

CITY OF HEALDSBURG

ORDINANCE NO. 1227

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HEALDSBURG REPEALING HEALDSBURG MUNICIPAL CODE CHAPTER 8.32: MEDICAL MARIJUANA DISPENSARIES; AMENDING SECTION 20.08.145: PERMITTED AND CONDITIONALLY PERMITTED USES IN THE PLAZA RETAIL (PR), DOWNTOWN COMMERCIAL (CD), AND SERVICE COMMERCIAL (CS) DISTRICTS; AMENDING SECTION 20.08.155: PERMITTED AND CONDITIONALLY PERMITTED USES IN THE MIXED USE (MU) DISTRICT; AMENDING SECTION 20.08.195: PERMITTED AND CONDITIONALLY PERMITTED USES IN THE INDUSTRIAL (I) DISTRICT; ADDING A NEW SECTION 20.20.095: COMMERCIAL CANNABIS USES AND REQUIREMENTS; AMENDING SECTION 20.20.100: MARIJUANA CULTIVATION, POSSESSION AND USE; AND AMENDING SECTION 20.28.310: DEFINITIONS TO ALLOW FOR COMMERCIAL CANNABIS USES

WHEREAS, pursuant to its police powers and as authorized by the California Compassionate Use Act, the California Medical Cannabis Regulation and Safety Act (“MCRSA”), the Adult Use of Marijuana Act (“AUMA”), SB 94 and the Medical and Adult Use Cannabis Regulation and Safety Act (“MAUCRSA”), the City may enact laws or regulations pertaining to cannabis cultivation, dispensing, manufacturing, distribution, transportation, and testing within its jurisdiction; and

WHEREAS, the City wishes to establish a uniform regulatory structure for cannabis uses in the City in accordance with state law; and

WHEREAS, the City of Healdsburg Municipal Code (HMC) regulates allowable uses and development standards within the City; and

WHEREAS, amendments are proposed to the HMC including repealing Chapter 8.32: Medical Marijuana Dispensaries in its entirety; amending Section 20.08.145: Permitted and conditionally permitted uses in the Plaza Retail (PR), Downtown Commercial (CD), and Service Commercial (CS) districts; amending Section 20.08.155: Permitted and conditionally permitted uses in the Mixed Use (MU) district; amending Section 20.08.195 Permitted and conditionally permitted uses in the Industrial (I) district; adding a new Section 20.20.095: Commercial cannabis uses and requirements; amending section 20.20.100 Marijuana cultivation, possession and use; and amending Section 20.28.310: Definitions to allow for commercial cannabis uses; and

WHEREAS, the Planning Commission held a duly noticed public hearing on February 28, 2023, at which time it reviewed the proposed amendments and considered all public comments on the revisions and the related CEQA exemption; and

WHEREAS, the proposed amendments will not allow for, nor encourage, any more development than is already anticipated under the City’s General Plan, or otherwise allow for or promote physical changes in the environment and, therefore, it can be seen with certainty that there

is not a possibility that the proposed amendments may have a significant impact on the environment; and

WHEREAS, the proposed amendments are exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3) (general rule) of the CEQA Guidelines in that as a general policy making activity and/or administrative activity there is no possibility that the implementation of this ordinance will have significant effects on the environment; and

WHEREAS, the Planning Commission made the following affirmative findings pursuant to HMC Section 20.28.282 in support of the proposed amendments:

- A. The amendments are consistent with the Healdsburg 2030 General Plan including the goals, and policies, in that no conflicts with any Goals, Policies, Programs or measures of the Healdsburg General Plan 2030 have been identified.
- B. The amendments are consistent with the objectives of the Land Use Code contained in Section 20.04.010 given that: a) adoption of the proposed amendments will continue to protect and promote the public health, safety and general welfare of the community by providing updated standards; and b) the amendments will implement the goals, policies, and programs contained in the Healdsburg 2030 General Plan.
- C. The Planning Commission has conducted a public hearing on the draft Land Use Code Amendments with hearing notices provided as prescribed in Land Use Code Section 20.28.080, including newspaper publication at least 10 days prior to the hearing date.
- D. The amendments are exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA Guidelines.

WHEREAS, based upon the Planning Commission's findings, the City Council determines that the revisions are consistent with the General Plan including the Goals, Policies, and Implementation Measures of the Housing, Land Use, and Economic Development Elements of the adopted General Plan, and that the revisions are internally consistent with all other provisions of the Municipal Code.

NOW, THEREFORE, the City Council of the City of Healdsburg does ordain as follows:

**Section 1.** Findings.

The above recitals are hereby declared to be true and correct findings of the City Council of the City of Healdsburg.

**Section 2.** Chapter 8.32 Medical Marijuana Dispensaries is hereby repealed in its entirety.

**Section 3.** Section 20.08.145 Permitted and conditionally permitted uses in the Plaza Retail (PR), Downtown Commercial (CD), and Service Commercial (CS) Districts shall be amended to allow commercial cannabis uses as follows:

**20.08.145 Permitted and conditionally permitted uses: PR, CD, and CS Districts**

The following permitted and conditionally permitted uses may be allowed in the PR, CD and CS Districts. Chapter 20.28 HMC, Article V describes the procedures for obtaining a conditional use permit.

**Table 10 Permitted and conditionally permitted uses: PR, CD and CS Districts**

Permitted (P) and Conditionally Permitted (C) Uses	PR	CD	CS	Specific Use Regulations
<b>Residential Uses</b>				
Accessory dwelling unit	P	P	P	HMC 20.20.010
Day care, general	--	C	C	
Day care, limited	--	P	P	
Homeless shelters	--	--	P	
Multifamily dwellings located on the same site as a commercial use – above ground floor	C	P	P	
Multifamily dwellings located on the same site as a commercial use – any floor	--	P	P	
Residential care, general	--	C	C	
Residential care, limited	--	P	P	
Single-room occupancy dwellings located on the same site as a commercial use – above ground floor	C	P	P	
Single-room occupancy dwellings located on the same site as a commercial use – any floor	--	P	P	
Supportive housing	P	P	P	
Transitional housing	P	P	P	
Vacation rental	--	C	--	
<b>Retail Trade and Services</b>				
Ambulance service	--	--	P	
Antique car display and sales	--	C	P	
Antique sales – above ground floor	P	P	C	
Antique sales – ground floor	C	P	C	
Art galleries and picture framing with art sales	P	P	P	
Arts and crafts schools	--	P	P	
Arts, crafts and hobby stores, including instructional classes as an accessory use	P	P	P	
Automobile rentals	--	--	P	

Ordinance No. 1227

Page 4

Permitted (P) and Conditionally Permitted (C) Uses	PR	CD	CS	Specific Use Regulations
Automobile washing (self-service)	--	--	P	
Automotive repair	--	--	C	
Automotive sales and service, new and used, with auto service	--	--	P	
Automotive service stations, including smog testing, minor repair (tune-ups and brake repair only), towing services, vehicle storage and mini-markets	--	--	C	
Automotive supply stores	--	P	P	
Automotive upholstery shops	--	--	C	
Bakeries, retail	P	P	P	
Banks, savings and loans, thrift and loans, credit unions, including automated teller machines and drive-through facilities	--	C	C	
Banks, savings and loans, thrift and loans, credit unions, including automated teller machines (no drive-through)	C	P	P	
Barber shops/beauty shops – above ground floor	P	P	P	
Barber shops/beauty shops – ground floor	--	P	P	
Bars and cocktail lounges	C	C	C	HMC 20.20.075
Beer and wine sales (off-premises consumption), ancillary to mini-market retail sales contained within a service station	--	--	C	HMC 20.20.075
Bicycle sales and repair shops, including rentals	--	P	P	
Blueprint and photo reproduction shops	--	P	P	
Boat sales and service	--	--	P	
Bookstores and newsstands – above ground floor	P	P	P	
Bookstores and newsstands – ground floor	C	P	P	
Bowling alleys	--	--	P	
Building material sales	--	--	C	
Bus depots	C	C	C	
Cabinet shops	--	--	C	
Cannabis Storefront Retailer (Dispensary)	--	P	P	HMC 20.20.095
Cannabis Microbusiness (without cultivation)	--	P	P	HMC 20.20.095
Card and stationers' stores	P	P	P	
Carnivals and circuses, temporary	--	--	C	
Catering shops (food to go only)	--	P	P	
Christmas tree sales lots, temporary	P	P	P	
Clothing and shoe establishments, including clothing sales (new merchandise only), tailor shops, and dressmaking establishments	P	P	P	

Ordinance No. 1227

Page 5

Permitted (P) and Conditionally Permitted (C) Uses	PR	CD	CS	Specific Use Regulations
Computer retail sales	--	P	--	
Consignment sales with incidental sales of used goods and clothing	--	P	P	
Contractors' equipment rental yards & equipment rental yards	--	--	C	
Contractors' shops with no outdoor storage of heavy equipment	--	--	P	
Delicatessens and gourmet food sales with incidental catering	P	P	C	
Dental labs	--	P	P	
Department stores	--	P	P	
Dry cleaners and laundries	--	P	P	
Electronic games centers (4 or more games)	--	C	C	
Fabric shops	P	P	P	
Farmers markets	C	C	C	
Firearm dealers	--	--	C	HMC 20.20.105
Floor covering and drapery sales	--	C	P	
Florists, including outdoor sales	P	P	P	
Food and cold storage lockers	--	C	P	
Food stores over 3,500 square feet in retail sales	--	P	P	
Food stores up to 3,500 square feet in retail sales	C	P	P	
Furniture repair	--	P	P	
Furniture stores, retail	P	P	P	
Gift shops	P	P	P	
Glass shops (glaziers)	--	--	P	
Hardware, paint and wallpaper stores, with no firearm sales	--	P	P	
Hardware, paint and wallpaper stores with firearm sales	--	--	C	HMC 20.20.105
Health clubs, gymnasiums and dance studios	--	C	P	
Home electronics and household appliance stores, including television, stereo, radio, telephone, computer and related sales (includes repair and installation services)	--	P	P	
Hotels, extended stay hotels and motels	C	C	--	HMC 20.20.090
Ice cream parlors, soda fountains and candy stores	P	P	P	
Interior furnishing and accessory shops	P	P	P	
Jewelry sales and repair, including watch and clock repair	P	P	P	
Kennels	--	--	C	

Ordinance No. 1227

Page 6

Permitted (P) and Conditionally Permitted (C) Uses	PR	CD	CS	Specific Use Regulations
Kitchenware shops	P	P	P	
Laboratories	--	C	P	
Laundries – self-service	--	P	P	
Linen supply services	--	--	P	
Liquor, beer and wine sales – off-premises consumption	C	C	C	HMC 20.20.075
Live-work facilities	--	P	P	
Locksmiths	--	P	P	
Machinery sales, service, rental	--	--	P	
Manufacturing/processing – light; provided, that all of the conditions prescribed by Chapter 20.24 HMC, Article I, are met, and that no motor power other than electrically operated motors shall be used. The horsepower of any single motor shall not exceed five horsepower and the total horsepower of all such motors on the site shall not exceed 25 total horsepower. This does not include air conditioning equipment.	--	C	C	
Massage establishments – above ground floor	P	P	P	
Massage establishments – any floor	--	P	P	
Medical and dental clinics	--	--	P	
Mortuaries	--	C	C	
Motorcycle sales and service	--	C	P	
Music and dance entertainment clubs	--	P	C	
Musical instrument sales, repair and lessons; and recorded music sales – above ground floor	P	P	P	
Musical instrument sales, repair and lessons; and recorded music sales – ground floor	C	P	P	
Nightclubs	C	C	C	HMC 20.20.075
Nurseries and garden supply stores	--	C	P	
Office equipment sales and service	--	P	P	
Offices – professional, administrative and business, including chiropractor, insurance, real estate and financial offices, but excluding medical and dental offices – any floor	--	P	P	
Offices – professional, administrative and business, including chiropractor, insurance, real estate and financial offices, but excluding medical and dental offices – above ground floor	P	--	--	
Offices – psychologist, psychiatrist, counseling and therapy	--	P	P	
Optician and optometrist shops	--	P	P	
Outdoor vendors on private property	C	C	--	
Parking lots and parking garages	C	P	P	

Permitted (P) and Conditionally Permitted (C) Uses	PR	CD	CS	Specific Use Regulations
Patio and garden furniture and accessories shops	--	P	P	
Pet shops, including pet grooming	--	P	P	
Pharmacies and drugstores	C	P	P	
Photography shops, studios and photo supply stores	C	P	P	
Picture framing shops	--	P	P	
Plumbing supply shops	--	C	P	
Pool and billiards halls	--	C	P	
Pool and spa sales and service	--	--	P	
Post office and private mail services	--	C	P	
Pottery and woodworking shops	--	--	P	
Printing, lithography and engraving	--	C	P	
Public information centers – indoor	P	P	P	
Public utility installations, including public service pumping stations, power stations and substations, equipment buildings and installations	--	C	C	
Radio and television broadcast and recording studios	--	C	C	
Radio, television and stereo sales and service	--	P	P	
Recreational equipment rental	--	--	P	
Recreational vehicle sales, services, repair and storage	--	--	P	
Residential visitor lodging	--	C	C	
Restaurants, cafes and eating establishments, indoor and outdoor eating, including sale of alcoholic beverages as an ancillary use and indoor music with no sound amplification	P	P	P	
• Amplified music	C	C	C	
Restaurants, drive-in, walk-up and drive-through	--	--	C	
Retail warehouses over 6,000 square feet of floor area	--	--	C	
Retail warehouses under 6,000 square feet of floor area	--	--	P	
Secondhand stores and pawn shops	--	C	C	
Shoe repair	--	P	--	
Sign painting	--	C	P	
Skating rinks (within building)	--	--	P	
Spa, day	--	P	P	
• Above ground floor	C	P	--	
• Any floor	--	P	--	

Permitted (P) and Conditionally Permitted (C) Uses	PR	CD	CS	Specific Use Regulations
Spa, overnight	P	P	--	
Sporting goods sales, with rental as an accessory use, with no firearm sales	--	P	P	
Sporting goods sales, with rental as an accessory use, with firearm sales	--	--	C	HMC 20.20.105
Supermarkets (over 3,500 square feet of retail sales area)	--	P	P	
Tasting room	C	C	--	HMC 20.20.075
Theaters and auditoriums	C	C	C	
Tire sales, not including tire recapping	--	--	P	
Tobacco and pipe shops	P	P	P	
Toy stores	P	P	--	
Travel agencies – above ground floor	P	P	P	
Travel agencies – ground floor	C	P	P	
Upholstery shops	--	C	C	
Vacation timeshares	--	--	--	
Variety stores and dry goods	--	P	P	
Vending machine service	--	--	P	
Veterinarian offices and small animal hospitals	--	--	C	
<b>Recreation, Education and Public Assembly</b>				
Churches and other religious institutions	--	C	C	
Private clubs, fraternal lodges and meeting halls	C	C	C	
Private museums	P	C	--	
<b>Accessory Uses</b>				
Accessory structures and uses located on the same site as a permitted or conditional use	P	P	P	

-- = not permitted

**Section 4.** Section 20.08.155 Permitted and conditionally permitted uses in the Mixed Use (MU) District shall be amended to allow commercial cannabis uses as follows:

**20.08.155 Permitted and conditionally permitted uses: MU District**

Table 12 identifies the permitted and conditionally permitted uses for the Mixed Use District. This table is to be used in conjunction with the definitions contained in Chapter 20.28 HMC, Article IX. Refer also to the specific use regulations as noted. Chapter 20.28 HMC, Article V, describes the procedures for obtaining a conditional use permit. Chapter 20.12 HMC, Article IV, describes specific regulations that apply to areas within the Mixed Use District that are also within the North Entry Area Plan Overlay.

Table 12 Permitted (P) and conditionally permitted uses: MU District

Permitted (P) and Conditionally Permitted (C) Uses		Specific Use Regulations
<b>Residential Uses</b>		
Accessory dwelling unit and junior accessory dwelling unit	P	HMC 20.20.010
Employee housing for six or fewer employees in accordance with Cal. Health & Safety Code § 17000 et seq.	P	
Home occupations	P	HMC 20.20.005
Residential uses as part of a mixed use development	C	
Multifamily dwellings not part of a mixed use development	P	
Residential care, general	C	
Residential care, limited	P	
Single-family attached dwellings not part of a mixed use development	P	
Supportive housing	P	
Transitional housing	P	
Vacation rental homes	--	
<b>Retail Trade</b>		
Alcoholic beverages (off-sale)	C	HMC 20.20.075
Artisan shop	P	
Cannabis Storefront Retailer (Dispensary)	P	HMC 20.20.095
Cannabis Microbusiness (without cultivation)	P	HMC 20.20.095
Convenience store • Beer and wine sales (off-sale), ancillary	C C	HMC 20.20.075
Grocery and specialty food sales • 3,500 square feet or less • More than 3,500 square feet	P C	
Outdoor display and sales	P	Ch. 20.16 HMC, Art. V
Retail, general • Extended hours • Secondhand goods	P C C	
Sporting goods sales, with rental as an accessory use, with firearm sales	C	HMC 20.20.105
<b>Services</b>		
Bank, financial services	P	
Business support services	P	

Permitted (P) and Conditionally Permitted (C) Uses		Specific Use Regulations
Catering	P	
Instructional services	C	
Medical services, minor	C	
Personal services	P	
Recycling, small collection facility	C	
Specialty transportation rental, touring services	C	
Storage – indoor	C	
Tasting room	C	HMC 20.20.075
Vehicle services – service station	C	HMC 20.20.065
• Beer and wine sales (off-sale), ancillary	C	HMC 20.20.075
Visitor lodging	C	
<b>Eating and Drinking Establishments, Entertainment</b>		
Bar, nightclub	C	HMC 20.20.075
Restaurant	P	HMC 20.16.080
• Amplified music audible from outside the building	C	
• Extended hours	C	
<b>Food and Beverage Production</b>		
Food and beverage production – limited	C	
<b>Utilities</b>		
Public utility facility	P	
Telecommunication facility – minor	P	HMC 20.20.080
Telecommunication facility – major	C	HMC 20.20.080
<b>Accessory Uses</b>		
Accessory uses customarily associated with or essential to a permitted or conditionally permitted use, and operated incidental to the principal use	P	
Drive-through service	C	

**Section 5.** Section 20.08.195 Permitted and conditionally permitted uses in the Industrial (I) District shall be amended to allow commercial cannabis uses as follows:

**20.08.195 Permitted and conditionally permitted uses**

The following table identifies the permitted and conditionally permitted uses for the Industrial District. This table is to be used in conjunction with the definitions contained in Chapter 20.28 HMC, Article IX. Chapter 20.28 HMC, Article V describes the procedures for obtaining a conditional use permit.

Table 15 Permitted (P) and conditionally permitted (C) uses: I District

Residential Uses		Specific Use Regulations
Home-based business	P	
Live/work facilities, including caretaker residence	C	
Supportive housing	P	
Transitional housing	P	
Workforce housing	C	
Retail Trade		
Non-Storefront Commercial Medicinal Retailer (Delivery Only)	P	HMC 20.20.095
Cannabis Storefront Retailer (Dispensary)	P	HMC 20.20.095
Cannabis Microbusiness (without cultivation)	P	HMC 20.20.095
Firearm dealers	C	HMC 20.20.105
Retail sales, bulky products • Outdoor display and sales	P C	
Retail, general, of products manufactured, assembled or warehoused on the same premises, incidental to the primary use	P	
Vehicle and agricultural equipment sales and related equipment and supplies sales	C	
Wholesaling and distribution	P	
Services		
Adult entertainment	C	
Business support services	P	
Catering	P	
Commercial recreation	C	
Equipment rental • With outdoor storage and display	P C	
Equipment storage yard	C	
Fitness center	P	
Furniture repair, refinishing and re-upholstery	P	
Instructional services • Abutting a residential or office use or zoning district	P C	
Kennel, animal grooming and sales of related equipment and supplies	C	
Maintenance/repair service	P*	
Mortuary	C	

Offices, nonmedical	C	
Offices, medical, where medical, dental, mental health, surgical and/or other similar health care services are provided on an outpatient basis, and that accommodate no more than four licensed primary practitioners (such as medical doctors, dentists, chiropractors, psychologists) within a single office suite in a building specifically designed for office uses. This classification does not include hospitals, clinics, laboratories and dispensing opticians and optometrists.	C	
Recycling facility	C	
• Small collection facility	C	
• Medium collection facility	C	
Restaurant	P	
Storage – personal storage facility	P	
Vehicle rental	C	
Vehicle services	C	
• Major maintenance and repair	P	
• Minor maintenance and repair	P	
• Service station	P	
Vehicle/boat storage	C	
Veterinarian, small animal hospital	C	
<b>Industrial Uses</b>		
Alcoholic beverage manufacturing facility	P	
• Amplified music	C	
• Entertainment and assembly venue	C	
• Tasting room	C	
Cannabis manufacturing facility (non-volatile/no solvents)	P	HMC 20.20.095
Cannabis manufacturing facility (volatile solvents)	--	
Cannabis distributor	P	HMC 20.20.095
Cannabis testing laboratory	P	HMC 20.20.095
Laboratory – medical, analytical	P	
Manufacturing/processing – light	P	
Manufacturing/processing – moderate	C	
Research and development	P	
Warehouse	P	
<b>Accessory Facilities and Uses</b>		
Accessory uses customarily associated with or essential to a permitted use, and operated incidental to the principal use, including offices	P	
Tasting of food and nonalcoholic beverage products produced on site	P	
<b>Public and Quasi-Public Uses</b>		

Transit station	P	
Mail collection and distribution center	P	
<b>Utilities</b>		
Public utility facility	P	
Telecommunication facility – minor	P	
Telecommunication facility – major	C	

\* If this use (maintenance/repair service) includes firearm sales, a conditional use permit is required subject to the requirements of HMC 20.20.105.

**Section 6.** CHAPTER 20.20 Standards for Specific Land Uses shall be amended to include a new Section 20.20.095 titled “Commercial cannabis uses and requirements” as follows:

**20.20.095 Commercial cannabis uses and requirements**

A. Standards for All Commercial Cannabis Uses.

1. Purpose. This section provides the development, operating, and permit standards for all commercial cannabis uses, including both adult (recreational) and medicinal cannabis uses, to ensure neighborhood compatibility, minimize potential environmental impacts, mitigate potential nuisances, and provide safe, legal access to cannabis. Additional standards may apply to particular commercial cannabis uses, as established in other subsections of this section.

2. Applicability. Commercial cannabis uses shall be permitted only in compliance with the requirements of this section, state law and all other applicable requirements for the specific type of commercial cannabis use and those of the underlying base zone. In addition to the requirements of this section, commercial cannabis uses shall comply with all applicable state laws and regulations, including the California Environmental Quality Act (CEQA), and other applicable provisions of the City of Healdsburg’s general plan and municipal code. The terms used in this section are defined in Municipal Code section 20.28.310, except for those terms that are defined specifically in this section. Except for hospitals and research facilities that obtain written permission for cannabis cultivation under federal law, it is unlawful to engage in any commercial cannabis use within the City without first having obtained from the City a valid commercial cannabis permit issued pursuant to the provisions of this section. Possession of other types of state or city permits or licenses does not exempt a person or entity from the requirement of obtaining a commercial cannabis permit under this section. Unless specific distinctions are made in subsequent subsections, these requirements shall apply equally to either adult use or medical cannabis activities.

3. Limitations on Use. A commercial cannabis use shall only be allowed if such use is in compliance with this section and all applicable provisions set forth and/or incorporated in the Healdsburg Municipal Code, including but not limited to building, plumbing, electrical, fire, hazardous materials, and public health and safety codes. A commercial cannabis use shall comply with all laws and regulations applicable to that type of commercial cannabis use, including all state cannabis laws, and shall comply with all permit, license, approval, inspection, reporting, and operational requirements of other public agencies having jurisdiction over that type of commercial cannabis use. The commercial cannabis use owner or manager shall provide copies of other agency and department permits, licenses, or certificates to the City of Healdsburg to serve as verification of such compliance.

4. Application Procedures and Requirements. The form and content of the commercial cannabis permit application, the procedures for submitting a commercial cannabis permit application, and the procedures for the

issuance and/or denial of a commercial cannabis use permit shall be specified by the City Manager or their designee. In addition to any other disclosures, data, forms, recitals, assurances, agreements, or other information required by federal, state, or local law, applicants for a commercial cannabis permit shall provide the following information when submitting an application for a commercial cannabis permit:

a. Property Owner Consent. Commercial cannabis permits shall only be issued where written permission from the property owner and/or landlord is provided. The applicant shall provide evidence of such consent. The property owner and applicant, if other than the property owner, shall sign the application for the commercial cannabis permit, and shall include affidavits agreeing to abide by and conform to the conditions of the commercial cannabis permit and all provisions of the Healdsburg Municipal Code pertaining to the establishment and operation of the commercial cannabis use. The affidavit(s) shall acknowledge that the approval of the commercial cannabis permit shall, in no way, permit any activity contrary to the Healdsburg Municipal Code, or any activity which violates any applicable laws.

b. The name of the proposed commercial cannabis use, including, if applicable, the name on file with the California Secretary of State and any fictitious business names and/or DBAs. If the proposed commercial cannabis use is incorporated, the names, titles, addresses, and contact information of each corporate officer, the name, address, and contact information of the agent for service of process, a certified copy of the articles of incorporation, and a certified copy of the bylaws. If the proposed commercial cannabis use is a partnership, the names, addresses, and contact information for each partner and the agent for service of process.

c. The name, address, and contact information of each owner of the proposed commercial cannabis use. For purposes of this section, "owner" shall have the same meaning as the word "owner" set forth in California Business and Professions Code Section 26001(am) and California Code of Regulations Title 4, Division 19, Chapter 1, Article 1, Section 15003, which includes, for each applicable commercial cannabis use, any of the following: (1) a person with an aggregate ownership interest of 20 percent or more in the entity applying for a commercial cannabis permit, unless the interest is solely a security, lien, or encumbrance, or (2) an individual who manages, directs, or controls the operations of the commercial cannabis use, including but not limited to: (a) a member of the board of directors of a nonprofit; (b) a general partner of a commercial cannabis use that is organized as a partnership; (c) a non-member manager or managing member of a commercial cannabis use that is organized as a limited liability company; (d) the trustee(s) and all persons who have control of the trust and/or the commercial cannabis use that is held in trust; and (e) the chief executive officer, president or their equivalent, or an officer, director, vice president, general manager or their equivalent.

d. For each applicant, owner, and manager, a criminal history ("LiveScan"), to include State and federal level checks, prepared not more than two weeks prior to the date of submitting the commercial cannabis permit application, demonstrating that there are no convictions or pending charges for a felony, a felony or misdemeanor involving moral turpitude, or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance within the previous ten years, and that the business owner is not currently on parole or probation for a felony, a felony or misdemeanor involving moral turpitude, or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance. For each owner or manager who becomes part of a commercial cannabis use after a commercial cannabis permit is issued, the commercial cannabis use must submit the required criminal history showing the absence within the past ten years of the offenses listed above to the City Manager or their designee within two weeks of the new owner or manager joining the commercial cannabis use. For purposes of this section, "manager" shall mean any person(s) designated by the commercial cannabis use to act as the representative or agent of the commercial cannabis use 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 use 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.

i. A conviction within the meaning of this sections means a plea or verdict of guilty or a conviction following a plea of nolo contendere or no contest.

ii. A commercial cannabis use shall notify the Police Chief in writing of any disqualifying conviction described in subsection A(4)(d) for an owner or manager within 10 days of the conviction or of any pending charges for offenses described in subsection A(4)(d) for an owner or manager within 10 days of the filing of such charges by a prosecuting agency.

iii. A commercial cannabis use may submit to the Police Chief a written request for a waiver of the prohibition against the convictions specified in subsection A(4)(d) with regard to a particular applicant, owner, or manager on the ground that such person's involvement with the commercial cannabis use will not pose a threat to public safety. If the Police Chief determines that the requesting party has not submitted a preponderance of evidence to support the conclusion that there is no threat to public safety, the Police Chief shall deny the request, subject to the appeal procedures as set forth in Chapter 2.36. When responding to any request for a waiver under this section, and when determining whether a particular commercial cannabis activity with a particular applicant, owner, or manager will not pose a threat to public safety, the Police Chief will take into consideration: (1) employers are prohibited from using the types of "criminal history" documented in California Code of Regulations Title 2, Division 4.1, Chapter 5, Subchapter 2, Article 2, Section 11017; and (2) the California Department of Cannabis Control will deny a license based on convictions that are substantially related to the qualifications, functions, or duties of the business for which the application is made, including criteria set forth in California Code of Regulations Title 4, Division 19, Chapter 1, Article 3, Sections 15017 and 15035.

e. The name and contact information for each manager of a proposed commercial cannabis use. If such information is not available at the time the commercial cannabis permit application is submitted, the commercial cannabis permit applicant shall submit such information to the City Manager as soon as it becomes available.

f. The proposed type of commercial cannabis use.

g. The proposed location of the commercial cannabis use, demonstrating compliance with the zoning and locational restrictions applicable to that commercial cannabis use.

5. Compliance with County Health Regulations and Requirements. Commercial cannabis uses shall be subject to permit requirements and regulations, including inspections, established by the Sonoma County Department of Health Services under the direction of the County Health Officer, or any other individual designated by the County Health Officer to act on their behalf.

6. Development Standards.

a. Building Requirements. All structures used in commercial cannabis uses must comply with applicable building and fire code provisions as determined by the City's building official and the fire department official, respectively. In addition, the site of the commercial cannabis use and all associated buildings must comply with all applicable sections of the Healdsburg Municipal Code, as determined by the community development director, prior to issuance of a commercial cannabis permit. Commercial cannabis uses that provide access to the public, including but not limited to employees, vendors, contractors, business partners, members, customers, or patients, shall meet local, state and federal requirements for accessibility, including accessible parking, paths of travel, seating, restrooms, and washing facilities. All facilities must be inspected by the City and fire department prior to issuance of a commercial cannabis permit.

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

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

d. Operating Plan. All commercial cannabis uses shall submit as a part of the commercial cannabis permit application and thereafter maintain an operating plan that specifies the manner in which operations will be handled, and which details the number of employees and hours and days of operation. Any commercial cannabis use approved under this section shall be operated in conformance with the approved operating plan and shall meet any specific, additional operating procedures and measures as may be imposed as conditions of approval to ensure that the operation of the facility is consistent with protection of the health, safety and welfare of the community, customers, qualified patients, and primary caregivers, and will not adversely affect surrounding uses. Any change to the operating plan must be approved in writing by the City Manager or their designee.

e. Odor Control. Devices and techniques shall be incorporated in all commercial cannabis uses to ensure that odors from cannabis are not detectable off site. Commercial cannabis uses shall provide a sufficient odor-absorbing ventilation and exhaust system so that odor generated inside the facility that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, in 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 use. As such, commercial cannabis uses must install and maintain the following equipment or any other equipment which the building official or designee determines has the same or better effectiveness:

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

ii. An air system that creates negative air pressure between the commercial cannabis use's interior and exterior so that the odors generated inside the commercial cannabis use's facility are not detectable on the outside of the facility.

f. Air Quality. A commercial cannabis permit applicant shall provide a calculation of the business's anticipated emissions of air pollutants. The commercial cannabis permit applicant shall also provide assurance that the business will comply with all best management practices established by the Northern Sonoma County Air Pollution Control District (NSCAPCD). No commercial cannabis permit shall be issued to any business that would exceed the thresholds of significance established by the NSCAPCD for evaluating air quality impacts under the California Environmental Quality Act for either operation or construction. After the receiving a commercial cannabis permit from the City, a commercial cannabis use must not exceed the thresholds of significance established by the NSCAPCD for evaluating air quality impacts under the California Environmental Quality Act for either operation or construction.

g. Hazardous Materials. To the extent that a commercial cannabis permit applicant intends to use any hazardous materials in its operations, the applicant shall provide a hazardous materials management plan that complies with all federal, state, and local requirements for management of such substances. "Hazardous materials" includes any hazardous substance regulated by any federal, state, or local laws or regulations intended to protect human health or the environment from exposure to such substances. After receiving a commercial cannabis permit for a commercial cannabis use that involves hazardous materials, the commercial cannabis use must comply at all times with its approved hazardous materials management plan.

h. Water Supply. If a proposed commercial cannabis use will occupy an existing building, the applicant shall demonstrate to the satisfaction of the City engineer and building official that water usage will not exceed that of the building's intended occupancy class without additional review and prior approval by the City Manager or their designee. If a proposed commercial cannabis use will occupy a newly constructed building, the proposed use and construction design shall include all necessary devices and processes to ensure water usage will not exceed an operation typical of the zone in which it is proposed. After receiving a commercial cannabis permit, the commercial cannabis use must ensure that its water usage will not exceed that of the building's intended occupancy class without additional review and prior approval by the City Manager or their designee.

i. Wastewater. A commercial cannabis permit applicant shall demonstrate to the satisfaction of the City engineer that sufficient wastewater capacity exists for the proposed use. To the extent the proposed commercial cannabis use will result in agricultural or industrial discharges to the City's wastewater system, the applicant shall provide a plan for meeting all federal, state, and local requirements for such discharges. After receiving a commercial cannabis permit, the commercial cannabis use must ensure that its wastewater discharge does not exceed that of the approved occupancy class without additional review and prior approval by the City Manager or their designee.

7. Permit Requirements. In addition to state permitting requirements and the requirements of this section, including the requirement of a commercial cannabis permit, commercial cannabis uses shall be subject to the cannabis permit requirements as shown in Table 10 of Section 20.08.145, Table 12 of Section 20.08.155, and Table 15 of Section 20.08.195. In addition, all commercial cannabis uses must obtain a zoning clearance and pay applicable fees and taxes. Any violations of the Healdsburg Municipal Code or any other local, state, or federal law pertaining to the structure or property to be used for the commercial cannabis use must be cured prior to issuance of a commercial cannabis permit. The City Manager or their designee may design application forms specific to each permitted category and require inspections of proposed facilities before issuing a permit under this section. Commercial cannabis uses shall also be subject to permit requirements and regulations established by the Healdsburg Municipal Code and any additional requirements established by other subsections of this section, resolutions or ordinances of the City Council or a vote of the citizens of Healdsburg. A City business license is required for commercial cannabis uses, pursuant to Chapter 5.04.

a. Issuance and Term of Permit. Except as provided in subsection (B) of this section pertaining to the approval process for a commercial cannabis permit for cannabis storefront retailers and cannabis microbusinesses, commercial cannabis permits shall be issued to the operator by the City Manager or their designee if the applicant has paid all applicable fees and the commercial cannabis permit application is complete, demonstrates compliance with all applicable federal, state, and local requirements, and includes the information required by this section to the satisfaction of the City Manager, City engineer, building official, or their designee as applicable. Each commercial cannabis permit approved under this section, including commercial cannabis permits for cannabis storefront retailers and cannabis microbusinesses approved under subsection B, shall be valid for a period not to exceed three years from the date of permit approval and shall be subject to permit renewals, in accordance with subsection (A)(8) of this section. No property interest, vested right, or entitlement to receive a future permit to operate a commercial cannabis use shall ever inure to the benefit of a commercial cannabis permit holder. Commercial cannabis permits issued pursuant to this section are not transferable without prior City approval. Commercial cannabis permits may be issued with conditions. The City has no duty or obligation to issue commercial cannabis permits. The City may elect at any time to cease issuing commercial cannabis permits, including upon receiving credible information that the federal government will commence enforcement measures against such businesses and/or local governments that permit them.

b. Operator/Permit Holder Qualifications. Owners of commercial cannabis permittees must be twenty-one years of age or older.

c. Priority. When processing permit applications for commercial cannabis uses other than cannabis storefront retailers and cannabis microbusinesses, priority may be given to applications based on a City Council-adopted applicant selection process.

d. Issues of Significant Public Interest. In considering an application under this section for a commercial cannabis permit, the City Manager or their designee's review shall be limited to compliance with this section and applicable federal, state, or local laws and regulations. The City Manager or their designee may, however, determine that an application does not meet the requirements for a particular license and that the license may remain unissued due to a significant public interest. "Significant public interest" includes, but is not limited to, potential health or safety impacts, potential conflicts with neighboring uses, unique characteristics of the proposed site, unique characteristics of the proposed operations, and/or other factors that, in the City Manager or their designee's discretion, warrant rejection of application(s).

e. Denial of Commercial Cannabis Permit. In addition to any other basis for denying a commercial cannabis permit set forth in this section, the City Manager or their designee may deny a commercial cannabis permit if the application contains any false or misleading statement or information, misrepresentation, or material omission or if the criminal history for any applicant, owner, or manager includes a felony, a felony or misdemeanor involving moral turpitude, or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance within the previous ten years.

8. Exercise and Renewal of Permit. Commercial cannabis permits shall be exercised only by the applicant and are not transferable to any other person or entity without prior written City approval. Permits shall expire upon termination of the business for which it was issued, or upon sale or unauthorized transfer of ownership of the cannabis commercial use. Any commercial cannabis permit that is abandoned for a period of six months shall automatically expire and shall become null and void with no further action required on the part of the City. For purposes of this section, "abandonment" shall mean the failure to initiate the activities described in the permit application or cessation of regular and continuous business operations. All commercial cannabis permits, including commercial cannabis permits for cannabis storefront retailers and microbusinesses, have a term of three years and must be renewed prior to expiration. A commercial cannabis use must apply for permit renewal no less than 60 days prior to the expiration of their current permit. Approval of permit renewals may be issued by the City Manager or their designee following demonstration by the operator/permittee of compliance with all requirements in effect. Review shall also include, but not be limited to, analyses of the following:

a. The commercial cannabis use has been conducted in accordance with this section and all applicable permit conditions, and all applicable state and local laws and regulations, and is in good standing with all state and local agencies.

b. Any and all code and/or commercial permit violations or complaints, including complaints related to nuisance activities, have been promptly addressed and cured to the satisfaction of the police chief and City Manager or their designee depending on the violation.

c. The commercial cannabis use for which the permit was approved has not been transferred without authorization to another owner or operator.

d. There are no outstanding violations of applicable laws, including the municipal code and state cannabis laws.

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

f. The application for renewal is complete, does not contain any false or misleading statement or information, misrepresentation, or material omission, and the criminal history for any owner or manager does not include a felony, a felony or misdemeanor involving moral turpitude, or any crime involving the

sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance within the previous ten years.

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

10. Taxes. Commercial cannabis uses shall timely remit payment of all applicable taxes that may be enacted by the voters, including Chapter 3.32, or any additional regulations that may be promulgated in addition to all current applicable state and local taxes.

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

a. A safety and security plan shall be required prior to permit issuance and shall be subject to review and approval by the City Manager or their designee. All safety and security plans shall be held in a confidential file exempt from disclosure as a public record pursuant to Government Code Section 6255(a). Such plans shall include, at a minimum, information regarding implementation of the requirements of this section. The City Manager or their designee may require that additional information be included in the plan. Commercial cannabis permittees must adhere to the requirements of the approved safety and security plan at all times the commercial cannabis permit is active.

b. Security cameras shall be installed with capability to record activity on the property, including parking lots, entry points to the property, and within all buildings and structures on the property, including all entrances, exits, perimeter windows and all areas where customers and employees may have access, apart from any restroom area. Security cameras shall record 24 hours a day, seven days a week. Additionally:

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

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

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

iv. At each entrance and exit to the facility, camera coverage must enable recording of customer facial features with sufficient clarity to determine identity.

c. Surveillance video shall be kept for a minimum of 90 days in a format that can be easily accessed for viewing. Video must use standard industry format to support criminal investigations. Permit holders shall be required to cooperate with all law enforcement investigations and provide video footage related to any such investigation upon request. Failure to do so could result in revocation of a commercial cannabis permit. Motion-sensor lighting and alarms shall be required and shall be professionally installed and monitored to ensure the safety of persons and to protect the premises from theft. Alarm and surveillance systems shall be equipped with a failure notification system that provides prompt notification to the commercial cannabis use of any prolonged surveillance interruption and/or failure of the system. The commercial cannabis use shall notify the Healdsburg Police Department within twenty-four hours of a failure of the surveillance video system. The commercial cannabis use shall restore the surveillance video system within a time period as determined by the Police Chief or their designee. All surveillance equipment, records, and recordings must be stored in a secured area that is only accessible to management

staff. Permittees must keep a current list of all authorized employees who have access to the surveillance system and/or alarm system.

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

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

f. With the exceptions of weapons and firearms possessed by on-duty law enforcement officers, weapons and firearms are prohibited on the property of a commercial cannabis use.

g. Security measures shall be designed to ensure emergency access in compliance with fire safety standards.

h. All structures used for commercial cannabis uses shall have locking doors, with commercial-grade nonresidential locks, to prevent free access.

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

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

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

l. Duress alarm buttons shall be installed in all commercial cannabis use facilities with easy access by employees and all employees shall be properly trained in their use.

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

n. Security personnel hired by the commercial cannabis use shall be subject to prior review and approval of the chief of police or their designee.

o. Each commercial cannabis use shall identify a liaison and provide the liaison's contact information to the Healdsburg Police Department. The designated liaison shall be reasonably available to meet with the chief of police or their designee regarding security measures and operational issues.

## 12. Employees.

a. All employees of a commercial cannabis use must be twenty-one years of age or older.

b. Each commercial cannabis use shall maintain on site a current register of all the employees currently employed by the commercial cannabis use and shall produce such register to the chief of police, designee,

or any other City official authorized to enforce the Healdsburg Municipal Code for purposes of determining compliance with this section.

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

14. **Tracking.** Commercial cannabis uses and permittees shall comply with any track and trace program established by the City or by County or State agencies. Commercial cannabis uses must maintain records tracking all cannabis production and products and shall make all records related to the commercial cannabis use available to the City upon request. The City Manager or their designee may require commercial cannabis uses to comply with a County track and trace system if appropriate.

15. **Police Notification.** Commercial cannabis uses shall notify the Healdsburg Police Department within twenty-four hours of discovering any of the following:

a. Significant discrepancies identified during inventory. The level of significance shall be two percent of inventory or per state regulations, whichever is stricter.

b. Diversion, theft, or loss, or any criminal activity involving the commercial cannabis use or any agent or employee of the commercial cannabis use.

c. Any other breach of security.

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

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

18. **Appeal of Decision on Commercial Cannabis Permit.** Within 10 days of a decision by the City Manager or their designee to approve or disapprove a commercial cannabis permit application for a commercial cannabis use other than a cannabis storefront retailer or cannabis microbusiness, or a decision by the City Manager or their designee to approve or deny a commercial cannabis permit renewal application, an applicant or interested party may appeal the approval or disapproval by following the procedures for appeals set forth in Chapter 2.36 of the Healdsburg Municipal Code. The appeal hearing shall be set and conducted in accordance with Chapter 2.36.

19. **Liability and Indemnification.** To the fullest extent permitted by law, any actions taken by a public officer or employee under the provisions of this section shall not become a personal liability of any public officer or employee of the City. To the maximum extent permitted by law, the permittees under this section shall defend (with counsel acceptable to the City), indemnify and hold harmless the City of Healdsburg, the Healdsburg City Council, and its respective officials, officers, employees, representatives, agents and volunteers (hereafter collectively called "City") from any liability, damages, actions, claims, demands, litigation, loss (direct or indirect), causes of action, proceedings, or judgments (including legal costs, attorneys' fees, expert witness or consultant fees, City attorney or staff time, expenses or costs) (collectively called "action") against the City to attack, set aside, void or annul any cannabis related approvals and actions, and strictly comply with the conditions under which such permit is granted, if any. The City may elect, in its sole discretion, to participate in

the defense of said action and the commercial cannabis permittee shall reimburse the City for its reasonable legal costs and attorneys' fees. Permittees under this section shall be required to agree to the above obligations in writing.

B. Standards for Cannabis Storefront Retailers and Cannabis Microbusinesses.

1. Purpose. This subsection provides the locational, operational, and permit standards for any commercial cannabis storefront retailers and cannabis microbusinesses within the City in order to promote the health, safety, and general welfare of its residents and businesses. The standards in this subsection shall be in addition to standards contained in subsection A of this section (Standards for All Commercial Cannabis Uses) for all commercial cannabis uses.

2. Applicability. Commercial cannabis storefront retailers and cannabis microbusinesses with retail activity (collectively, a "retail dispensary," "retail dispensaries," "cannabis retail dispensary," or "cannabis retail dispensaries") shall be permitted only in compliance with the requirements of this subsection B, all other applicable requirements of subsection A of this section (Standards for All Commercial Cannabis Uses), and all other applicable requirements of the Healdsburg Municipal Code, including Chapter 3.32 (Cannabis Business Tax), and state and county agencies. The regulations and requirements of this subsection B do not apply to non-storefront cannabis retailers that only engage in the retail sale by delivery of medicinal cannabis to qualified patients and primary caregivers, which are addressed under subsection D of this section (Non-Storefront Commercial Medicinal Cannabis Retail Sales).

3. Permit Requirements and Application Procedure. A commercial cannabis permit, issued in addition to any applicable permit issued by the Sonoma County Department of Health Services, shall be required to operate a cannabis retail dispensary within the City of Healdsburg. Cannabis retail dispensaries shall also be subject to permit requirements and regulations established by the state and those established by the City Council through resolution or ordinance, or by a vote of the citizens of Healdsburg. Commercial cannabis permits for retail dispensaries shall be considered and issued according to the following procedure:

- a. The City Council, following an open application period and review of applications by City staff and recommendations by the City Manager or designee, shall consider commercial cannabis permit applications for retail dispensaries meeting all minimum qualifications at a properly noticed public hearing and, in its sole discretion, may approve the issuance of commercial cannabis permits for retail dispensaries.
- b. The City Manager or their designee may adopt such forms, fees, and procedures as are necessary to implement this subsection with respect to the selection, investigation process, renewal, revocation, and suspension of commercial cannabis permits for retail dispensaries. Such procedures may include a priority ranking system, and appointment of a staff review panel for retail dispensary permits.
- c. Each approved commercial cannabis permit for a retail dispensary shall be valid for a period not to exceed three years from the date of permit issuance and shall be subject to permit renewals in accordance with subsection (A)(8) of this section.

4. Limit on Number of Retail Dispensaries. No more than two retail dispensaries shall be permitted within the City at any one time. All facilities authorized under this subsection must maintain a storefront which is open to the public. This limit is inclusive of cannabis microbusinesses with a Type 12 state license operating a retail dispensary.

5. Specific to Cannabis Microbusinesses. Any commercial cannabis permit issued to a microbusiness with a Type 12 state license, or a state cannabis license type subsequently established, that contains a retail operation, will be subject to all commercial cannabis permit procedures and requirements for cannabis retail dispensaries under this section. Any commercial cannabis permit issued to a Type 12 microbusiness with a manufacturing

component will also be subject to the applicable requirements of subsection C of this section (Standards for Manufacturing, Testing, Storage, and Distribution of Commercial Cannabis), Cultivation shall not be an allowed component of a Type 12 microbusiness license.

6. Location Requirements. Unless otherwise allowed under state law and as modified by this subsection:

- a. A retail dispensary which is open to the public may only be located within the allowed zoning district(s) under Table 10 of Section 20.08.145, Table 12 of Section 20.08.155, and Table 15 of Section 20.08.195.
- b. A retail dispensary shall not be established on any parcel containing a dwelling unit, or immediately abutting (sharing a common property line with) a residential zoning district. Residentially zoned does not include mixed-use zoning for purposes of this section.
- c. A retail dispensary shall not be established within five hundred feet from any youth-oriented property.
- d. A retail dispensary shall not be established within two hundred and fifty feet of any public park (with the exception of West Plaza Park and 3 North Street), public playground, or public library.
- e. The distances listed above shall be measured between the nearest entrance (ingress/egress to commercial cannabis establishment, e.g., front door/public entry or service door) of the retail dispensary and the nearest property line of the parcel(s) on which the youth-oriented property, public park, public playground, or public library is located, along the shortest route intended and available for public passage (any public road, street, or highway, including footpaths and bicycle paths, or other route provided for the passage of people).

7. Operating Standards. In addition to standards contained in subsection A of this section (Standards for All Commercial Cannabis Uses), the following are the minimum development criteria and operational standards applicable to any cannabis retail dispensary:

- a. The building in which the retail dispensary is located shall comply with all applicable local, state and federal rules, regulations, and laws including, but not limited to, building codes and accessibility requirements.
- b. The retail dispensary shall provide adequate security on the premises pursuant to subsection (A)(11) of this section, and any additional requirements in this section, including lighting and alarms, to ensure the safety of persons and to protect the premises from theft. The applicant shall submit a safety and security plan for review and approval by the Healdsburg police department. The safety and security plan will remain confidential.
- c. The site plan, circulation, parking, lighting, facility exterior, and any signage shall be subject to all underlying zoning requirements, director review, and approval. The community development director may waive this requirement where the applicant can demonstrate that existing facilities, including parking, lighting, and landscaping, already meet the requirements of this section.
- d. No exterior signage or symbols shall be displayed which advertise the availability of cannabis using drug-related symbols which are attractive to minors or which are carried out in a manner intended to encourage persons under twenty-one years of age to consume cannabis or cannabis products, nor shall any such signage or symbols be displayed on the interior of the facility in such a way as to be visible from the exterior.
- e. No person shall be allowed onto the premises of a retail dispensary unless they are an employee, customer, vendor or contractor of the retail dispensary, primary caregiver, qualified patient, or employee of an agency having jurisdiction to monitor or investigate the terms of regulatory compliance by the retail dispensary. If the retailer dispensary denies entry for monitoring and inspection to any employee of an

agency having such jurisdiction, the facility may be closed and the commercial cannabis permit may be revoked, modified, or suspended. In strict accordance with California Health and Safety Code Section 11362.5 et seq., no person under the age of eighteen shall be allowed on a medical cannabis retail site unless allowed under state law, and no person under the age of twenty-one shall be allowed on a nonmedical cannabis retail site pursuant to California Business and Professions Code Section 26140. All persons entering the site, except those representing a regulatory agency, shall present a photo identification. A doctor's recommendation shall not be required for customers of a nonmedical cannabis retail dispensary. The operating plan submitted as a part of the commercial cannabis permit application shall specify how this provision will be complied with and enforced.

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

g. No cannabis retail dispensary shall conduct or engage in the commercial sale of any product, good or service unless otherwise approved by the commercial cannabis permit. A retail dispensary may sell live starter (immature) plants, clones, and seeds from qualified nurseries, but shall not cultivate or clone cannabis. A retail dispensary may sell manufactured cannabis, including edible products, and vaporizing devices if allowed by a permit issued by the Department of Health Services. Not more than five percent of the retail dispensary area, up to a maximum of two hundred square feet, may be devoted to the sale of incidental goods for personal cannabis cultivation and use or promotional items such as clothing, hats, or posters.

h. No cannabis shall be consumed on the premises of a retail dispensary. For purposes of complying with this requirement, the term "premises" includes the physical building and leasehold space, as well as any accessory structures, parking areas, sidewalks, driveways, or other immediate surroundings.

i. No retail dispensary may increase in size without amending its commercial cannabis permit, as applicable. The size limitation shall be included in the operational plan required by subsection (A)(6)(d) of this section.

j. A retail dispensary shall not have a physician on site to evaluate patients for medical cannabis.

k. Parking required by Chapter 20.16 HMC, Article VIII, shall be provided on site.

l. Retail dispensaries' operating hours shall be limited to Monday through Sunday, nine a.m. to nine p.m.

m. If the permittee holds a Type 12 microbusiness license, manufacturing hours shall be established and approved through the commercial cannabis permit process. Retail hours for a Type 12 microbusiness shall be limited to Monday through Sunday, nine a.m. to nine p.m.

n. Delivery. Delivery of cannabis is allowed by retail dispensaries. Delivery functions must be included in the commercial cannabis permit application and approved as a discrete function. Delivery functions shall be in conformance with state cannabis laws and all of the following:

i. Deliveries can only be conducted between the hours of nine a.m. to nine p.m.

ii. Deliveries shall be made by an employee of the licensed retail dispensary and said employee shall carry with him/her at all times a physical copy of the city commercial cannabis permit and business license and state cannabis license.

o. Record Keeping. A retail dispensary shall maintain records in accordance with the state and local requirements of its license type. The retail dispensary shall keep accurate records, follow accepted cash handling practices, and maintain a general ledger of cash transactions. The retail dispensary shall allow the

City to access the books, records, accounts, and all data relevant to its operations for purposes of conducting an audit or examination to determine compliance with the municipal code, administrative regulations, conditions of approval, and applicable laws. Books, records, accounts, and all relevant data shall be produced no later than twenty-four hours after receipt of the City's request.

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

i. "The dispensing of cannabis without a state license is illegal."

ii. "Use or consumption of cannabis on this premises or property is prohibited."

iii. For retail dispensaries: "All visitors to this premises must be at least 21 years of age, or, at least 18 years of age and able to show a government issued medical cannabis ID card in accordance with California Health and Safety Code Section 11362.7 et seq."

C. Standards for Manufacturing, Testing, Storage, and Distribution of Commercial Cannabis.

1. Permits for commercial manufacturing, testing, storage, and distribution of cannabis shall be issued by the City Manager or their designee according to the requirements of subsection (A)(7) of this section and this subsection (C) and may include conditions of approval.

2. Additional Operating Standards. In addition to the requirements of subsection (A) of this section, any base zone requirements, and all state cannabis laws and regulations, commercial cannabis uses permitted under this subsection shall also comply with the following operational standards:

a. Facilities shall not be open to the general public.

b. Extraction Processes. Cannabis manufacturers shall utilize only extraction processes that are (i) solvent free or that employ only nonflammable, nontoxic solvents that are recognized as safe pursuant to the federal Food, Drug and Cosmetic Act, and/or (ii) use solvents exclusively within a closed loop system that meets the requirements of the federal Food, Drug and Cosmetic Act, including use of authorized solvents only, the prevention of off-gassing, and certification by a California licensed engineer.

c. No closed loop systems shall be utilized without prior inspection and approval of the City's building and fire code officials.

d. Standard of Equipment. Extraction equipment used by the manufacturer must be listed or otherwise certified by an approved third-party testing agency or licensed professional engineer and approved for the intended use by the City's building and fire code officials.

e. Annual Recertification Required. Extraction equipment used by the manufacturer must be recertified annually and a report by a licensed professional engineer on the inspection shall be maintained on site.

f. Food Handler Certification. All owners, employees, volunteers, or other individuals who participate in the production of edible cannabis products must be state certified food handlers. The valid certificate number of each such owner, employee, volunteer, or other individual must be on record at the manufacturer's facility where that individual participates in the production of edible cannabis products.

g. Edible Product Manufacturing. Commercial cannabis uses that sell or manufacture edible medicinal cannabis products shall obtain a Sonoma County health permit. Permit holders shall comply with Health and Safety Code Section 13700 et seq. and Sonoma County health permit requirements. These requirements provide a system of prevention and overlapping safeguards designed to minimize foodborne

illness, ensure employee health, demonstrate industry manager knowledge, ensure safe food preparation practices, and delineate acceptable levels of sanitation for preparation of edible products.

h. Operating hours shall be subject to permit.

3. Permit Requirements and Restrictions. The following limits on permits for commercial cannabis uses engaging in manufacturing, testing, storage, and distribution of commercial cannabis apply:

a. Permits may be issued among the allowable types identified in Table 15 of Section 20.08.195. Permittees who obtain state licenses for both adult (recreational) and medical uses for the same premises shall require one commercial cannabis permit from the City.

b. No facility permitted under this subsection shall be located on any parcel containing a dwelling unit, nor within 500 feet of any youth-oriented property, or immediately abutting (sharing a common property line with) a residential zoning district.

c. The distances listed above shall be measured between the nearest entrance (ingress/egress to commercial cannabis establishment, e.g., front door/public entry or service door) of the commercial cannabis use and the nearest property line of the parcel(s) on which the youth-oriented property is located, along the shortest route intended and available for public passage (any public road, street, or highway, including footpaths and bicycle paths, or other route provided for the passage of people).

4. Manufacturing shall be subject to any additional permitting and inspection requirements of the Sonoma County health official, per subsection (A)(5) of this section.

D. Standards for Non-Storefront Commercial Medicinal Cannabis Retailers.

1. Purpose. This subsection provides the locational, operational, and permit standards for any non-storefront commercial medicinal cannabis retailer within the City in order to promote the health, safety, and general welfare of its residents and businesses.

2. Permits for non-storefront commercial medicinal cannabis retailers shall be issued by the City Manager or their designee according to the requirements of subsection (A)(7) of this section. A non-storefront commercial medicinal cannabis retailer that engages only in the retail sale by delivery of medicinal cannabis to qualified patients and primary caregivers shall comply with the following requirements and regulations:

a. The deliveries must be conducted in accordance with any relevant state cannabis laws, this municipal code, any applicable local laws in the delivery location, and any conditions imposed upon the permittee.

b. The non-storefront commercial medicinal cannabis retailer must keep in place standard operating procedures that ensure the safety and security of those individuals engaging in delivery and the security of all cannabis being delivered, including procedures to prevent diversion.

c. Upon arrival at the delivery address and prior to transferring any cannabis or cannabis products, the delivery person must verify and confirm that the identity of the recipient is the same as the person who requested the delivery and that the person is either a qualified patient or primary caregiver.

d. A non-storefront commercial medicinal cannabis retailer shall report to the City and local law enforcement any vehicle accidents, diversions, losses, or other reportable incidents such as thefts or suspicious activity, that occur during transportation and delivery, within 24 hours.

e. The delivery person shall keep a delivery manifest that includes the following information:

i. All cannabis that will be transported, accurately inventoried;

- ii. Departure date and approximate time of departure;
- iii. Arrival date and approximate time of arrival;
- iv. Name, address, and local license number of the originating non-storefront commercial cannabis medicinal retailer;
- v. Name and address of the individual requesting the delivery;
- vi. Delivery vehicle make, model, and license plate number; and
- vii. Name and signature of the individual transporting the cannabis.

f. A non-storefront commercial medicinal cannabis retailer must at all times maintain any and all state licenses required by state cannabis laws.

3. Permit Requirements and Restrictions. The following limits on permits for a non-storefront commercial medicinal cannabis retailer apply:

- a. Permits may be issued among the allowable types identified in Table 15 of Section 20.08.195.
- b. No facility permitted under this subsection shall be located on any parcel containing a dwelling unit, nor within 500 feet of any youth-oriented property, or immediately abutting (sharing a common property line with) a residential zoning district.
- c. The distances listed above shall be measured between the nearest entrance (ingress/egress to commercial cannabis establishment, e.g., front door/public entry or service door) of the commercial cannabis use and the nearest property line of the parcel(s) on which the youth-oriented property is located, along the shortest route intended and available for public passage (any public road, street, or highway, including footpaths and bicycle paths, or other route provided for the passage of people).

#### E. Enforcement.

- 1. Public Nuisance. The violation of this section, any regulation promulgated under this section, and the condition of any permit issued under this section is hereby declared to be a public nuisance and may be abated pursuant to the provisions of Chapter 1.12 HMC.
- 2. The provisions of this section, any regulation promulgated under this section, and the condition of any permit issued under this section may be enforced by the City by any means provided for in Chapter 1.12 of this Code in addition to any and all other remedies, civil, equitable or criminal, afforded to the City under the law. Violations of this section, any regulation promulgated under this section, and the condition of any permit issued under this section are punishable as misdemeanors. Each day of engaging in any of the prohibited activities shall constitute a separate offense.
- 3. In addition to any other remedies available to the City under the law, the City may revoke, modify, or suspend any commercial cannabis permit, following notice and opportunity for a hearing, based on any one of, or combination of, the conditions set forth below:
  - a. A permittee ceases to meet any of the minimum qualifications listed in this section or has failed to comply with the requirements of this section or any conditions of approval of the permit.
  - b. A permittee's state license for the commercial cannabis use is revoked, terminated, suspended, or not renewed. In the case of a suspension, the City shall not reinstate the commercial cannabis permit until

documentation is received showing that the state license is eligible to be reinstated or reissued. It shall be within the City's discretion whether to reinstate any permit.

- c. The commercial cannabis use has not been in regular and continuous operation for six consecutive months.
- d. State law permitting the commercial cannabis use for which the permit was issued is amended or repealed resulting in the prohibition of such use, or the City receives credible information that the federal government will commence enforcement measures against such businesses and/or local governments that permit them.
- e. Circumstances under which the permit was granted have changed and the public health, safety, and welfare require the suspension, revocation, or modification.
- f. The permit was granted or renewed, in whole or in part, on the basis of a misrepresentation or material omission in the permit or renewal application, or the permittee made a misrepresentation or material omission in any submittal required after the issuance of the commercial cannabis permit.
- g. The permittee is not current on City taxes or fees.
- h. The permittee has violated the Municipal Code, this section, any regulation promulgated under this section, and/or any condition of a commercial cannabis permit issued under this section, and/or has otherwise created a public nuisance pursuant to Civil Code sections 3479 and 3480.

4. The following procedures apply to the revocation, modification, or suspension of a commercial cannabis permit:

- a. If, as the result of an investigation, the City determines that one or more of the conditions contained in subsection (E)(3) of this section applies to a commercial cannabis permit granted in accordance with the provisions of this section, the City Manager shall schedule a public hearing before the City Council to consider the revocation, modification, or suspension of the commercial cannabis permit.
- b. Written notice of the date, time, place and purpose of such public hearing shall be served to the following parties, as applicable:
  - i. The owner of the property for which the commercial cannabis permit was granted;
  - ii. The person or entity to which the commercial cannabis permit was issued, as reflected on the permit and permit application; and
  - iii. Any person or entity who has been identified as an owner of the commercial cannabis use that is subject to the proposed commercial cannabis permit revocation, modification, or suspension.
- c. Such notice shall be provided by registered mail, postage prepaid, return receipt requested, not less than 10 days prior to the date of such hearing. Notice may also be posted at the entrance to the commercial cannabis use that is subject to the proposed commercial cannabis permit revocation, modification, or suspension.
- d. At the public hearing, each party shall have the right to call and examine witnesses and introduce exhibits. The hearing need not be conducted according to technical rules relating to evidence and witnesses. The City Council has the right to ask questions and the discretion to exclude evidence if its tendency to prove or disprove an issue is substantially outweighed by the likelihood that its admission will not assist in proving or clarifying a material issue or consume an undue amount of time. Evidence offered during the hearing must be credible and relevant in the estimation of the City Council, but formal rules governing the presentation and consideration of evidence shall not apply. Evidence presented by staff or other officials of

the City tending to support an administrative decision shall constitute prima facie evidence that the decision was justified. The burden of proof shall then be on the aggrieved party or other affected person challenging the decision to refute such evidence. The standard to be applied for meeting this burden shall be a preponderance of evidence.

e. Following a public hearing, the City Council may revoke, modify, or suspend the commercial cannabis permit after finding one or more of the conditions set forth in subsection (E)(3) of this section.

5. The election of any particular enforcement remedy shall in no way act as a waiver of the pursuit of any other available enforcement remedy. The City may pursue any enforcement remedy, or combination of enforcement remedies, permitted by law to achieve compliance with this section, any regulation promulgated under this section, and the condition of any permit issued under this section.

**Section 7.** Section 20.20.100 Marijuana cultivation, possession and use shall be amended as follows:

**20.20.100 Cannabis cultivation, possession and use**

The provisions of this section are established to permit medical and nonmedical cannabis use and cultivation by individuals meeting the specific requirements of qualified caregiver, patient, or adult individual over 21 years of age, for purposes of medical and nonmedical use of cannabis in compliance with state law; to establish reasonable limits on the cultivation, distribution, sale and use, possession and growth of marijuana for medical and nonmedical purposes within the City of Healdsburg; to protect children, residents and visitors and the environment from potential dangers; and to prohibit commercial cannabis cultivation businesses within the City cannabis for medical purposes by a qualified caregiver or patient, or adult nonmedical user, as defined by state law and subject to the provisions established herein.

A. Definitions. As used herein, the following definitions shall apply:

*City.* The City of Healdsburg.

*Fully enclosed and secure structure.* A space within a dwelling unit that complies with the California Building Code, as adopted in the City (“CBC”); or, if exempt from the permit requirements of the CBC, an accessory structure, on a lot or site containing a dwelling unit, having a complete roof and enclosure supported by connecting walls extending from the ground to the roof, a foundation, slab or equivalent base to which the floor is secured by bolts or similar attachments, is secure against unauthorized entry, and is accessible only through one or more lockable doors. In order to qualify as a fully enclosed and secure structure, the walls and roofs must be constructed of solid materials that cannot be easily broken through, such as two-inch by four-inch or thicker studs overlaid with three-eighths-inch or thicker plywood or the equivalent. Plastic sheeting, regardless of gauge, or similar products, are not considered solid materials.

*Indoors.* Within a private residence or a fully enclosed and secure structure on the grounds of a private residence.

*Cannabis nursery.* A facility that produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.

*Medical cannabis cultivation.* Cultivation of cannabis by a qualified patient or primary caregiver cultivated outdoors in conformance with this section.

*Mixed-light.* The cultivation of cannabis using a combination of natural and supplemental artificial lighting.

*Nonmedical cannabis.* Cannabis that is intended to be used for nonmedical and/or recreational purposes pursuant to California Health and Safety Code Section 11362.1 et seq., as those sections may be amended from time to time.

*Nonmedical cannabis cultivation.* Cultivation of cannabis that is intended to be used for nonmedical and/or recreational purposes pursuant to California Health and Safety Code Section 11362.1 et seq., as those sections may be amended from time to time.

*Outdoor.* Any location within the City, on private grounds, that is exposed to the open air not within an enclosed and secure residential structure or private residence.

*Private residence.* A house, an apartment unit, a mobile home, or other similar dwelling unit.

*Property.* A parcel of land upon which is built or placed a private residence.

*Solid fence.* A fence constructed of substantial material, such as wood or metal, that prevents viewing the contents from one side to the other side of the fence.

B. Cultivation, Possession and Use of Cannabis.

1. Outdoor Cultivation. Cultivation of cannabis is prohibited in all zoning districts of the City, except when such cultivation occurs on property with a private residence and in accordance with the following reasonable regulations:

a. Nonmedical Outdoor Cultivation Prohibited. It is hereby declared to be unlawful and a public nuisance for any person owning, leasing, occupying, or having charge or possession of any lot or site within any zoning district in the City of Healdsburg to cause or allow such lot or site to be used for the outdoor cultivation of cannabis plants for nonmedical (recreational) use.

b. Medical Outdoor Cultivation Restricted. It is hereby declared to be unlawful and a public nuisance for any person owning, leasing, occupying, or having charge or possession of any property including any lot or site, building, shed, or accessory structure within any zoning district in the City of Healdsburg to cause or allow such lot or site property to be used for the outdoor cultivation of more than three cannabis plants by a primary caregiver or a qualified patient as defined in Health and Safety Code Section 11362.7, as amended.

2. Indoor Cultivation. Indoor cultivation of cannabis is prohibited in all zoning districts of the City, except when such cultivation occurs on property with a private residence and in accordance with the following reasonable regulations:

a. It is hereby declared to be unlawful and a public nuisance for any person owning, leasing, occupying, or having charge or possession of any dwelling unit within any zoning district in the City of Healdsburg to cause or allow for the indoor cultivation of more than six cannabis plants.

b. The limit of six plants per residence for nonmedical cannabis cultivation shall apply regardless of how many adult individuals reside at the private residence.

c. Indoor cultivation may only occur within a private residence or fully enclosed and secure private residential structure. Attached and detached garages designed and intended primarily for the use of vehicle parking are not considered private residences or fully enclosed and secure structures and may not be used for the cultivation of cannabis. Indoor cultivation may only occur in a locked space that is not visible by normal unaided vision from a public place.

3. Restriction on Location of Cultivation. No cannabis cultivation or storage of cannabis products or preparation of cannabis products, whether indoor, outdoor, or through use of "mixed-light," is permitted within

any nonresidential structure, or within 300 feet of any hospital, school, church, park or playground, child care center, recreation center or youth center. The distance between any cannabis cultivation and any hospital, school, church, park or playground, child care center, recreation center or youth center shall be measured in a straight line, without regard to intervening structures, from (a) with regard to outdoor cultivation, the closest property line of the lot or site on which the outdoor cultivation is occurring and (b) with regard to indoor cultivation, the closest exterior wall of the fully enclosed and secure structure in which the indoor cultivation is occurring, to the closest property line of the lot or site containing the hospital, school, church, park or playground, child care center, recreation center or youth center. This restriction does not apply to indoor cultivation within a private residence that complies with the terms and restrictions on indoor cultivation as set forth in this section.

4. Restriction on Possession or Use.

a. It shall be unlawful for any individuals under 21 years of age to possess, process, transport, purchase, obtain or give away cannabis or cannabis products.

b. Individuals 21 years of age or older may possess, process, transport, purchase, obtain or give away 28.5 grams (approximately one ounce) or less of nonconcentrated cannabis and eight grams or less of concentrated cannabis, subject to compliance with all provisions of this section and all provisions of state law, as may be amended.

c. Smoking or ingesting of marijuana shall not be permitted within any public place within the City of Healdsburg, or within 1,000 feet of a school or in any location where tobacco is prohibited.

d. It shall be unlawful for any individuals to possess, process, purchase, obtain, store, and/or prepare cannabis or cannabis products intended for smoking or consumption within the City except in strict compliance with the provisions of this section.

C. Standards for Indoor and Outdoor Cultivation of Cannabis.

1. An adult user, qualified patient or primary caregiver shall reside in the dwelling unit on the lot or site upon which cannabis is being cultivated and such dwelling unit must be the adult user's, qualified patient's or primary caregiver's primary place of residence. No person other than an individual over 21 years of age may engage in the cultivation of nonmedical cannabis.

2. If the cultivation occurs in a dwelling unit, the dwelling unit shall retain at all times legal and functioning cooking, sleeping and sanitation facilities with proper egress.

3. Cannabis cultivation is permitted only on a lot or site with a dwelling unit. The primary purpose of the property on which the nonmedical cultivation occurs shall be as a private residence.

4. Outdoor cannabis plants shall be located a minimum of five feet from property lines.

5. Outdoor cannabis plants shall be located only in the rear yard of a lot or site.

6. Outdoor cannabis plants are not permitted to be located in front yards of a lot or site.

7. Outdoor cannabis plants are limited to a maximum height of six feet above grade.

8. Indoor grow lights shall not exceed 1,200 watts and comply with the California Building, Electrical, Plumbing and Fire Codes as adopted by the City. Gas products (CO<sub>2</sub>, butane, propane, natural gas, etc.) or generators may not be used indoors.

9. The residence or fully enclosed and secure permitted structure used for the cultivation of cannabis must install a filtered ventilation system that will prevent cannabis plant odors from exiting the interior of the structure and that shall comply with the California Mechanical Code Section 402.3, Mechanical Ventilation, as amended. The filtered ventilation system must be approved by the building official and installed prior to commencing cultivation.

10. A fully enclosed and secure residential accessory structure used for the cultivation of nonmedical cannabis shall be located in the rear yard area of the property and must maintain a minimum 10-foot setback from any property line. The yard where the fully enclosed and secure structure is maintained must be enclosed by a solid fence at least six feet in height.

11. Volatile solvents as defined in State Health and Safety Code Section 11362.3(d) or generators are strictly prohibited and may not be used for the cultivation, manufacturing or processing of cannabis.

12. A portable fire extinguisher, that complies with the regulations and standards adopted by the California State Fire Marshal and other applicable law, shall be kept in the area of cultivation at all times in a location that is easily accessible.

13. The private residence or the fully enclosed and secure structure shall comply with all provisions of California Building Standards Code (Title 24, California Code of Regulations) as adopted and amended by the City of Healdsburg.

14. Adequate mechanical locking or electronic security systems must be installed to ensure the indoor nonmedical cannabis cultivation is secure from the entry or access of any person under 21 years of age and from theft or vandalism, prior to the commencement of indoor nonmedical cultivation.

15. Indoor cultivation of marijuana shall only take place on impervious surfaces.

16. From a public right-of-way, there shall be no exterior evidence of nonmedical cannabis cultivation occurring on the property.

17. Public Nuisance Prohibited. It is hereby declared to be unlawful and a public nuisance for any person owning, leasing, occupying, or having charge or possession of any lot, site, dwelling unit, and/or fully enclosed and secure structure within the City to create a public nuisance in the course of cultivating marijuana plants or any part thereof in any location, indoor or outdoor. A public nuisance may be deemed to exist, if such activity produces: (a) odors which are disturbing to people of normal sensitivity residing or present on adjacent or nearby property or areas open to the public, (b) repeated responses to the parcel from law enforcement officers, (c) repeated disruption to the free passage of persons or vehicles in the neighborhood, (d) excessive noise which is disturbing to people of normal sensitivity on adjacent or nearby property or areas open to the public, or (e) any other impacts on the neighborhood which are disruptive of normal activity in the area.

18. Nothing herein shall be construed or interpreted to amend, repeal, affect, or restrict the ability of an individual or private entity to prohibit or restrict any of the actions or conduct otherwise permitted under this section.

D. Prohibited Activities and Uses. The following activities and uses are prohibited within the City of Healdsburg:

1. Mixed-light cultivation of cannabis (e.g., state-licensed cultivation sites).
2. Cannabis nurseries.
3. "Tasting room" type facilities, including but not limited to the offering or providing of free samples of cannabis at a retail facility.

E. Enforcement.

1. Public Nuisance. The violation of this section is hereby declared to be a public nuisance and may be enforced pursuant to the provisions of Chapter 1.12 HMC.

2. Seizure and Destruction of Cannabis. Except as otherwise expressly stated in this section, all cannabis seized by the City police in the enforcement of this article shall be seized, retained and destroyed in the same manner and subject to the same procedures as are provided in California Health and Safety Code Sections 11472 through 11479, for cannabis possessed in violation of Division 10 of the Health and Safety Code. The requirements in Health and Safety Code Section 11479(b), prescribing the conditions that must be satisfied before seized cannabis may be destroyed without a court order, as applied by this section, are revised as follows:

Photographs have been taken which reasonably depict the total number of mature and immature plants to be destroyed and the location where they were growing immediately prior to their seizure.

3. Right of Entry. The code enforcement officer, building official, planning director, chief of police, fire inspector, or a designee is authorized to enter upon and inspect private properties to ensure compliance with the provisions of this section. Reasonable advance notice of any such entry and inspection shall be provided and, before entry, consent shall be obtained in writing from the owner or other person in lawful possession of the property. If consent cannot for any reason be obtained, an inspection warrant shall be obtained from a court of law prior to any such entry and inspection. In those cases where consent is denied, the City may seek to recover the costs it incurs in obtaining a warrant from the property owner and/or person in lawful possession of the property.

4. Abatement. The City attorney, in the name of and on behalf of the City and/or the people of the City, may bring a civil action in a court of competent jurisdiction to enforce any provision of this section, or to restrain or abate any violation of the provisions of this section as a public nuisance pursuant to the procedures set forth in Chapter 1.12 HMC.

5. Violation. Cultivation of cannabis that does not comply with this section constitutes a violation of the zoning ordinance and is subject to the penalties and enforcement as provided in Chapter 20.04 HMC.

6. Penalties Not Exclusive. The remedies and penalties provided herein are cumulative, alternative and nonexclusive. The use of one does not prevent the use of any others and none of these penalties and remedies prevent the City from using any other remedy at law or in equity which may be available to enforce this section or to abate a public nuisance.

F. Liability. The provisions of this section shall not be construed to protect the property owner(s) of record for property associated with the cultivation of cannabis, or their lessees, tenants or participants in the cultivation of cannabis, from prosecution pursuant to any laws that prohibit the cultivation, sale and/or possession of cannabis. In particular, the possession or cultivation of cannabis remains illegal under any circumstances pursuant to the laws of the United States, and this section is not intended to protect the above-described persons from arrest or prosecution pursuant to the laws of the United States. The property owner(s) of record for property associated with the cultivation of cannabis, or their lessees, tenants and other participants in the cultivation of cannabis, assume any and all risk and all liability that may arise or result under state and federal criminal laws from the cultivation of cannabis.

**Section 8.** Section 20.28.310 Definitions shall be amended to include the following definitions:

**20.28.310 Definitions**

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

*Cannabis accessories*. Has the same meaning as in Health and Safety Code Section [11018.2](#).

*Cannabis cultivation*. Any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis, including nurseries.

*Cannabis cultivation area (or “canopy”)*. The total aggregate area(s) of cannabis cultivation on a single premises as measured around the outermost perimeter of each separate and discrete area of cannabis cultivation at the dripline of the canopy expected at maturity and includes, but is not limited to, the space between plants within the cultivation area, the exterior dimensions of garden beds, garden plots, hoop houses, green houses, and each room or area where cannabis plants are grown, as determined by the review authority.

*Cannabis cultivation – indoor*. The cultivation of cannabis within a permanent, lockable structure, using exclusively artificial lighting.

*Cannabis cultivation – mixed-light*. The cultivation of cannabis using any combination of natural and supplemental artificial lighting. Greenhouses, hoop houses, hot houses and similar structures, or light deprivation systems are included in this category.

*Cannabis cultivation – outdoor*. The cultivation of cannabis using no artificial lighting conducted in the ground or in containers outdoors with no covering.

*Cannabis cultivation site*. The location, premises, leased area(s), property, location or facility where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a location where all or any combination of those activities is currently occurring or proposed to occur in the future.

*Cannabis distribution facility*. Location or a facility where a person conducts the business of procuring cannabis from licensed cultivators or manufacturers for sale to licensed dispensaries or delivery operations, and the inspection, quality assurance, batch testing by a Type 8 licensee, storage, labeling, packaging and other processes, prior to transport to licensed dispensaries or delivery operations. This facility requires a Type 11 license pursuant to the Medicinal and Adult Use Cannabis Regulation and Safety Act (“MAUCRSA”) or a state cannabis license type subsequently established.

*Cannabis distributor*. A commercial cannabis operation that distributes cannabis or cannabis products between licensees, under a valid state license Type 11, or a state cannabis license type subsequently established.

*Cannabis license*. A state license issued pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”).

*Cannabis licensee.* A person issued a state license under the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”) to engage in commercial cannabis uses or activity.

*Cannabis, manufactured.* Raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product.

*Cannabis manufacturer.* A person that produces, prepares, propagates, or compounds manufactured cannabis or cannabis products, either directly or indirectly or by extraction methods, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis, at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container, that holds a valid state Type 6 or 7 license, or a state cannabis license type subsequently established, and that holds a valid local license or permit.

*Cannabis manufacturing facility (non-volatile/no solvents).* A facility that produces, prepares, propagates, or compounds manufactured cannabis or cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and is operated by a Type 6 license for these activities. Non-volatile solvents are chemicals that do not produce a flammable gas or vapor. Examples of non-volatile solvents include ethanol, carbon dioxide, cooking oils, and butter.

*Cannabis manufacturing facility (volatile solvents).* A facility that produces, prepares, propagates, or compounds manufactured cannabis or cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and is operated by a Type 7 license for these activities. Volatile solvents are chemicals that produce a flammable gas or vapor. Examples of volatile solvents include butane, heptane, hexane, and propane.

*Cannabis medical, medical cannabis, or medicinal cannabis.* Cannabis that is intended to be used for medical cannabis purposes in accordance with the Compassionate Use Act (“CUA,” Health and Safety Code Section [11362.7](#) et seq.), the Medical Marijuana Program Act (“MMPA,” Health and Safety Code Section 11362.7 et seq.), the Medical Cannabis Regulation and Safety Act (“MCRSA,” Business and Professions Code Section 19300 et seq.) and the Medicinal and Adult Use Cannabis Regulation and Safety Act (“MAUCRSA”).

*Cannabis microbusiness (without cultivation).* A commercial cannabis facility operating under a state Type 12 license, or a state cannabis license type subsequently established, and meeting the definition of microbusiness found in Business and Professions Code Section [26070\(a\)\(3\)\(A\)](#), as may be amended from time to time, without cultivation of cannabis, and acts as a licensed distributor, Level 1 manufacturer, and retailer.

*Cannabis non-storefront retailer.* A commercial cannabis facility where cannabis and/or cannabis products are offered for retail sale exclusively by delivery, where there is no storefront open to the public, operating under a state license Type 9 or a cannabis license type subsequently established. This definition does not include mobile dispensaries.

*Cannabis permit or commercial cannabis permit.* A permit issued by the City pursuant to Section 20.20.095 for the operation of a commercial cannabis business within the City.

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

*Cannabis storefront retailer (dispensary).* A facility operated in accordance with state and local laws and regulations, where cannabis and/or cannabis products are offered for retail sale, including an establishment that delivers cannabis and/or cannabis products as part of a retail sale, under a state license Type 10 or a cannabis license type subsequently established. This definition does not include mobile dispensaries.

*Cannabis testing laboratory.* A laboratory, facility, or entity that offers or performs tests of cannabis or cannabis products, including the equipment provided by such laboratory, facility, or entity, which is accredited by an

accrediting body that is independent from all other persons involved in commercial cannabis activity and is licensed by the state.

*Cannabis use or commercial cannabis use.* Any commercial cannabis activity as defined in California Business and Professions Code Section 26001(j), and as may be subsequently amended, which includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of cannabis or cannabis products as provided in the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA,” California Business and Professions Code Sections 26000 et seq.) and applicable state cannabis laws and for which a state license or nonprofit license is required.

*Non-Storefront Commercial Medicinal Cannabis Retailer.* Any commercial cannabis use that only engages in the retail sale by delivery of medicinal cannabis to qualified patients and primary caregivers.

*Primary caregiver.* Primary Caregiver shall have the meaning set forth in Health and Safety Code Section 11362.7, as it may be subsequently amended.

*Qualified patient.* Qualified Patient shall have the meaning set forth in Health and Safety Code Section 11362.7, as it may be subsequently amended.

*State cannabis laws.* Means and includes California Health and Safety Code Sections 11362.1 through 11362.45; California Health and Safety Code Section 11362.5 (Compassionate Use Act of 1996); California Health and Safety Code Sections 11362.7 to 11362.85 (Medical Marijuana Program); California Business and Professions Code Sections 26000, et seq. (Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”)); all state laws enacted or amended pursuant to SB-94, Chapter 27, Statutes of 2017; the California Attorney General’s Guidelines for the Security and Non-Diversion of Cannabis Marijuana Grown for Medical Use issued in August 2019, as such guidelines may be revised from time to time by action of the Attorney General; California Labor Code Section 147.5; California Revenue and Taxation Code Sections 31020 and 34010 through 34021.5; California Fish and Game Code Section 12029; California Water Code Section 13276; all state regulations adopted pursuant to MAUCRSA, particularly including California Code of Regulations Title 4, Division 19 (Department of Cannabis Control); any license issued pursuant to MAUCRSA; and all other applicable laws of the State of California.

*Youth oriented property.* Any property on which any of the following uses are located: (1) a child day care facility (as defined by California Health and Safety Code Section 1596.750, which includes a facility that provides nonmedical care to children under 18 years of age in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual on less than a 24-hour basis; and includes day care centers, employer-sponsored child care centers, and family day care homes); (2) a day care center (as defined by California Health and Safety Code Section 1596.76, including 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, and includes child care centers licensed pursuant to California Health and Safety Code Section 1596.951); (3) a youth center (as defined by California Health and Safety Code Section 11353.1, which includes 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); or (4) a school (including any private or public educational facility providing instruction in kindergarten or grades 1 through 12).

## **Section 9.** Environmental Compliance.

The City Council finds that the proposed Healdsburg Municipal Code amendments are exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) (the “common sense exemption”) because it can be seen with certainty that there is no possibility that the amendments will have a significant effect on the environment; and

**Section 10.** Severability

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

**Section 11.** Effective Date and Publication.

This Ordinance of the City of Healdsburg shall be effective thirty (30) days after the date of its passage. Before expiration of fifteen (15) days after its passage, this Ordinance or a summary thereof as provided for in Government Code Section 36933, shall be published at least once in a newspaper of general circulation published and circulated in the City of Healdsburg, along with the names of the City Council members voting for and against its passage.

INTRODUCED by the City Council of the City of Healdsburg on the 20<sup>th</sup> day of March, 2023, and PASSED and APPROVED at a regular meeting of the City Council on the 17<sup>th</sup> day of April, 2023, by the following vote:

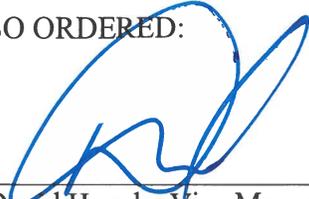
AYES: Councilmembers: (4) Edwards, Herrod, Mitchell and Vice Mayor Hagele

NOES: Councilmembers: (0) None

ABSENT: Councilmembers: (1) Mayor Kelley

ABSTAINING: Councilmembers: (0) None

SO ORDERED:

  
\_\_\_\_\_  
David Hagele, Vice Mayor

ATTEST:

  
\_\_\_\_\_  
Raina Allan, City Clerk

Dated: April 20, 2023

Ordinance No. 1227

Page 38

I, RAINA ALLAN, City Clerk of the City of Healdsburg, do hereby certify that the foregoing is a full, true, and correct copy of Ordinance No. 1227 passed and adopted by the Healdsburg City Council on the 17th day of April, 2023.

  
\_\_\_\_\_  
Raina Allan, City Clerk

