and prohibited, except as specifically authorized by State Law, and local law.

25.260.030 Compliance with state and local laws.

Nothing in this Article shall be construed as authorizing any actions that violate State Law with respect to engaging in, or in the Operation of, a Commercial Cannabis Business. It shall be the responsibility of the Permittees and Responsible Persons of a Commercial Cannabis Business to ensure that a Commercial Cannabis Business is, at all times, operating in a manner compliant with all applicable State and local laws.

25.260.040 Definitions.

When used in this Article and in Article XXV, and all other codes, ordinances, and resolutions of the City of Red Bluff-regarding Commercial Cannabis Businesses and uses, the following words shall have the meanings ascribed to them as set forth herein. Any reference to California statutes includes any Regulations promulgated thereunder and is deemed to include any successor or amended version of the referenced statute or regulatory provision.

"Act" shall mean the California Medicinal and Adult-Use Cannabis Regulation and Safety Act, as in California Business and Professions Code section 26000 et seq. "Act" may also be used interchangeably with "MAUCRSA."

"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.

"BCC" means the Bureau of Cannabis Control, an agency of the state of California charged as the lead agency in regulating Commercial Cannabis Licenses for medical and adult-use Cannabis in California.

"Business License" is the License issued by the City's Finance Department after payment of the business fee as set forth in Chapter 12 of the City of Red Bluff City Code.

"CalCannabis" means CalCannabis Cultivation Licensing, a division of the California Department of Food and Agriculture (CDFA), which oversees licensing and regulating Commercial Cannabis cultivators in California.

"Cannabis" means all parts of the Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis plants, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of a Cannabis 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" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, Manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, "Cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the California Health and Safety Code. 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.

"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 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 or solution/ dilution, 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.

“City” means the City of Red Bluff, California.

“City Clerk” means the City Clerk of the City of Red Bluff, including their designee.

“City Finance Director” means the City Finance Director of the City of Red Bluff, including their designee.

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

“Code” means the City of Red Bluff Municipal Code.

“Consumption Lounge” means a Commercial Cannabis Business where Cannabis or Cannabis Products are consumed on site, subject to all state regulations as they may change.

“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 and state Regulations. 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 Cultivation, manufacturing, testing, Distribution, Microbusiness, Event Organization and Retail as explicitly allowed herein, of Medicinal and Adult Use Cannabis and Cannabis Products, and the ancillary Transportation and Delivery of same.

“Cultivation” means 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(l) of the Business and Professions Code, as same may be amended from time to time. Whenever references to Cultivation are made in this chapter, Cultivation may refer to either Commercial Cultivation or non-Commercial/ personal Cultivation.

“Cultivation area” means a location where Cannabis is sprouted, cloned, planted, grown, harvested, dried, cured, graded, sorted, or trimmed, or a location where any combination of those activities occurs.

“Customer” means a natural Person 21 years 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 California Health and Safety Code, means a child day care facility other than a Family Day Care Home.

“Date of Service” shall mean the date when a notice or written decision was personally delivered to the Permittee Licensee, or the date when the notice was caused to be delivered by certified, first class mail.

“Delivery” is the Commercial transfer of Cannabis or Cannabis Products to a Customer. 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.

“Director” means the current Planning Director of the City of Red Bluff or their designee Director also includes City personnel authorized to accept or provide items or notices on behalf of the Director in scenarios where any items must be submitted to the Director.

“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 or Permittees. 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. Distribution shall also encompass all activities authorized by the BCC for “Distributor” or “Transport” type Licenses.

“Distributor” means an entity that engages in the Distribution of Cannabis from a Licensed Commercial Cannabis Business and Transporting it for Sale or other purposes necessary for Operations to another Commercial Cannabis Business. This definition shall encompass all Distributor or Transport type Licenses issued by the Bureau of Cannabis Control as they may change.

“Event Organizer” means a Person or Commercial Cannabis Business who engages in the organizing and Operating of a Cannabis Event. This definition shall remain compliant with the definition provided by the BCC as it may change.

“Family Day Care Home” has the same meaning as Section 1596.78(a) of the California Health and Safety Code. A “Family Day Care Home” is defined under Health & Safety Code Section 1596.78(a) as a home that: Regularly provides care, protection, and supervision for fourteen (14) or fewer children; In the provider’s own home; For periods of less than twenty-four (24) hours per day; While the parents or guardians are away.

“Fire Chief” shall mean the Fire Chief of the Red Bluff Fire Department, or their designee.

“Indoor Cultivation” means Cultivation conducted within a fully enclosed structure (including a greenhouse or similar structure), and which has contents that are not visible from any public right of way whether utilizing natural or artificial lighting techniques or any mixture thereof. This definition encompasses all Cultivation types not specifically referenced as Outdoor by CalCannabis and the BCC.

“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, hire and dismiss employees, controls hours of Operations, creates policy rules, and purchases supplies.

“Manufacture” means to compound, blend, extract, infuse, dilute, 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.

“MCSB” means The California Department of Public Health’s Manufactured Cannabis Safety Branch.

“Medicinal/ Medical Cannabis” means any Cannabis or Cannabis Product(s), intended to be cultivated, possessed, remunerated or donated, for use pursuant to the Compassionate Use Act of 1996 (Section 11362.5 of the California Health and Safety Code) and / or the Medical Marijuana Program Act (Section 11362.7 of the California Health and Safety Code), by any Qualified Individual on behalf of any Qualified Patient who possesses a physician’s recommendation or approval to use Cannabis for Medicinal purposes.

“Medicinal Use” means the use of Medicinal Cannabis or Medicinal Cannabis Product.

“Microbusiness” means a business which would be required to obtain a California Bureau of Cannabis Control Microbusiness License and who is engaged in at least three (3) of the following Commercial Cannabis activities: Cultivation (less than 10,000 square feet), manufacturing (non-volatile), Distribution, and retailer as defined within this chapter. This definition shall be consistent with BCC definitions of Microbusiness as they may change.

“Mixed Light Cultivation” means Cultivation using a combination of natural sunlight and supplemental artificial lighting that may also include light deprivation mechanisms. This term refers to various types of greenhouses, whereby all Cannabis plants are not legally visible or accessible to the public, and the rooftop of the structure is transparent or translucent to natural light, with the walls and ingress / egress points being secured, opaque and obstructed from public view and access. For the purposes of this ordinance, mixed light is included within the meaning of Indoor Cultivation.

“Non-Volatile Manufacturer” means an entity engaging in the Manufacture of Cannabis whereby the use of any mechanical methods, solvent or extraction medium used in the extraction, concentration or dilution of Cannabis that is not a volatile



solvent as defined by the BCC or MCSB. For purposes of this chapter, such solvents and mediums include, but are not limited to: lipids; vinegars; glycerin; heat; cold; water; ice; pressure; carbon dioxide and ethanol. This definition shall comply with the definition set forth by the Bureau of Cannabis Control as it may change and includes all Cannabis Manufacture methods not explicitly deemed volatile by the MCSB or BCC.

“Operation” means any act for which a License is required under State Law for Commercial Cannabis activities or the provisions of the MAUCRSA or any Commercial transfer of Cannabis or Cannabis Products. Operation shall also have the same meaning as in Section 26001(ak) of the Business and Professions Code, as same may be amended from time to time.

“Outdoor Cultivation” means grown outside and not within a fully enclosed structure or greenhouse that is obstructed from view of public right of way.

“Owner”, “Owning”, “Ownership” means any of the following, or a group or combination of any of the following acting as a unit: A Person with an aggregate Ownership interest of 5 percent or more in the business applying for a City of Red Bluff Commercial Cannabis Permit, whether a partner, shareholder, principal, member, or the like, unless the interest is solely a security, lien, or encumbrance.

“Patient or Qualified Patient” means the same definition as California Health and Safety Code Section 11362.5 and 11362.7 et seq. (as it may be amended), and which means a Person who is entitled to the protections of California Health & Safety Code Section 11362.5.

“Permit” means an administrative Non-Operational Permit issued by the City of Red Bluff, authorizing the holder to seek licensing issued by the state of California to begin and maintain Cannabis related Operations and officially granting the City of Red Bluff’s authorization to operate in compliance.

“Permittee” means any Person holding a Commercial Cannabis Permit issued by the City of Red Bluff authorizing the holder to engage in a locally authorized Commercial Cannabis Business.

“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.

“Primary Caregiver” shall have the same meaning as set forth in California Health and Safety Code, Sections 11362.5 and 11362.7

“Qualified Individual” shall have the same meaning as set forth in California Health and Safety Code, Sections 11362.5 and 11362.7

“Regulations” means those Regulations prescribed and issued by the State of California, through its respective departments and/or divisions, pursuant to Section 26013 of the Business and Professions Code, including those Regulations as found in the California Code of Regulations (including Title 3, Division 8; Title 16, Division 42; and Title 17, Division 1), as same may be amended from time to time, to implement, interpret, administer and enforce the Act, and providing licensing and enforcement criteria for Commercial Cannabis activities and businesses.

“Responsible Person” means all Owners and operators of a Commercial Cannabis Business, including the Permittee and all officers, directors, or partners.

“Retailer-Storefront or Storefront Retailer” is a Storefront Retailer of a Commercial Cannabis Business facility where Cannabis, Cannabis Products, or Cannabis Accessories 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 California Bureau of Cannabis Control License as required by State Law to operate as a retailer. This definition shall comply with the definition set forth by the Bureau of Cannabis Control as it may change.

“Retailer-Delivery or Non-Storefront Retailer” means a non-storefront, Delivery only retailer as a Commercial Cannabis Business facility where Cannabis, Cannabis Products, 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 Red Bluff to operate as a retailer, and holds a valid California Bureau of Cannabis Control License as required by State Law to operate as a retailer. This definition shall comply with the definition set forth by the Bureau of Cannabis Control as it may change for Non-Storefront Retailers.

“Revoke/Revocation” means to render null and vacate entirely any entitlement or Permit without intent to grant again, return or otherwise reinstate.

“School” has the same meaning as “Educational Institution as defined in EDUCATION CODE - EDC ARTICLE 2. Definitions 210.3. “Educational institution” means a public or private pre-School, elementary, or secondary School or institution; the governing board of a School district; or any combination of School districts or counties recognized as the administrative agency for public elementary or secondary Schools.

“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 Licensee from whom the Cannabis or Cannabis Product was purchased, and does not include nontransferable exchanges of Cannabis where the receiving party has prior Ownership interest before harvest (otherwise known as “direct access”).

“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.

“Suspend” means to temporarily cause a Permit or other entitlement to be invalid, rendering all entitlements or Permitted activities extinguished for a temporary time, with intent to reinstate any temporarily ceased activities.

“T.A.C.” The City of Red Bluff Technical Advisory Committee (TAC) is established to have those duties, powers and privileges specified and provided in this Code and as may be added or modified by the City Council. TAC shall be charged with the consistent and uniform application of the City’s General Plan, City standards, policies, programs, Regulations and the City Code.” (City Code §2.100) The composition of TAC shall include the Community Development Director, the Director of Public Works, the Fire Chief, the Police Chief, the Building Department Director, the City Finance Director, and other City staff as deemed appropriate by the City Council. (City Code § 2.101) The Community Development Director is designated to act as lead staff to coordinate meetings of TAC and the inter-departmental review and responses of TAC. The composition of TAC is reflective of TAC’s broad charge and includes: “the Community Development Director, the Director of Public Works, the Fire Chief, the Police Chief and other City staff as deemed appropriate by the City Council.” (City Code § 2.101) The Community Development Director is designated to act as “lead staff to coordinate meetings of TAC and the inter-departmental review and responses of TAC.” (Id.)

“Testing Laboratory” means a laboratory, facility, or entity in the state that offers or performs tests of Cannabis or Cannabis Products. 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. This definition shall remain compliant with the definition of Testing Lab as it may be updated by the BCC.

“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.

“Volatile Manufacturer” means an entity engaging in the use of volatile substances to process and Manufacture Cannabis and produce Cannabis Products using the full capacity of techniques, chemicals and solvents allowed by the BCC and MCSB to Manufacture Cannabis, Cannabis Products, Cannabis Concentrates, or package/ repack Cannabis Products. This definition shall encompass the full range of Cannabis Manufacture activities as they may be updated by the MCSB and BCC.

“Youth Center” has the same meaning as in Section 11353.1 of the California Health and Safety Code (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).

25.260.050 Commercial Cannabis Businesses allowed; activities prohibited.

A. **Allowed:** The classification and type of Commercial Cannabis Business explicitly allowed for in this Article, as otherwise conditioned, and as may be amended from time to time by the City, are as follows:

1. Testing Laboratory
2. Distributor
3. Volatile Manufacturer
4. Non-Volatile Manufacturer
5. Retailer-Delivery only
6. Retailer-Storefront



- 7. Indoor Cultivator
- 8. Microbusiness
- 9. Cannabis Event Organizer
- 10. Consumption Lounge

B. **Prohibited:** The following business types and activities are expressly prohibited until such time that Red Bluff City Council approves them by majority vote:

- 1. Outdoor Commercial Cannabis Cultivation

25.260.060 Personal Cultivation compliance with State Laws.

Persons who cultivate Cannabis for their sole personal use, or qualified Primary Caregivers who cultivate Medical Cannabis on behalf of their Qualified Patient(s) may do so in quantities as determined by current standing laws governed by The City of Red Bluff and in accordance with all state Regulations without submitting any application or Permit for authorization to begin cultivating.

25.260.061 Outdoor prohibition.

Personal Outdoor Cultivation is prohibited in all zones of the City of Red Bluff until such time that the City Council deems it appropriate by a majority vote, or until such time that this article is amended or superseded by a vote of the people of Red Bluff. Greenhouses and similar structures that have the totality of their contents hidden from view from the public right of way are considered Indoor Cultivation.

25.260.062 Enforcement.

Nothing in this chapter shall be construed as a limitation on the City's authority to investigate any complaints regarding Cannabis plants that may be in violation of State Law or the Red Bluff City Code, or to abate any nuisance which may exist from the planting, growing, harvesting, drying, or processing of Cannabis plants or any part thereof from any location found to be in violation of same.

- A. It is hereby declared to be unlawful and a public nuisance may also be deemed to exist if such activity is determined to be related to the Cultivation of Cannabis and produces:
 - 1. Repeated responses to the property from law enforcement or other code enforcement officers (more than three times in a one-year period) for the purpose of investigating a Cannabis related complaint, excluding responses the responding officers deem unwarranted or unnecessary.
 - 2. Repeated disruption to the free passage of persons or vehicles in the neighborhood (more than three times in a one-year period as reported to law enforcement officers or the City code enforcement officer.)
- B. No portion of this chapter should be construed or used to enforce upon any citizens of Red Bluff, a denial of their right to cultivate up to six Cannabis plants for personal use as required by the State of California.

25.260.063 General requirements.

The requirements listed in 25.260.73 are applicable to all personal Cannabis Cultivation within the City of Red Bluff. The right of any Person under State Law to Cultivate Cannabis for Medicinal or Adult Use does not confer upon them the right to create or maintain a public nuisance.

- A. Indoor personal Cultivation of Cannabis may occur inside a dwelling and/or an accessory building or structure on the same parcel. Outdoor Cannabis Cultivation is prohibited.
- B. Structures and equipment used for Indoor Cultivation, such as indoor grow lights, shall comply with all applicable building, electrical and fire code Regulations as adopted by the City. Personal Cultivation of Cannabis shall not interfere with the primary occupancy of the building or structure, including regular use of kitchen(s), bathroom(s) or the garage.
- C. A Person shall reside on the property or in the residence where personal Cannabis Cultivation occurs.
- D. No exterior evidence of Cannabis Cultivation occurring at the property shall be discernable from the public right-of-way.
- E. Nothing in this Section authorizes modifications to any structure that are in violation of local building codes, or that cause permanent damage to any rental properties.

25.260.064 Property Owner Rights.

Nothing in this section is intended, nor shall it be construed, to preclude any landlord from limiting or prohibiting personal Cultivation of Cannabis by tenants unless prohibited by other applicable State Laws.

25.260.065 Medicinal Cannabis.

The right of Qualified Patients and their Primary Caregivers under State Law to cultivate Cannabis for Medicinal Use does not confer upon them the right to create or maintain a public nuisance.

- A. Medicinal Cannabis shall be cultivated by a Qualified Patient or Primary Caregiver exclusively for the medical purposes of Qualified Patients, in accordance with the Compassionate Use Act, the Medical Marijuana Program Act and M.A.U.C.R.S.A.
- B. The cumulative total of Cannabis plants on the property, shall not exceed 12 Cannabis plants per Qualified Patient or Primary Caregiver.
- C. Medicinal Cannabis shall be cultivated by a Qualified Patient or Primary Caregiver of at least 18 years of age.
- D. Nothing in this article shall interfere with or supersede mandated Patient rights established by the State of California or its provisions and Regulations as they may apply.

25.260.066 Adult Use Cannabis.

- A. Adult Use Cannabis Cultivation shall be conducted by persons 21 years of age or older.
- B. The cumulative total of Cannabis plants on the property, shall not exceed 6 Cannabis plants, regardless of the number of persons residing on the property.

COMMERCIAL CANNABIS PERMIT

25.260.100 Commercial Cannabis Permit required.

- A. Prior to engaging in any Commercial Cannabis Activity, one must obtain a Commercial Cannabis Permit. The initial Permit and annual renewal of an authorized and lawful Commercial Cannabis Permit is made expressly contingent upon the Commercial Cannabis Business' ongoing compliance with all requirements of State Law, this Article, the City of Red Bluff Municipal Code, any local Regulations adopted by the City governing the Commercial Cannabis industry. A copy of the Commercial Cannabis Business Permit shall be displayed at all times in a place visible to the public.
- B. A Commercial Cannabis Business Permit shall not be issued to a Person or a business entity Owned by a person, who is required to register for tracking or monitoring by the State of California in response to a sexual crime against a minor person.
- C. The Commercial Cannabis Business Permit shall be issued to the specific Person or Persons listed on the Cannabis Permit application and also list the authorized business entity if applicable.
- D. Commercial Cannabis Business Permits shall not be issued to any Person or entity convicted of Felonies of a violent or sexual nature within the preceding 5 years.
 - 1. "Violent or sexual nature" is not limited to the definitions provided in California Penal Code, sentencing standards or other California definitions as they may change. At the time of passage of this article, the definition of "Violent or sexual" is intended to comply with all Felonies defined as "Violent" or "Serious" by the State of California.
 - 2. "Violent or sexual in nature" may refer to a variety of crimes such as, but not limited to: convictions for any form of rape, assault, battery, arson, molestation, lewd or lascivious, acts use of deadly weapons during a crime, any offense resulting in great bodily injury, stalking, harassment, robbery and other crimes considered by the current culture of Red Bluff to be violent or sexual in nature and that have an obvious ability to cause great bodily harm or severe psychological damage to the victim.
 - 3. An Applicant aggrieved and disagreeing with a denial from the result of a violent or sexual offence, excluding offences against minor persons, in the preceding 5 years may request the current Chief of Police review and make a final decision on the validity of their offence in the application process. The Applicant shall have the right to speak with the Chief of Police prior to the decision.
- E. Applicant shall be responsible for all fees and noticing obligations required for processing all Permits.
- F. Permittees shall be and remain in compliance with all applicable state and local laws and regulations pertaining to engaging in, conducting or operating a commercial cannabis business. Permittee shall obtain any applicable State License prior to commencing operations.

25.260.110 Number of Commercial Cannabis Businesses authorized.



A. The City shall allow no more than 1 Cannabis Storefront Retail business to operate within City limits per 5,000 residents, regardless of the location's compliance with any other section specified in this title. In the case of 5,001 residents, an additional Storefront Retailer shall be Permitted. This limitation may be exceeded by Red Bluff City Council's approval.

B. The City shall allow no more than 1 Cannabis Non-Storefront Retail business to operate within City limits per 5,000 residents, regardless of the location's compliance with any other section specified in this title. In the case of 5,001 residents, an additional Storefront Retailer shall be Permitted. This limitation may be exceeded by Red Bluff City Council's approval.

C. The City shall allow no more than 1 Cannabis Consumption Lounge business to operate within City limits per 5,000 residents, regardless of the location's compliance with any other section specified in this title. In the case of 5,001 residents, an additional Storefront Retailer shall be Permitted. This limitation may be exceeded by Red Bluff City Council's approval.

D. The City shall have no requirements for the maximum number of other Commercial Cannabis License types.

E. At the time of the passage of this Article, the maximum number of Commercial Cannabis Businesses per classification Citywide are as follows:

1. Retailer-Storefront: 3
2. Retailer-Non-Storefront: 3
3. Testing Laboratory: No maximum
4. Manufacturer: No maximum
5. Distributor: No maximum
6. Indoor Cultivator: No maximum
7. Microbusiness: No maximum, Retail activity under a Microbusiness shall account for the applicable retail license for limitation purposes
8. Cannabis Event Organizer: No maximum
9. Outdoor Commercial Cultivation: 0
10. Consumption Lounge: 3

25.260.120 Location limitations.

A. All Commercial Cannabis Businesses shall be located in an approved land use designation area as identified under Section 25.260.120.

B. No Commercial Cannabis Business may be located within a 500-foot linear foot (from property line to property line) from a School, Day Care Center or Youth Center. This requirement applies to only the initial application requirements of a Commercial Cannabis Permit application and shall not be considered for renewals.

C. **Allowed:** The classification and type of Commercial Cannabis Business explicitly allowed for in the provided zoning districts and found to be compliant with the existing general plan for the City are as follows:

1. Testing Laboratory: C-2, C-3, P-1, M-1 and M-2
2. Distributor: C-2, C-3, P-1, M-1 and M-2
3. Volatile Manufacturer: M-1, M-2, P-1
4. Non-Volatile Manufacturer: C-2, C-3, P-1, M-1 and M-2
5. Retailer-Delivery: C-2, C-3, H-C, P-1, M-1 and M-2
6. Retailer-Storefront: C-2, C-3, H-C, P-1, M-1 and M-2
7. Indoor Cultivator: M-1, M-2, P-1
8. Microbusiness: Determined by the accepted zones for each activity the Permit lists.
9. Cannabis Event Organizer: C-2, C-3, H-C if utilizing a Commercial space. All zoning Districts if operated as a home occupation. Permissible events are subject to an approved Administrative Use Permit.
10. Consumption Lounge: C-2, C-3, H-C, P-1

25.260.130 Submission of Commercial Cannabis Permits.

This section describes the process used and information required from Applicants in order to submit applications for Commercial Cannabis Permits. This section makes no guarantees on application approval, does not grant any rights to operate and sets forth only the means and standards of submittal.

A. The Director will receive and process Commercial Cannabis Business application forms. Each Applicant interested in operating pursuant to this section shall submit a completed application issued by the City and any additional required documents and fees.

B. The Director shall accept applications meeting the necessary requirements; any applications that have not adhered to the requirements set forth herein shall be refused. These requirements are mandated by this chapter and limited to the following:

1. Application fees are paid.
2. Application is filled out completely.
3. The location indicated on the application complies with Red Bluff City Code and section 25.260.120.
4. Business Owner(s)/ Applicant(s) referenced on the application have attached a completed Live Scan report dated no more than 30 days previous of the initial application submission. Only business Owners or persons holding more than a 20% stake in the referenced business are required to be on the application. At least 1 Person must own a minimum of 20% of the proposed business an Applicant seeks a Permit for. In the absence of at least one individual Owning a minimum of 20% of the proposed business, the business shall be ineligible for a Cannabis Business Permit.
5. The name and address of the Applicant's current agent for service of process is attached.
6. A completed Red Bluff Business License application is attached.
7. Applicant has provided proof that they have registered their accounts with the Bureau of Cannabis Control or other applicable state agencies that issue Commercial Cannabis Licenses.
8. Applicant has signed all indemnity, liability, disclosure or other legal agreements issued by City.
9. Applicant has agreed that upon approval from the state of California for Commercial Cannabis Activity that they shall provide the Director with a copy of all documents submitted to the State of California upon request.
10. Applicant has attested that all information submitted is truthful, accurate, and whole; and that nothing has been altered to misrepresent fact by lie or omission.
11. Applicant has agreed that if a Commercial Cannabis Business Permit is obtained by violating any portion of sections 25.260.130, 25.260.131 or 25.260.132 or submitting any information therein that is not whole, true, factual, and free of lie, deceit or omission that the accepted Permit is forfeit and that the Applicant shall surrender immediately all monies, property, or other assets gained by use of the obtained Permit to the City.

C. All information submitted by Applicants shall be true, correct, whole, and be free of any material misrepresentation of fact, lie or omission. Any violation of this section shall be subject to any remedy allowable by law.

25.260.131 Commercial Cannabis Business Permit application selection process.

This section sets forth the standards, processes and timeframes of processing and issuing Commercial Cannabis Permit as well as all requirements, priority application factors, and deprioritized application factors for Applicants as they proceed. Approval of a Permit under this section grants Applicants ability to seek state Licensing; approval from the applicable state agency for Commercial Cannabis Activity is required prior to any Commercial Cannabis Business engaging in Commercial Cannabis Activity.

A. The Director will evaluate the applications received. Each application that is in compliance with this chapter shall be approved and issued a Commercial Cannabis Business Permit within 8 business days. Upon approval, Permittees must obtain licensing from any applicable state agencies to begin operating.

B. The Director, after receiving the application and aforementioned information, will grant the Permit if they find:

1. The Applicant has fully complied with all requirements in section 25.260.130 and this article.



2. The Applicant has not knowingly made a material misrepresentation in the application.

3. The Applicant has not had a Commercial Cannabis Business Permit denied or Revoked for cause by the City within the last five years prior to the date of the application.

4. The Commercial Cannabis Business, as proposed by the Applicant would comply with all applicable State Law and applicable local laws including, but not limited to, health, zoning, fire and safety requirements.

C. If any of the items listed in this section are not met, the Director shall notify the Applicant of the deficiency via email and send notification compliant with State Law, after which the Applicant will have 10 business days from receipt of notice to correct the deficiency. If the deficiency is not corrected within ten business days, the Director may deny the Permit.

D. In the event of competition between Applicants for a limited number of Permits, such as receiving multiple applications on the same day, a prioritization system of social equity will be utilized in the following cannabis equity program as follows.

1. Applicants living in the City of Red Bluff or within 10 miles of the City of Red Bluff that can show regular participation in the community via shopping, social gatherings, services, School attendance, public land use or other affiliations demonstrating they consider Red Bluff their home and have for at least 2 years will be prioritized.
2. Applicants that have had clear negative impacts on their life from Cannabis prohibition shall be prioritized.
3. Applicant's demonstrating recent community service, non-profit work, and community involvement within 10 miles of the City of Red Bluff shall be prioritized.
4. Applicants who submitted their fully completed application first shall be prioritized.
5. Applicant's offering, via contract to donate or other wise use set percentages of revenue for the City's and public's betterment shall be prioritized.
6. Applicants offering a contractual obligation to provide higher wages to their employees, so as to offer higher quality jobs, by increasing the number of citizens earning wages equivalent to at least 350% of the federal poverty line for one person, to the community will be prioritized.
7. Applicants who have never owned a Commercial Cannabis Business will be prioritized.

E. The City finds that to allow any government officials or people who may have unique access to officials facilitating the Permitting process presents reasonable risk of increased perceived nepotism, unfair decisions, or other illegal acts. This perception may generate aggrieved Applicants that seek litigation or other costly actions against the City. The following provisions shall apply to Applicants in order to mitigate and substantially lower this risk.

1. No agent, official, employee, elected official or appointed officer of the City of Red Bluff or any government agency under the authority of the State of California whose jurisdiction may be found within 100 miles of the borders of the City of Red Bluff shall receive any priority for any Permit that is limited in its issuance availability.
2. No agent, official, employee, elected official, appointed officer, Person or entity who engages in any vendor, contractor, or service providing role except receiving contracts by bid for temporary projects, in frequencies less than 1 in every 5 years for any Person or agencies listed in (1) receive any priority for any Permit that is not unlimited in number.
3. Any Person or entity found to have obtained a Permit illegally by lie or omission, or who has intended to allow the Persons, entities or agencies listed in (1) or (2) to benefit directly, without fully disclosing the intent and ensuring no prioritization is received in the application process, shall immediately be subject to Revocation of the Permit issued as well be required to surrender the total amount of any money, property, or assets acquired by using the illegally obtained Permit.
4. Any Person listed above in (1), (2), or (3) must ensure they are listed on the Permit application, regardless of how large or small a stake, Ownership share, or other benefit of any kind that they will or may receive or have received or currently have.
5. Any and all persons referenced above shall be not be eligible for prioritization unless they have disengaged, and otherwise completely separated from the above-mentioned roles or positions in (1), (2), or (3) for at least 5 years prior to the applicable application date.

F. Permittees shall apply for any required State Licenses pursuant to MAUCRSA and applicable regulations within 30 calendar days of receiving a Permit or the Permit shall be forfeit.

25.260.132 Competitive Permit selection and Cannabis equity program criteria defined.

Section 25.260.132 describes the criteria used to qualify Applicants for priority set forth in section 25.260.131, all references to items apply solely to the sections within 25.260.131 unless otherwise specified. The prioritization system in section 25.260.131 is designed to in all cases ensure Applicants qualifying under item (D1) receive priority and that local Applicants have the greatest opportunity to compete for limited Permits regardless of other prioritization qualifications. Prioritization shall only go beyond item (D1) in the event that multiple Applicants qualify under item (D1). Item (D1) is worth 7 points. All other prioritization qualifications shall be worth 1 point.

A. Applicants seeking priority shall submit a written request for priority Permitting with their initial application and no more than 500 words for each priority item they seek consideration for. Applicants may, but shall not be required to submit proof with any submission for any item except (D1). Applicant submissions shall be attested to as true, whole and free from lie or omission.

B. The Director shall interpret the following criteria as it may apply and shall apply the earned points into a cumulative total for each application.

1. The cumulative total number of points each Application receives shall be divided by the number of Applicants on the Application to reach a total.
2. Priority shall be issued to Applicants with the highest total first.
3. The Director shall issue, in writing and transmit to the Applicant via email as well as by any required method compliant with state law, any reasons for denial of any priority items applied for within 1 business day of the decision.
4. All submissions for priority Permitting as applied for shall be subject to public scrutiny immediately upon request and be allowed to be viewed by any inquiring member of the public as allowed by existing law.

C. Priority for Item (D2) may be given to multiple Applicants. Applicants meeting these criteria shall show some negative effect on their life from the prohibition of Cannabis. Priority for this item shall not be granted for individuals earning an income within the last 2 calendar years above 650% of the Federal Poverty Level guidelines for 1 individual. The following example list is not exhaustive and many more situations may qualify, so long as an Applicant can demonstrate a direct relationship between Cannabis prohibition and the negative effect. Qualifying examples may be, but are not limited to the following example situations:

1. An Applicant or Applicant's immediate family member struggling to gain access to Cannabis as medicine.
2. An Applicant having suffered from arrests or convictions from Cannabis use or Possession.
3. An Applicant having suffered from illegal Cannabis activities such as violent crimes surrounding its Sale or Cultivation.
4. An Applicant or member of an Applicant's immediate family suffering, or having suffered from narcotic addiction as a result of black-market Cannabis use being mixed with illegal narcotic Sales.
5. An Applicant or Applicants immediate family member having experienced being a ward of the state due to narcotic use.

D. Priority for Item (D3) may be given to multiple Applicants. Applicants meeting these criteria shall have demonstrated involvement in good faith efforts to better the community of Red Bluff. Individuals paid a full-time wage for their qualifying activities, or participating in qualifying activities as an elected or appointed public official or officer shall not be considered. The following list of examples is not exhaustive and many other activities may qualify. Examples include: working or organizing the following activities:

1. Youth engagement and mentorship.
2. Environmental clean-up, including unpaid artistic services including painting or cleaning public spaces.
3. lobbying, training or otherwise working with government or non-profit agencies to improve their offered services and Operations as they pertain to combatting some specified public need such as poverty, homelessness, addiction, illness, education, or community engagement.

E. Item (D4) prioritization may be given to one Applicant only and only applications submitted within regular business hours shall be considered for this priority item.



F. Priority for item (D5) may be given to multiple Applicants. Applicants qualifying for this item shall offer a minimum of 1% of revenue to the betterment of the people of Red Bluff and their community.

1. Applicants offering to donate higher percentages of revenue shall not receive any additional priority.
2. Applicants do not have to choose their cause or structure at the time of application and all causes or projects shall be approved by City Council within 30-60 days after Permit approval if applicable. The content or actual chosen spending of donated funds shall not be considered for granting priority status to any application.
3. Applicants may not indicate nor actually execute any donations of any kind that would support increasing wages of any City employee, official, officer or contractor.
4. The proposed donations must go directly to benefitting the people of Red Bluff or their City and funds may not be given to or managed by the City, or any of its agencies, employees, officers, or officials.
5. All donations and related expenditures including individuals receiving any wages as part of any work or service shall be subject to public scrutiny immediately upon request.

G. Priority for item (D6) may go to one Applicant. Prioritization for item D6 shall be given to the Applicant offering the highest wages to employees as determined by entry level pay for average positions with easier entry and lower qualifications.

1. Commission or potential to earn commission or other bonuses not guaranteed at all times shall not be used to determine pay,
2. Only guaranteed hourly rates for employees required to work at least 32 but not more than 45 hours per week shall constitute pay.
3. A majority of entry level employees must work at least 32 hours per week for any Applicant to qualify for item D6 prioritization.
4. In the event item D6 becomes a tiebreaker for multiple Applicants, Applicants shall be given the opportunity to bid for the highest employee pay as defined in this subsection.

H. Priority for item (D7) may be given to multiple applicants. Item (D7) shall be interpreted in the event of multiple qualifying Applicants to also mean that Persons who have owned or currently own a Commercial Cannabis Business or who reasonably benefitted from the profit and expansion of said business do not qualify for (D7) prioritization. Examples may be that:

1. An Applicant should not qualify for item (D7) if they have within the preceding 2 years, been employed in an executive position in a Commercial Cannabis Business whereby their duties included securing Cannabis Licenses or managing government relations for the business.

I. Any material misrepresentation of fact, lie, or omission submitted is in direct violation of this section and shall be subject to immediate Revocation of any applicable Permit as well as immediate surrendering of any and all monies, property, or other assets gained as a result of the obtained Permit.

25.260.140 Permit Renewal.

A. All Commercial Cannabis Permits shall be renewed annually 1 year after the date of issuance. Permit renewals shall be initiated not more than 90 days prior to the specified renewal date.

B. Permit renewals shall be granted so long as the Commercial Cannabis Business remains in compliance with this chapter and submits the renewal fee specified in section 25.260.340.

C. Any Permit expired and not renewed within 60 days shall be voided on the 61st day.

25.260.150 Revocation of Permits.

A. The following are grounds for Revocation of a Commercial Cannabis Permit.

1. Failure of a Permittee to comply with any lawful Suspension on the Commercial Cannabis Permit or repeated violations of any modification issued pursuant to section 25.260.155 (3 times within a one-year period after modification occurs) or 2 or more Suspensions of an applicable Permit within one-year.
2. Revocation of a State License issued under this chapter.

3. If the Permittee, its Owner(s), or a Responsible Person has, violated any portion of section 25.260.130, 25.260.131 or 25.260.132 or made a material misrepresentation of fact by any means while executing the procedures, submissions and agreements issued therein. Revocation due to material misrepresentation of fact, deceit, lie, omission, or manipulation of any submissions carried forth under the sections referenced in 25.260.150(A) (3) shall also be grounds for Permittee to surrender immediately all monies, property or other assets gained by use of the applicable Permit.

4. Conviction within the past 5 years of the Permittee, its Owner(s), or a Responsible Person, including a plea of guilty or no contest, to any of the following offenses shall be grounds for Revocation of a Commercial Cannabis Permit issued by the City:

- i. A violent felony, as specified in Section 667.5(c) of the Penal Code.
- ii. A serious felony, as specified in Section 1192.7(c) of the Penal Code.
- iii. A crime as described in section 25.260.100(B)
- iv. A felony as described in as described in section 25.260.100(D)

5. Violation of section 25.260.250

B. If the Technical Advisory Committee (TAC) determines that a ground for Revocation of a Commercial Cannabis Permit exists, by unanimous vote based solely on the criteria established in Section 25.260.150 (A) (1-5), the Director shall serve written notice of Revocation to the Permittee or Responsible Person. The notice may be served on the recipient either personally or by certified first class mail to the address listed on the application. This notice shall state the reasons for the action, the effective date of the decision, the right of the Permittee to appeal the decision to the City Council, or its appointed hearing officer or body, and that TAC's decision will be final if no written appeal is timely submitted to, and received by, the City, pursuant to the provisions of this Article. If only a simple majority of the TAC determines that a ground for Revocation of a Commercial Cannabis Permit exists, a Permit Suspension may be issued for up to 90 days as determined by the TAC. TAC shall not address each ground for revocation by vote or discuss each ground for revocation at more than a single meeting.

C. This notice will be effective within 10 days from the Date of Service of the notice. To exercise the right to appeal, the Permittee must file with the City Clerk a written basis for the appeal, including evidence relating to the grounds for Revocation. The appeal will be heard by the City Council or its appointed hearing officer or body in accordance with Section 25.260.160. If no timely appeal is filed, the TAC's decision will be final 10 days after the date on the notice of Revocation. If an appeal is timely and properly filed in accordance with this chapter, then the effective date of the notice is stayed until a decision after the hearing on the appeal is issued.

25.260.155 Violations, Suspension, and modification of Permits.

A. The following are grounds for Suspension or modification of a Commercial Cannabis Permit.

1. Failure of a Permittee to comply with any requirement imposed by the provisions of this Code (or successor provision or provisions), including, any rule, regulation, condition or standard adopted pursuant to this chapter not specifically enumerated in section 25.260.150 after receiving notice to correct the violation and failing to reach compliance as described below and pursuant to 25.260.155(C).

i. A Permittee in violation of this section shall be issued a notice of violation by the Director which shall describe the violation and required remedy.

ii. The Permittee shall have 30 days to correct the violation as described in the notice, request additional time to remedy the violation, which shall be granted as may be reasonably necessary to affect required changes, or Permittee shall provide substantial evidence that the issued violation was improper and unwarranted to the Director.

iii. The Director shall evaluate the evidence submitted and determine if the violation is remedied or improper. If the violation has been remedied or otherwise rendered invalid no further action shall be taken and the violation notice shall be vacated and void.

iv. If the Permittee disagrees with the final decision of the Director, the Permittee may request a review of the violation by the TAC. Within 30 days the TAC will convene and review the Directors decision, issuing a decision to uphold, modify or invalidate the violation notice. If TAC upholds or modifies the violation notice the Permittee shall have 14 additional days to remedy the violation unless TAC provides more time as may be reasonably necessary. If TAC invalidates the violation notice, no further action shall be taken and the notice shall be vacated and void.

B. A new violation may be issued every 30 days for an un-remedied violation of this



section. Any 4 un-remedied violations within a 365-day period shall initiate a review of the applicable Permit for potential Suspension or modification by the TAC.

25.260.160 Appeals.

A. Notice of appeals.

1. Within 15 calendar days after the notice of the decision of the TAC to issue notice of violation, Revoke, Suspend or deny an initial or renewed Permit, or to add conditions to a Permit, an aggrieved party may appeal such action by filing a written appeal with the City Clerk setting forth the reason why the decision was not proper. Reasons shall be stated with specificity.

2. The Notice of Appeal shall be in writing and signed by the Person making the appeal ("appellant"), or their legal representative, and shall contain the following:

- i. Name, address, and telephone number of the appellant.
- ii. Specify decisions, actions, or a particular part thereof, made that are the subject of the appeal.
- iii. Include a true and correct copy of the notice issued by the Director for which the appellant is appealing.
- iv. State with specificity the reasons and grounds for making the appeal, including, but not limited to, a statement of facts upon which the appeal is based in sufficient detail to enable the City Council, or any appointed hearing officer, to understand the nature of the controversy, the basis of the appeal, and the relief requested.
- v. All documents or other evidence pertinent to the appeal that the appellant requests the hearing officer or body to consider at the hearing.
- vi. An appeal fee, as established by Resolution of the City Council to be refunded upon successful appeal by the appellant.

3. Failure of the Appellant to timely submit a written appeal constitutes a waiver of the right to appeal the notice issued by TAC. In this event, TAC's notice of Revocation, nonrenewal, Suspension and/or other action is final and binding.

4. In the event a written Notice of Appeal is timely filed, the nonrenewal, Suspension, Revocation, or other action shall not become effective until a final decision has been rendered and issued by the City Council or appointed hearing officer or body.

B. Review by City Council, or appointed hearing officer or body; appeal hearing and proceedings.

1. All appellants shall obtain review thereof before the City Council, dr appointed hearing officer or body.

2. Upon receipt by the City Clerk of appeal, the City Clerk shall forward such appeal to each member of the City Council. Any member of the City Council may request that the City Clerk place on the next regularly scheduled City Council meeting the question of whether the City Council shall sit as the appeals board. If the City Council does not choose to hear such appeal or does not act to appoint another body to serve to head such appeal, the City Clerk shall immediately obtain the services of a hearing officer from the Office of Administrative Hearings.

3. The administrative appeal shall be scheduled as expeditiously as possible but shall not be sooner than 30 days. The appellant(s) listed on the written Notice of Appeal shall be notified in writing of the date, time, and location of the hearing at least ten 15 days before the date of the hearing.

4. All requests by an appellant to continue a hearing must be submitted to the City Clerk in writing no later than 3 business days before the date scheduled for the hearing. However, in no event may the hearing be continued for more than 30 calendar days, unless all parties agree.

C. At the date, time and location set forth in the Notice of Appeal hearing, the City Council, or an appointed hearing officer or body, shall hear and consider the testimony of the appellant(s), City staff, and/or their witnesses, as well as any documentary evidence properly submitted for consideration.

D. The following rules shall apply at the appeal hearing:

1. Appeal hearings are informal, and formal rules of evidence and discovery do not apply. However, rules of privilege shall be applicable to the extent they are Permitted by law, and irrelevant, collateral, undue, and repetitious testimony may be excluded.

2. The City bears the burden of proof to establish the grounds for denial, nonrenewal, Suspension or Revocation and shall establish guilt beyond a shadow of doubt.

3. The City Council, or the appointed hearing officer or body, may accept and consider late evidence not submitted initially with the Notice of Appeal upon a showing by the appellant of good cause. The City Council, or appointed hearing officer or body, shall determine whether a particular fact or facts amount to a good cause on a case-by-case basis.

4. All parties may, at their own discretion, record the hearing by stenographer or court reporter, audio recording, or video recording. If the appellant requests from the City that said recording take place, the costs of same shall be deposited with the City at the time the Notice of Appeal is submitted to the City.

E. If the appellant, or their legal representative, fails to appear at the appeal hearing, the City Council, or the appointed hearing officer or body, may cancel the appeal hearing and send a notice thereof to the appellant by certified, first class mail to the address(es) stated on the Notice of Appeal. A cancellation of a hearing due to non-appearance of the appellant shall constitute the appellant's waiver of the right to appeal and a failure to exhaust all administrative remedies. In such instances, TAC's notice of decision is final and binding.

F. Decision of the City Council, or appointed hearing officer or body; final decision.

1. Following the conclusion of the appeal hearing, the City Council, or appointed hearing officer or body, shall determine if any ground exists for the non-issuance, nonrenewal, Suspension or Revocation of a Commercial Cannabis Permit or other action. If the City Council, or appointed hearing officer or body, determines that no grounds for denial, nonrenewal, Suspension, Revocation, or other action exist, TAC's notice of decision shall be deemed vacated. If the City Council, or appointed hearing officer or body, determines that one or more of the reasons or grounds enumerated in the notice of decision exists, a written final decision shall be issued within ten 10 business days, which shall at minimum contain the following:

- i. A finding and description of each reason or grounds for non-issuance, nonrenewal, Suspension, Revocation, or other action that exists.
- ii. Any other finding, determination or requirement that is relevant or related to the subject matter of the appeal.
- iii. A holding that TAC's decision is affirmed or modified.

2. The decision of the City Council, or appointed hearing officer or body, is final and conclusive and is subject to the time limits set forth in California Code of Civil Procedure Section 1094.6. The decision shall be announced and read in full at the next regularly scheduled City Council meeting.

G. A copy of the final decision shall be served by certified, first class mail on the appellant.

25.260.170 Appeal for initial Permit; limited grounds.

A. The grounds for appeal of an initial denial of a Commercial Cannabis Permit are limited to the following:

- 1. Deviation from the City's published Application Procedures specified in 25.260.130, 25.260.131 that adversely affected the Applicant by altering the outcome of the City's decision on the Applicant's application.
- 2. Scoring of one or more portions of the Applicant's application was not justified based on the information presented in the application, or due to a material error or omission on the part of the individual(s) scoring the application.

ISSUANCE AND PERMIT REQUIREMENTS

25.260.200 Limitations on City's liability.

A. To the fullest extent Permitted by local and state laws, the City of Red Bluff shall not assume any liability whatsoever with respect to having issued, not issued, Revoked, Suspended, renewed, not renewed, etc. a Commercial Cannabis Permit pursuant to this Article, so long as the City has complied with all Regulations in this chapter.

B. The City of Red Bluff shall not issue nor demand nor request any type of indemnity or liability agreements that require any potential applicants to absolve the City of liability of any kind.

25.260.210 Permit; non-assignable and non-transferable.

A. Commercial Cannabis Permits issued under this chapter are valid only as to the approved Permittee at the specified approved location, and is therefore nontransferable to other persons, entities, projects or locations, without the filing of a new application. Any Sale, transfer, or assignment, or attempted Sale,



transfer, or assignment inconsistent with this article shall be deemed to constitute a voluntary surrender of such Permit.

25.260.220 Change in location of Commercial Cannabis Business.

A. For all Commercial Cannabis Permits, no Permittee shall change the location of the Commercial Cannabis Business specified in the Commercial Cannabis Permit until any such change of location is approved by the Director.

B. The change of location of a Commercial Cannabis Business shall meet all the requirements under this Article and CHAPTER 25: ZONING, including but not limited to:

1. The Permittee shall submit a change of location application to the City at least sixty (60) calendar days prior to the proposed change.
2. The proposed location shall meet all the requirements under this Code, including but not limited to this Article and the Red Bluff Zoning Code.
3. The proposed location shall be reviewed and evaluated using the same review criteria as used and relied upon under the initial application process.

C. Nothing in this section shall be construed to limit any Commercial Cannabis Business from participating in Cannabis Events as allowed by State Law.

1. Any Commercial Cannabis Business may participate in an authorized Cannabis Event in compliance with State Law.
2. The City shall make no attempt to charge fee's of any kind outside of commercial taxes imposed by the voters of Red Bluff to any Vendor or Commercial Cannabis Business participating in a Commercial Cannabis Event.

25.260.230 Changes in Ownership of Commercial Cannabis Business.

A. No Permittee shall transfer Ownership or control of a Commercial Cannabis Business unless the proposed new Owner submits all required application materials and pays all applicable fees, and independently meets the requirements of this chapter such as to be entitled to the issuance of an original Commercial Cannabis Permit, as determined by TAC.

B. In the event of changes that result in a change of 20 percent or more of the original Ownership each new Owner must be approved by the TAC after completion of the application process under this chapter, including evaluation under any applicable review criteria used and relied upon during the original review and selection process.

C. A Permittee may change the form of business entity without applying to the TAC for a new Commercial Cannabis Permit, provided that the Ownership of the new business entity is the same as the original Permit holder business entity.

25.260.240 Changes in name of business only.

The Permittee shall advise the Director within 30 calendar days of all changes of name or designation under which the business is to be conducted. The City shall amend any applicable documents as necessary.

OPERATIONAL REQUIREMENTS

25.260.300 Shared space.

A. Non-Retail Commercial Cannabis Businesses may share common space as allowed by State Law. Multiple Permittees may use the same location for Non-Retail Purposes.

B. Each Permittee or Person engaging in Commercial Cannabis Activity must possess its own Permit from the City of Red Bluff. Permittees sharing space shall be subject to an additional fee as described in section 25.260.320.

C. Retailers may occupy the same property as Non-Retail Cannabis businesses, excluding Volatile Manufacturers as allowed by State Law.

25.260.310 Records and recordkeeping.

A. A Commercial Cannabis Business shall maintain all the records required for retention by California Code of Regulations Title 3, Division 8; Title 16, Division 42; and Title 17, Division 1.

B. These records shall be maintained for a period of seven years and shall be kept in a manner that allows the records to be produced for the City of Red Bluff and/or law enforcement at the Cannabis business Premises in electronic form.

25.260.320 Fees and charges.

A. No application shall be considered prior to timely payment in full of all fees and charges required for any Permit mandated by this chapter.

B. All Commercial Cannabis Businesses authorized to operate under this chapter

shall pay all Sales tax, use tax, business tax and other applicable taxes, and all License, registration, and other fees required under state and local laws.

C. The Cannabis Business Permit application fees as of the passage of this article are as follows:

1. Storefront Retailer Permits: \$2,000
2. Non-Storefront Retailer Permits: \$2,000
3. Distributor Permits: \$2,000
4. Volatile Manufacturer Permits: \$2,000
5. Non-Volatile Manufacturer Permits: \$2,000
6. Testing Lab Permits: \$2,000
7. Cultivator Permits: \$2,000
8. Microbusiness Permits: \$4,000
9. Event Organizer Permits: \$2,000
11. Consumption Lounge Permits: \$2,000

E. Renewal Fees for all Cannabis business shall be \$1,000. This is in addition to any late fees incurred.

F. Any fee for Modification to a permit including name change or location change shall be \$100.

G. The fee for an unsuccessful appeal filed by a Permittee shall be total Remuneration for the City's real costs. The City shall issue detailed invoices for Remuneration and invoices shall be subject to public scrutiny and audit. An appeal granted in favor of a Permittee shall have no cost and the City shall pay to the Permittee total Remuneration for all fees incurred by the Permittee.

H. All fees in this section are subject to amendment at the discretion of Red Bluff City Council no sooner than 90 days after the passage and successful implementation of this chapter as well as the issuance of the first Commercial Cannabis Permit.

25.260.330 Fees deemed debt to City of Red Bluff.

The amount of any fee, cost or charge imposed pursuant to this chapter, or as imposed and mutually agreed-upon pursuant to any entitlements shall be deemed a debt to the City of Red Bluff that is recoverable in any manner authorized by State Law.

25.260.340 Odor control

All commercial cannabis businesses shall be required to provide an air treatment system that ensures off-site odors shall not result from its operations. This requirement at a minimum means that the facility shall be designed to provide sufficient odor absorbing ventilation and exhaust systems so that any sulfur-based (Skunk like) odor generated inside the location is not detected by a reasonable person of normal sensitivity on adjacent properties or public rights-of-way, or within any other unit located within the same building as the facility, if the use occupies only a portion of a building.

ENFORCEMENT

25.260.400 Inspections.

A. The Chief of Police, Director, TAC or their designee(s), charged with enforcing the provisions of the City of Red Bluff Municipal Code may enter the location of a Commercial Cannabis Business at any time during regular business hours, without notice, and inspect the location of any Commercial Cannabis Business in response to a received complaint.

B. After all tenant improvements have been finalized by an approved Applicant or Permittee the Director may request an inspection of the Cannabis business location to confirm compliance with this section and State Law. The inspection must be granted by the Permittee within 5 calendar days. The inspection is at the will of the Director and may be called for with reasonable cause such as but not limited to: in response to complaints, annual reviews, or in response to updating laws.

25.260.410 Violations and penalties.

A. Any Person who violates any provision of this chapter is guilty of an infraction unless otherwise specified and shall also be subject to all other remedies available under this Code.

B. Whenever in this chapter any act or omission is made unlawful, it shall include causing, Permitting, aiding, abetting, suffering, or concealing the fact of such act or



omission.

25.260.420 Effect on other ordinances.

The provisions of this Article shall control for regulation of Commercial Cannabis Businesses as defined herein if other provisions of the Code conflict.

SECTION 3. EFFECT ON OTHER LAWS.

Nothing in this Ordinance shall be construed to allow persons to engage in conduct that violates State Law, endangers others, or causes a public nuisance.

SECTION 4. ENVIRONMENTAL DETERMINATION AND FINDINGS.

The City and the People of Red Bluff, on the basis of the whole of the record and exercising independent judgement, finds that these Regulations meet the requirements for CEQA Guidelines Section 15183 as a project consistent with a community plan.

The City and the People of Red Bluff, on the basis of the whole of the record and exercising independent judgement, finds that these Regulations meet the requirements of CEQA Guidelines Section 15308, as actions taken as authorized by local ordinance to assure protection of the environment, provided that Permit Applicants shall act in compliance with all applicable environmental laws to maintain their Licenses, including CEQA, the Endangered Species Act and the Clean Water Act, and that no additional environmental review or documentation is necessary. Any Cannabis related projects within the city may utilize already existing and planned procedures to ensure compliance.

The City and the People of Red Bluff further determine that the proposed code amendment is consistent with the General Plan's policy framework. Therefore, the Commercial Cannabis Ordinance is consistent with Section 15183 and 15308 of the CEQA Guidelines and no additional environmental review is required.

SECTION 5. 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 which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The People of the City of Red Bluff hereby declare that they 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 6. EFFECTIVE DATE.

This Ordinance shall be effective immediately following the adoption date. The City shall comply fully with this article without delay of any kind for any reason.

**IMPARTIAL ANALYSIS BY CITY ATTORNEY
MEASURE E**

In February 2022, the City Council of the City of Red Bluff adopted Ordinance 1063 which authorized Commercial Cannabis dispensaries, manufacturing, cultivation, delivery, and microbusinesses within the City of Red Bluff.

Measure E seeks voter approval to repeal and replace Ordinance 1063 with an ordinance that would amend the Zoning Chapter of the Red Bluff Municipal Code to permit and regulate commercial and personal marijuana or cannabis activities. Measure E would not invalidate the cannabis storefront permits or development agreements currently in place pursuant to Ordinance 1063, however the permit renewal process would be modified and there is no guarantee that the current permit holders meet Measure E standards for re-permitting.

Measure E would allow the following state commercial cannabis license types to operate in the City: storefront retail, retail delivery (non-storefront), microbusiness, manufacturing (including volatile), distribution, testing, cannabis events, and indoor cultivation. It would also permit cannabis consumption lounges if permitted by state law.

Measure E allows 1 storefront retail business, delivery retailer or consumption lounge for every 5,000 people in the City.

Measure E establishes a "first come, first served" process for selecting applicants to obtain a retail or consumption lounge cannabis permit. The City must select applicants based on a ranking system of "social equity" factors which prioritize applicants living in or within 10 miles of Red Bluff for the last two years.

Cannabis businesses must be at least 500 feet from schools, day care facilities, and youth centers when established. Retailers may operate in the central, historic, and general commercial zoning districts, and industrial districts. Other commercial cannabis businesses are allowed in certain commercial or industrial zones, though cannabis event organizers may be located in any district when operating as a home occupation.

Measure E creates a permit procedure that gives the City Planning Director authority to approve applications. There is no requirement for Planning Commission approval. The initiative requires permittees to maintain odor control systems but does not require security systems. It provides the City cannot be liable for its permitting decision, but it also prevents the City from requesting applicants indemnify the City for claims others may bring due to the applicant's conduct.

Measure E allows personal cannabis cultivation inside a dwelling or accessory building that complies with state and local building codes. However, it does not create a mechanism for inspections to ensure compliance with such codes. Although outdoor personal cultivation is prohibited, the City Council may allow it.

Measure E allows up to 6 plants to be grown indoors per property unless cultivation is for medical use. It then allows up to 12 indoor plants per qualified patient or primary caregiver.

The City estimates that the Measure E will result in approximately \$400,000.00 in lost revenue annually due to the lack of Public Benefit Fee provisions in the initiative.

Measure E can be approved by the voters by a majority vote of the ballots cast on the measure.

Measure E was placed on the ballot via a Proponent Driven Ballot Initiative.

/s/ Sophia R. Meyer, City Attorney

The above statement is an impartial analysis of Measure E. If you desire a copy of the measure, please call the City Clerk's Office (530) 527-2605 x 3057 and a copy will be mailed at no cost to you.

