



Date: January 14, 2025

To: Honorable Mayor and Councilmembers

From: Joe Bettencourt, Community Development & Services Director
Marti Brown, City Manager

Subject: Second Reading by Title Only of Ordinance 760-2024 - Cannabis Retail/Dispensary Businesses in Central Commercial Zone

Recommendation:

Conduct a Public Hearing and adopt the Second Reading of Ordinance 760-2024, by title only and waive the full reading of the text, authorizing an amendment to the Willows Municipal Code chapter 18.55.030 to allow cannabis retail/dispensary businesses in the Central Commercial Zone with a Conditional Use Permit.

Rationale for Recommendation:

As directed by the Council at the September 10, 2024, City Council meeting, staff presents Ordinance 760-2024 for adoption (Attachment 1).

Background:

On November 28, 2017, the Willows City Council adopted a Cannabis Ordinance #736-2017 (Attachment 2) to facilitate the approval, regulation, and operation of cannabis businesses. This ordinance, as chaptered in the WMC along with State laws (Attachment 3) and regulations, imposes strict zoning, security, and operational requirements on cannabis dispensaries. Thereafter, the Willows City Council adopted Resolution #32-2017 (Attachment 4), which established a maximum of two licenses for cannabis retail/dispensary businesses within the City of Willows, 1,000-foot setbacks from churches, schools, licensed daycare or preschool facilities, playgrounds and/or parks for cannabis retail/dispensary businesses and directed the Planning Commission to review zoning to determine where cannabis retail/dispensary businesses could operate.

In July 2018, Ordinances #738- 2018 and #739-2018 (Attachments 5 and 6) were passed by the City Council. These ordinances amended the Willows Municipal Code to allow cannabis retail/dispensary businesses in Highway Commercial and combined zones with a Conditional Use Permit (e.g., General Commercial/Light Industrial/Planned Development and General Commercial/Planned Development).

The City of Willows Municipal Code (WMC) Section 9.20.070 allows for the commercial sale of Cannabis and Cannabis products for medical and non-medical uses, subject to the conditions set forth in this code, and only in zones in which such sales are permitted uses pursuant to WMC Title 18.

At the February 14, 2023, City Council meeting, a public hearing was held, and a Resolution was passed approving a business license for Sundial Collective. Since approval, Sundial Collective has never moved forward with the construction of the project in South Willows, and the permit has now expired. Before Sundial Collective, Element 7 was another approved dispensary application whose permit expired before the project was ever started. In both instances, the applicants would have preferred to occupy existing buildings (because they were more affordable). Still, they could not find buildings within the city limits that satisfied the city's distance and/or zoning requirements. As a result, they resolved to construct new buildings; however, they both allowed their permits to expire, and staff could not contact them – they “disappeared.”

At the May 28, 2024, City Council meeting, Resolution #19-2024 (Attachment 7) was adopted to remove all setback requirements from churches, licensed daycares, playgrounds, and parks. Still, it retained a 1,000-foot setback requirement from schools (e.g., preschool through 12th grade). The Council also directed staff to present zoning modification options to the Planning Commission for consideration and to return to the Council with any Commission recommendations to modify the zoning for cannabis retail/dispensary businesses. At the July 17, 2024, Planning Commission meeting, staff presented this information and requested direction on whether to modify the zoning in which a cannabis retail/dispensary businesses may operate with a Conditional Use Permit (CUP). The Planning Commission elected to take no action to modify the zoning in which cannabis retail/dispensary businesses may operate.

The item was brought back to the City Council at the September 10, 2024, meeting, and the staff was directed to prepare an Ordinance to modify the Willows Municipal Code to allow cannabis retail/dispensary businesses in the Central Commercial, General Commercial, and Light Industrial Zones and reduce the setback from schools to 600 feet.

Ordinance 760-24, which allowed cannabis retail/dispensary businesses in the Central Commercial Zone, passed the first reading at the November 26, 2024 City Council Meeting. A resolution was also passed at this meeting to modify the setback of cannabis retail/dispensary businesses to 600 feet from schools.

In accordance with Government Code Section 36933, a summary of Ordinance 760-2024 was published in a newspaper of general circulation on January 3, 2025 and a certified copy of Ordinance 760-2024 was posted in its entirety at the office of the City Clerk on January 8, 2025.

Discussion & Analysis:

There is minimally developed land (e.g., a suitable structure for cannabis retail/dispensary businesses) in the Highway Commercial and Mixed-Use zones. Allowing cannabis retail/dispensary businesses in the Central Commercial Zone creates an opportunity for potential businesses to access developed land, which is a significant investment incentive. It is also an opportunity to direct traffic from I-5 into the city's downtown business corridor. This has the potential to positively affect surrounding businesses by increasing foot traffic to the area. Attachment 8 is a map showing the Central Commercial Zone with a 600-foot setback from schools.

The Central Commercial zone permits the following uses:

- (1) Pet shops and veterinary offices.

- (2) Mortuaries and funeral parlors.
- (3) Bars and cocktail lounges.
- (4) Private and public parking lots.
- (5) Private schools and business colleges.
- (6) Public schools and colleges.
- (7) Martial arts and exercise studios.
- (8) Health clubs.
- (9) Outside sales and transient or mobile business operations.
- (10) New and used automobile sales, automotive rental establishments and automotive repair; provided, that these uses are located on properties fronting on Tehama Street.
- (11) Mini-markets without gasoline sales.
- (12) Hotels, motels, and similar lodging facilities.
- (13) Bed and breakfast establishments.
- (14) Churches.
- (15) Civic clubs.
- (16) Reserved.
- (17) Accessory uses, including repair operations and services.
- (18) Other uses which, in the opinion of the planning commission, are like those uses listed.
- (19) Uses and structures with drive-through windows.

Consistency with Council Priorities and Goals:

Consideration of allowing cannabis retail/dispensary businesses in the Central Commercial Zone is consistent with the Council's Priority #1: Financial Stability, and Priority #2: Economic Development.

Fiscal Impact:

While it is uncertain exactly how much revenue might be generated by modifying the zoning for cannabis retail/dispensary businesses, two retail business licenses in the city limits would certainly increase sales tax revenue and encourage the placement of a local cannabis business tax on a future ballot.

Attachments:

- Attachment 1: Proposed Ordinance #760-2024
- Attachment 2: Ordinance #736-2017
- Attachment 3: State Cannabis Regulations
- Attachment 4: Resolution #32-2017
- Attachment 5: Ordinance #738- 2018
- Attachment 6: Ordinance #739-2018
- Attachment 7: Resolution #19-2024
- Attachment 8: Central Commercial Zone Map w/600-foot Setback from Schools



**City of Willows
Ordinance 760-2024**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS AMENDING CHAPTER 18.55.030 CC CENTRAL COMMERCIAL DISTRICT OF THE CITY OF WILLOWS MUNICIPAL CODE SPECIFICALLY TO ADD SECTION 18.55.030(20) TO ALLOW CANNABIS RETAIL DISPENSARY BUSINESSES IN THE CENTRAL COMMERCIAL ZONE, ALL OTHER TEXT IS TO REMAIN UNCHANGED

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WILLOWS does ordain as follows:

SECTION 1: The City Council does hereby amend Chapter 18.55.030 of the Willows Municipal Code, specifically adding section 18.55.030(20), Chapter 18.55.030 of the City of Willows Municipal Code is hereby amended to read as follows;

18.55.030 Uses permitted with a conditional use permit.

The following uses and structures are permitted in the CC district only if a conditional use permit has first been secured:

- (1) Pet shops and veterinary offices.
- (2) Mortuaries and funeral parlors.
- (3) Bars and cocktail lounges.
- (4) Private and public parking lots.
- (5) Private schools and business colleges.
- (6) Public schools and colleges.
- (7) Martial arts and exercise studios.
- (8) Health clubs.
- (9) Outside sales and transient or mobile business operations.
- (10) New and used automobile sales, automotive rental establishments and automotive repair; provided, that these uses are located on properties fronting on Tehama Street.
- (11) Mini-markets without gasoline sales.

(12) Hotels, motels, and similar lodging facilities.

(13) Bed and breakfast establishments.

(14) Churches.

(15) Civic clubs.

(16) *Reserved.*

(17) Accessory uses, including repair operations and services. Such services shall be clearly incidental to the sale of products at retail on the premises, shall not employ more than five persons excluding sales personnel, and shall be placed and constructed so as not to be offensive or objectionable because of odor, dust, smoke, noise, or vibration.

(18) Other uses which, in the opinion of the planning commission, are similar to those uses listed above.

(19) Uses and structures with drive-through windows. [Ord. 732-17 § 1, 11-14-17; Ord. 714-15 § 1, 6-9-15; Ord. 700-11 § 1, 7-12-11; Ord. 676-07 § 1(15.03), 8-28-07; Ord. 664-00 § 15.03, 6-27-00; Ord. 632-91 § 15.03, 10-22-91].

(20) Cannabis retail/dispensary business subject to development standards and WMC 9.20.070 to 9.20.080 and defined in WMC 8.10.010. [Ord. 738-18 § 1, 8-14-18; Ord. 733-17 § 1, 11-14-17; Ord. 701-11 § 1, 7-12-11; Ord. 632-91 § 16.03, 10-22-91].

SECTION 2: The City Council of the City of Willows finds that the forgoing amendment and adoption of Ordinance No. 760-2024 is consistent with the General Plan, all applicable specific plans and the City of Willows Zoning Ordinance.

SECTION 3: The City Council of the City of Willows further finds that the project is exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3); and

SECTION 4: *Severability*- Should any provision of this ordinance, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable or otherwise void, that determination shall have no effect on any other provision of this ordinance or the application of this ordinance to any other person or circumstance and, to that end, the provisions hereof are severable.

SECTION 5: *Judicial Review*- The time within which judicial review must be sought is governed by California Code of Civil Procedure Section 1094.6

SECTION 6: *Effective Date*- This ordinance shall take effect and be in force thirty (30) days after its adoption as provided by Government Code Section 36937.

INTRODUCED first reading on the 26th day of November 2024.

PASSED AND ADOPTED by the City Council of the City of Willows this 14th day of January 2025, by the following vote:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAIN:**

APPROVED:

ATTESTED:

Evan Hutson, Mayor

Tara Rustenhoven, Deputy City Clerk

ORDINANCE NO. 736-2017

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS REPEALING WILLOWS MUNICIPAL CODE CHAPTER 9.20 (“MEDICAL MARIJUANA”), ADOPTING NEW CHAPTER 9.20 (“CANNABIS”), REPEALING CHAPTER 8.10.010 (“DEFINITIONS”), ADOPTING NEW CHAPTER 8.10.010, AND AMENDING CHAPTER 8.10 (“NUISANCE”) TO REGULATE CANNABIS USE, CULTIVATION, SALES AND OTHER CANNABIS ACTIVITIES IN THE CITY OF WILLOWS.

WHEREAS, the City Council of the City of Willows intends to and hereby does establish regulations pertaining to the personal cultivation of cannabis, regulations pertaining to the commercial sales of cannabis and cannabis products, and prohibiting all other cannabis-related activities within the City of Willows; and

WHEREAS, the Federal Controlled Substances Act (21 U.S.C. Section 841 et seq.) makes it unlawful to manufacture, distribute, dispense or possess cannabis, and, accordingly, medical and nonmedical cannabis dispensaries are illegal under Federal law; and

WHEREAS, in 2013, Deputy U.S. Attorney General James Cole issued a memorandum to all Federal prosecutors to provide guidance on the enforcement of the Federal Controlled Substances Act as it related to cannabis, indicating that enforcement would not be a priority in states and local jurisdictions that have laws authorizing cannabis-related conduct and that have implemented strong and effective regulatory and enforcement systems that will address the threat those state laws could pose to public safety, public health, and other law enforcement interests; and that have provided the necessary resources to demonstrate the willingness to enforce their laws and regulations; and

WHEREAS, in 2015, Congress began to defund enforcement of the Federal Controlled Substances Act in states where such enforcement activities would prevent states from implementing their own state laws that authorize the use, distribution, possession or cultivation of medical cannabis; and

WHEREAS, the voters of the State of California approved Proposition 215 (codified as Health and Safety Code Section 11362.5 et seq., “The Compassionate Use the Act of 1996”); the intent of Proposition 215 was to enable persons who are in need of cannabis for medical purposes to obtain and use it without fear of State criminal prosecution; and

WHEREAS, on October 9, 2015, Governor Brown approved a series of bills commonly referred to as the Medical Cannabis Regulation and Safety Act (“MCRSA”), effective on January 1, 2016, which establishes a comprehensive State licensing and regulatory framework for the cultivation, manufacture, transportation, storage, distribution, and sale of medical cannabis, also known as marijuana; and which recognized the authority of local jurisdictions to either impose additional restrictions or prohibit certain activities related to the cultivation, manufacture, transportation, storage, distribution, delivery, and sale of medical cannabis; and

WHEREAS, on November 8, 2016 the voters of the State of California approved Proposition 64, known as the “Control, Regulate and Tax Adult Use of

Marijuana Act” (“AUMA”), which establishes a comprehensive State licensing and regulatory framework for the cultivation, manufacture, transportation, storage, distribution, and sale of recreational cannabis, also known as marijuana; and which recognizes the authority of local jurisdictions to either impose additional restrictions or prohibit certain activities related to the cultivation, manufacture, transportation, storage, distribution, delivery, and sale of recreational cannabis; and

WHEREAS, the City Council of the City of Willows has recognized, and continues to recognize, the potential adverse impacts on the health, safety, and welfare of its residents and business from secondary effects associated with commercial cannabis activity, which include: offensive odors, trespassing, theft, violent encounters between growers and persons attempting to steal plants, fire hazards, increased crime in and about the dispensary, robberies of customers, negative impacts on nearby businesses, nuisance problems, and increased DUI incidents; and

WHEREAS, there is a need to adopt health, safety, and welfare, as well as land use regulations, to avoid adverse impacts on the community which may arise from both personal use and cultivation and commercial cannabis activity; and

WHEREAS, on June 27, 2017 Governor Brown signed SB 94, a bill which among other things established a new statutory framework which reconciled the MCRSA and AUMA and regulating medical and non-medical cannabis use, possession, cultivation and commercial activities in the State of California (referred to as “MAUCRSA”); and

WHEREAS, the MCRSA, AUMA and MAUCRSA set forth a comprehensive framework to regulate cannabis and cannabis products from seed to use or ingestion by a consumer, which includes uniform health and safety standards designed to implement quality control, a labeling and a track-and-trace program, and other consumer protections, which mitigates some of the potential adverse impacts identified by the City Council in the past; and

WHEREAS, an effective regulatory system governing cannabis in the City of Willows as provided herein, will address potential adverse impacts to the public health, welfare, and safety, thereby allowing cannabis cultivation for personal use and certain commercial cannabis activity within specified use zones with the City consistent with California law; and

WHEREAS, the City Council finds and determines that the enactment of this Ordinance is exempt from environmental review pursuant to California Environmental Quality Act Guidelines Section 15061(b)(3) in that there is nothing in this Ordinance or its implementation that could have a foreseeable significant effect on the environment; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WILLOWS does ordain as follows:

SECTION 1. The City Council finds and determines the foregoing recitals to be true and correct and hereby incorporates them into this Ordinance.

SECTION 2. Chapter 8.10.010 of the Willows Municipal Code is hereby repealed in its entirety.

SECTION 3. A new Chapter 8.10.010, attached hereto as Exhibit A, is hereby adopted into the Willows Municipal Code.

SECTION 4. Chapter 8.10.020, subsections (24) and (25), of the Willows Municipal Code are hereby replaced with new subsections (24) and (25) as follows:

(24) To cultivate, maintain, process or store on the property cannabis without a permit from the City of Willows pursuant to Chap. 9.20 of the Willows Municipal Code.

(25) To cultivate, or allow the cultivation of, more than six (6) cannabis plants on any single property in violation of Chap. 9.20 of the Willows Municipal Code.

SECTION 5. Chapter 8.10.020 of the Willows Municipal Code is hereby amended by the addition of the following subsections:

(26) To cultivate, or allow to be cultivated, cannabis outdoors, or in an enclosed building or shed that is visible from the public rights of way or neighboring properties.

(27) To cultivate cannabis on any property on which the permit holder does not reside full time.

(28) Any other cannabis activity in violation of Chap. 9.20 of the Willows Municipal Code.

SECTION 6. Chapter 9.20 of the Willows Municipal Code is hereby repealed in its entirety.

SECTION 7. A new Chapter 9.20, attached hereto as Exhibit B, is hereby adopted into the Willows Municipal Code.

This ordinance was introduced at a regular meeting of the City Council of the City of Willows, held on November 14, 2017, and adopted at a regular meeting of the City Council of Willows, held on the November 28, 2017, by the following vote, to wit:

AYES: Williams, Mello, Yoder, Vice-Mayor Warren & Mayor Hansen
NOES: None.
ABSENT: None.
ABSTAIN: None.

APPROVED:



GARY HANSEN, MAYOR

ATTEST:



ROBYN JOHNSON, CITY CLERK

APPROVED AS TO FORM:

THE CITY ATTORNEY'S OFFICE



ROBERT HUNT, CITY ATTORNEY

EXHIBIT A .

Article I. General Provisions

New Chap. 8.10.010 is adopted as follows:

8.10.010 Definitions.

The following definitions shall apply in this chapter:

“Appeals Board”. The city council of the city of Willows is designated to act as the appeals board.

“Cannabis” means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; 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” 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. The terms “cannabis” and “marijuana” may be used interchangeably herein, and both shall have the meaning specified here.

“Cannabis business” means a business or enterprise engaged in commercial cannabis activity.

“Commercial cannabis activity” includes cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, transportation, research and development, delivery or sale of cannabis or cannabis products for commercial purposes, whether for profit or nonprofit.

“Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, trimming, or processing of cannabis.

“Deliver” or “Delivery” shall have the same meaning as set forth in Business and Professions Code Section 26001 and Health and Safety Code section 11009. “Deliver” or “Delivery” as used in this chapter shall not include the transfer of cannabis to a patient by a primary caregiver, or the transfer of bulk cannabis or cannabis product to a licensed dispensary or retail business for resale.

“Dispensary” means a retail establishment, facility or location holding an M-license issued by the State of California where the primary purpose is to dispense medical cannabis or medical cannabis products. A “dispensary” shall not include dispensing of medical cannabis by primary caregivers to qualified patients in the following locations and uses, as long as the location of such uses is otherwise regulated by this code or applicable law: a qualified patient’s or caregiver’s place of residence, a clinic licensed pursuant to Chapter 1 of Division 2 of the Health and Safety Code, a health care facility licensed pursuant to Chapter 2 of Division 2 of the Health and Safety Code, a residential care facility for persons with chronic life-threatening hospice, or a home health agency licensed pursuant to Chapter 8 of Division 2 of the Health and Safety Code, as long as any such use complies strictly with applicable law including, but illness licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code, a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code, a residential not limited to, Health and Safety Code Section 11362.5 et seq.

“Enforcement officer,” unless otherwise specified, shall be the city manager or his designee.

“Highway” means a way or place of whatever nature, publicly maintained and open to the use of the public for purposes of vehicular travel. Highway includes streets and alleys.

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

“Marijuana” as used in this chapter shall have the same meaning as “cannabis” set forth in subsection above. The terms “cannabis” and “marijuana” may be used interchangeably, and both shall have the meaning specified here.

“Marijuana processing” means any method used to prepare marijuana or its byproducts for commercial retail and/or wholesale, including but not limited to: drying, cleaning, curing, packaging, and extraction of active ingredients to create marijuana-related products and concentrates.

“Medicinal or medical cannabis” or “medicinal or medical cannabis product” means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code, by a medicinal cannabis patient in California who possesses an identification card issued by the California Department of Public Health.

“Nuisance” means anything which is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property so as to interfere with the comfortable enjoyment of life or property, or unlawfully obstructs the free passage or use, in the customary manner, of any navigable lake, or river, bay, stream, canal, or basin, or any public park, square, street or highway.

“Permit” refers to a permit issued to a person as described in chap. 9.20.040.

“Permittee” means any person or entity holding a permit issued by the City of Willows to engage in cultivation of not more than six (6) cannabis plants in accordance with chap. 9.20.040, et seq.

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

“Primary caregiver” has the same meaning as in Section 11362.7 of the Health and Safety Code and who holds a valid caregiver identification card issued by the California Department of Health.

“Private nuisance” means every nuisance not applicable to “public nuisance.”

“Public nuisance” means any nuisance affecting at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal.

“Qualified patient” shall have the same definition as Health and Safety Code Sections 11362.7(c) and (f).

“Retail” means the sale of either medical or nonmedical cannabis or cannabis products to the public in relatively small quantities for use or consumption rather than for resale.

“Retail business” or “retail/dispensary cannabis business” means (1) the commercial activity of engaging in the retail sales of cannabis or cannabis products, or (2) the location upon or from which the retail sales of cannabis or cannabis products are made.

“School” means an institution of learning for minors, whether public or private, which offers instruction in those courses of study required by the California Education Code or which is maintained pursuant to standards set by the State Board of Education. This definition includes a nursery school, kindergarten, elementary school, junior high school, senior high school, or a special institution of learning under the jurisdiction of the State Department of Education, or a site that is planned for such school uses in the City’s general plan, but it does not include a vocational or professional institution or any

CITY OF WILLOWS ORDINANCE 736-2017

institution of higher education, including a community or junior college, college or university.

“Vehicle” means a device by which any person or property may be propelled, moved or drawn upon a highway, except a device moved by human power or used exclusively upon stationary rails or tracks. [Ord. 719-162 § 2, 1-26-16. Prior code § 9-30].

“Youth-oriented facility” shall mean elementary school, middle school, high school, public park, and any establishment that advertises in a manner that identifies the establishment as catering to or providing services primarily intended for minors, or the individuals who regularly patronize, congregate or assemble at the establishment are predominantly minors. This shall not include a licensed daycare or preschool facility that provides supervision of eight or fewer minor children, or children under ten years of age.

EXHIBIT B .

TITLE 9 PUBLIC PEACE, MORALS AND WELFARE

Chap. 9.20 Cannabis

9.20.010 Findings

9.20.015 Purpose and Intent

9.20.020 Definitions

9.20.025 Possession of Cannabis or Cannabis Product

9.20.030 Prohibited Activities

9.20.040 Cannabis Cultivation

9.20.050 Residential Cultivation Permits, Enforcement, Penalties

9.20.070 Retail/Dispensary Cannabis Business Licenses

9.20.080 General Conditions for All Retail/Dispensary Business Permits

9.20.090 Regulations and Enforcement

9.20.120 Severability

Chapter 9.20 Cannabis

9.20.010 Findings

(a) The Federal Controlled Substances Act (21 U.S.C. Section 841 et seq.) makes it unlawful to manufacture, distribute, dispense or possess cannabis, and, accordingly, medical and nonmedical cannabis dispensaries and retail businesses are illegal under Federal law;

(b) In 2013, Deputy U.S. Attorney General James Cole issued a memorandum to all Federal prosecutors to provide guidance on the enforcement of the Federal Controlled Substances Act as it related to cannabis, indicating that enforcement would not be a priority in states and local jurisdictions that have laws authorizing cannabis-related conduct; that have implemented strong and effective regulatory and enforcement systems that will address the threat those state laws could pose to public safety, public health, and other law enforcement interests; and that have provided the necessary resources to demonstrate the willingness to enforce their laws and regulations;

(c) In 2015, Congress began to defund enforcement of the Federal Controlled Substances Act in states where such enforcement activities would prevent states from implementing their own state laws that authorize the use, distribution, possession or cultivation of medical cannabis;

(d) The voters of the State of California approved Proposition 215 (codified as Health and Safety Code Section 11362.5 et seq., "The Compassionate Use Act of 1996" or "CUA"); the intent of Proposition 215 was to enable persons who are in need of cannabis for medical purposes to obtain and use it without fear of State criminal prosecution;

(e) On October 9, 2015, Governor Brown approved a series of bills commonly referred to as the Medical Cannabis Regulation and Safety Act ("MCRSA"), effective on January 1, 2016, which established a comprehensive State licensing and regulatory framework for the cultivation, manufacture, transportation, storage, distribution, and sale of medical cannabis, also known as marijuana; and which recognizes the authority of local

jurisdictions to either impose additional restrictions or prohibit certain activities related to the cultivation, manufacture, transportation, storage, distribution, delivery, and sale of medical cannabis;

(f) On November 8, 2016 the voters of the State of California approved Proposition 64, known as the "Control, Regulate and Tax Adult Use of Marijuana Act" ("AUMA"), which established a comprehensive State licensing and regulatory framework for the cultivation, manufacture, transportation, storage, distribution, and sale of recreational cannabis, also known as marijuana; and which recognized the authority of local jurisdictions to either impose additional restrictions or regulate or prohibit certain activities related to the cultivation, manufacture, transportation, storage, distribution, delivery, and sale of recreational cannabis;

(g) On June 27, 2017 Governor Brown signed into law SB 94, a bill which, among other things, reconciled differences between MCRSA and AUMA, and established a new statutory framework regulating medical and non-medical cannabis use, possession, cultivation and commercial activities in the State of California (referred to as 'MAUCSRA');

(h) The City Council of the City of Willows has recognized, and continues to recognize, the potential adverse impacts on the health, safety, and welfare of its residents and business from secondary effects associated with commercial cannabis activity, which include: offensive odors, trespassing, theft, violent encounters between growers and persons attempting to steal plants, fire hazards, increased crime in and about points of sale, robberies of customers, negative impacts on nearby businesses, nuisance problems, and increased DUI incidents;

(i) There is a need to adopt health, safety, and welfare regulations to avoid or mitigate adverse impacts on the community which may arise from commercial cannabis activity;

(j) The MCRSA, AUMA and MAUCRSA set forth a comprehensive framework to regulate cannabis and cannabis products from seed to use or ingestion by a consumer, which includes uniform health and safety standards designed to implement quality control, a labeling and a track-and-trace program, and other consumer protections, which mitigates against some of the potential adverse impacts identified by the City Council; and

(k) An effective regulatory system governing cannabis in the City of Willows as provided in this chapter, will address potential adverse impacts to the public health, welfare, and safety, thereby allowing commercial cannabis activity and other use of cannabis and cannabis products consistent with California law.

9.20.015 Purpose and Intent.

It is the purpose and intent of this chapter for the City Council to exercise its police powers derived from Section 7 of Article XI of the California Constitution and State law to promote the health, safety, and general welfare of the residents and businesses of the City of Willows by regulating cannabis activities within the City's jurisdictional limits, unless preempted by Federal or State law.

9.20.020 Definitions.

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

(a) "A-license" means a license issued by the State of California for the sale of cannabis or cannabis products that are intended for adults who are 21 years of age and older and who do not possess a physician's recommendation.

(b) "Applicant" means a person who is required to file an application for a permit or license under this chapter, including an individual owner, managing partner, officer of a

corporation, or any other operator, manager, employee, or agent of a retail establishment or dispensary.

(c) "AUMA" refers to the California law entitled "Control, Regulate and Tax Adult Use of Marijuana Act of 2016," also known as Proposition 64, and any regulations promulgated thereunder.

(d) "Cannabis" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; 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" 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. The terms "cannabis" and "marijuana" may be used interchangeably herein, and both shall have the meaning specified here.

(e) "Cannabis business" means a business or enterprise engaged in any commercial cannabis activity.

(f) "Cannabis business owner" means any of the following:

(1) Each person or entity having an ownership interest in a commercial cannabis business other than a security interest, lien, or encumbrance on property that will be used by the commercial cannabis business;

(2) Each person or entity applying for a commercial cannabis license, or having an ownership interest in an entity applying for a commercial cannabis license, in the City of Willows.

(3) The chief executive officer of a nonprofit or other entity, or any person or entity with an aggregate ownership interest of five percent (5%) or more in such entity.

(4) A member of the board of directors of a nonprofit or other entity.

(5) Each person who participates in the direction, control, or management of the commercial cannabis business.

(g) "Cannabis product" means marijuana or 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 marijuana and other ingredients.

(h) "Caregiver" shall have the same meaning as "primary caregiver."

(i) "Church" means a structure or leased portion of a structure which is used primarily for religious worship and related religious activities.

(j) "City" means the City of Willows.

(k) "Commercial cannabis activity" includes cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, transportation, research and development, delivery or sale of cannabis or cannabis products for commercial purposes, whether for profit or nonprofit.

(l) "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, trimming, or processing of cannabis.

(m) "Customer" means a natural person 21 years of age or older or a natural person

18 years of age or older who possesses a physician's recommendation, or a primary caregiver.

(n) "Cultivation site" means a location where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a location where any combination of those activities occurs.

(o) "Day care center" has the same meaning as in Section 1596.76 of the Health and Safety Code.

(p) "Deliver" or "Delivery" shall have the same meaning as set forth in Business and Professions Code Section 26001 and Health and Safety Code section 11009. "Deliver" or "Delivery" as used in this chapter shall not include the transfer of cannabis to a patient by a primary caregiver, or the transfer of bulk cannabis or cannabis product by a transporter to or from a licensed dispensary or retail business for resale.

(q) "Dispensary" means a retail establishment, facility or location holding an M-license issued by the State of California where the primary purpose is to dispense medical cannabis or medical cannabis products. A "dispensary" shall not include dispensing of medical cannabis by primary caregivers to qualified patients in the following locations and uses, as long as the location of such uses is otherwise regulated by this code or applicable law: a qualified patient's or caregiver's place of residence, a clinic licensed pursuant to Chapter 1 of Division 2 of the Health and Safety Code, a health care facility licensed pursuant to Chapter 2 of Division 2 of the Health and Safety Code, a residential care facility for persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code, a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code, a residential hospice, or a home health agency licensed pursuant to Chapter 8 of Division 2 of the Health and Safety Code, as long as any such use complies strictly with applicable law including, but not limited to, Health and Safety Code Section 11362.5 et seq.

(r) "Juvenile" or "minor" means any natural person who is under the age of 21 years.

(s) "License" means an authorization issued by the City of Willows, subject to all terms and conditions under which such license may be issued, authorizing a licensee to engage in the retail business of selling medical or non-medical cannabis and cannabis products at a specified location within the City.

(t) "Licensee" means any person or entity holding a license to sell medical or non-medical cannabis and cannabis products in the City under this chapter.

(u) "Manufacture" means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

(v) "Marijuana" as used in this chapter shall have the same meaning as "cannabis" set forth in subsection (c) above.

(w) "MAUCRSA" means the Medicinal and Adult-Use Cannabis Regulation and Safety Act of 2017.

(x) "M-license" means a State of California license issued for commercial cannabis activity involving medicinal cannabis and cannabis products.

(y) "MCRSA" refers to the California law entitled Medical Cannabis Regulation and Safety Act.

(z) "Medicinal or medical cannabis" or "medicinal or medical cannabis product" means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code, by a medicinal cannabis patient in California who possesses an identification card issued by the California Department of Public

Health, Glenn County Department of Public Health, or a physician's recommendation.

(aa) "Owner" means the title holder to a parcel of real estate.

(ab) "Permit" refers to an authorization issued by the City to a person as described in chap. 9.20.040 to cultivate cannabis for personal use.

(ac) "Permittee" means any natural person holding a permit issued by the City to engage in cultivation of not more than six (6) cannabis plants in accordance with chap. 9.20.040.

(ad) "Person" includes any individual, firm, partnership, joint venture, association, corporation, collective, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.

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

(af) "Premises" means the designated structure or structures and land specified in an application that is owned, leased, or otherwise held under the control of the applicant or licensee where the commercial cannabis activity will be or is conducted. The premises shall be a contiguous area and shall only be occupied by one licensee. "Premises" shall also mean the designated residence structure or structures and land specified in an application where the applicant cultivates cannabis for his or her personal use.

(ag) "Primary caregiver" has the same meaning as in Section 11362.7 of the Health and Safety Code and who holds a valid caregiver identification card issued by the California Department of Health or the Glenn County Department of Public Health.

(ah) "Purchaser" means the customer who is engaged in a transaction with a licensee for purposes of obtaining cannabis or cannabis products.

(ai) "Retail" means the sale of either medical or nonmedical cannabis or cannabis products to the public in relatively small quantities for use or consumption rather than for resale.

(aj) "Retail business" or "retail/dispensary cannabis business" means (1) the commercial activity of engaging in the retail sales of cannabis or cannabis products, or (2) the location upon or from which the retail sales of cannabis or cannabis products are made.

(ak) "School" means an institution of learning for minors, whether public or private, which offers instruction in those courses of study required by the California Education Code or which is maintained pursuant to standards set by the State Board of Education. This definition includes a nursery school, kindergarten, elementary school, junior high school, senior high school, or a special institution of learning under the jurisdiction of the State Department of Education, or a site that is planned for such school uses in the City's general plan, but it does not include a vocational or professional institution or any institution of higher education, including a community or junior college, college or university.

(al) "Sell," "sale," and "to sell" include any transaction whereby, for any consideration, title to cannabis or cannabis products is transferred from one person to another in exchange for payment.

(am) "Youth-oriented facility" shall mean elementary school, middle school, high school, public park, and any establishment that advertises in a manner that identifies the establishment as catering to or providing services primarily intended for minors, or the individuals who regularly patronize, congregate or assemble at the establishment

are predominantly minors. This shall not include a licensed daycare or preschool facility that provides supervision of eight or fewer minor children, or children under ten years of age.

9.20.025 Possession of cannabis or cannabis products.

Persons 21 years of age or older may possess, obtain, purchase and transport, without receiving any compensation in any form whatsoever, not more than 28 ½ grams of cannabis not in the form of concentrated cannabis, or not more than eight (8) grams of concentrated cannabis, including cannabis products.

Chapter 9.20.030 Prohibited activities.

Sections:

- 9.20.031 Public Consumption of Cannabis
- 9.20.032 Prohibited activities; unlawful; nuisance.
- 9.20.033 Outdoor cultivation.
- 9.20.034 Commercial cultivation.

9.20.031 Public Consumption of Cannabis

The use or consumption, smoking or ingestion, of cannabis in any form, or any cannabis product, is prohibited on any public property or in any facility or space to which members of the public have access including, but not limited to, schools, playgrounds, parks and other areas where children are present or may generally attend or congregate. Consumption of cannabis or cannabis product on or about the premises of any retail/dispensary cannabis business is also prohibited.

9.20.032 Prohibited activities; unlawful; nuisance.

The cultivation, manufacturing, distribution, delivery, dispensing, sale, possession and use of cannabis and cannabis products in the City of Willows is expressly prohibited, unless otherwise authorized by this code. It is hereby declared to be unlawful, a public nuisance, and a violation of this chapter for any person to engage in such cultivation, manufacturing, distribution, delivery, dispensing, sale, possession and use of cannabis and cannabis products in the City of Willows, unless otherwise authorized by this code. It is further hereby declared to be unlawful, a public nuisance, and a violation of this chapter for any person owning, leasing, occupying, or having charge or possession of any premises or parcel within any zoning district in the City of Willows to cause or allow such premises or parcel to be used for the cultivation, manufacturing, distribution, delivery, dispensing, sale, possession and use of cannabis and cannabis products, unless such activity is otherwise authorized by this code.

9.20.033 Outdoor cultivation.

It is hereby declared to be unlawful, a public nuisance, and a violation of this chapter for any person owning, leasing, occupying, or having charge or possession of any parcel within any zoning district in the city to engage in, cause or allow such premises to be used for the outdoor cultivation of marijuana plants.

9.20.034 Commercial cultivation.

It is hereby declared to be unlawful, a public nuisance, and a violation of this chapter for any person owning, leasing, occupying, or having charge or possession of any parcel within any zoning district in the City to engage in, cause or allow the cultivation of more than six (6) cannabis plants on any parcel within the City of Willows.

Chapter 9.20.040 Cannabis Cultivation

Sections:

- 9.20.041 Purpose and intent.
- 9.20.042 Definitions.
- 9.20.043 Cultivation of cannabis for personal use.
- 9.20.044 Cultivation of marijuana restricted.
- 9.20.045 Public nuisance prohibited.

9.20.041 Purpose and intent.

The City Council finds as follows:

- A. Purpose and intent. The purpose and intent of this chapter is to regulate the cultivation of cannabis for personal use in a manner that protects the health, safety and welfare of the residents who cultivate and the community consistent with State and federal law. This chapter is not intended to give any person unfettered legal authority to grow cannabis; it is intended to regulate the personal cultivation of cannabis when it is authorized by California law.
- B. Applicability. The cultivation of cannabis for personal use in the City of Willows shall be controlled and regulated by the provisions of this chapter. Cultivation of more than six (6) cannabis plants is deemed commercial cultivation. All commercial cultivation is prohibited in the City of Willows pursuant to chap. 9.20.034.
- C. Nonconflicting Enactment. No part of this chapter shall be deemed to conflict with federal law as contained in the Controlled Substances Act, 21 U.S.C. Section 800 et seq., nor to otherwise permit any activity that is prohibited under that Act or any other local, state or federal law, statute, rule or regulation.

9.20.042 Definitions.

As used herein the following definitions shall apply:

- A. "Authorized grower" means a natural person twenty-one years and older who is authorized by, and in compliance with, federal or state law to cultivate cannabis indoors for personal or medical use, and who obtains a permit from the City authorizing cultivation of cannabis for personal use.
- B. "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, trimming, or otherwise processing of marijuana plants or any part thereof.
- C. "Fully enclosed and secure structure" means a fully enclosed space within a building that complies with the California Building Code ("CBSC"), as adopted in the City of Willows, or if exempt from the permit requirements of the CBSC, that has a complete

roof, a foundation, slab or equivalent base to which the floor is secured by bolts or similar attachments, is secure against unauthorized entry, is accessible only through one or more lockable doors, and which interior is not visible from a public right-of-way or any other parcel of property. Walls and roofs must be constructed of solid materials that cannot be easily broken through, such as two-inch by four-inch nominal or thicker studs overlaid with three-eighths inch or thicker plywood or the equivalent. Plastic sheeting, regardless of gauge, or similar products do not satisfy this requirement. If indoor grow lights or air filtration systems are used, they must comply with the California building, electrical, and fire codes as adopted in the City of Willows.

D. "Immature plant" means a cannabis plant, whether male or female, that has not yet flowered and which does not yet have buds that are readily observed by unaided visual examination.

E. "Indoors" means within a fully enclosed and secure structure as that structure is defined in subsection C of this section.

F. "Mature plant" means a cannabis plant, whether male or female, that has flowered and which has buds that are readily observed by unaided visual examination.

G. "Outdoor" means any location within the City of Willows that is not within a fully enclosed and secure structure as defined in subsection C of this section.

H. "Parcel" means real property assigned a separate parcel number by the Glenn County assessor.

I. "Permit" refers to a permit issued to a person as described in this chap. 9.20.040, et seq. Only one (1) permit may be issued for each parcel, without regard to the number of residents or qualified patients residing on that parcel.

J. "Permittee" means any natural person holding a permit issued by the City of Willows to engage in cultivation of not more than six (6) cannabis plants.

K. "Private residence" means a house, apartment unit, mobile home, or other similar dwelling unit.

9.20.043 Cultivation of cannabis for personal use.

When authorized by state law, an authorized grower shall be allowed to cultivate cannabis only in a private residence or on the grounds of such residence, only indoors, and only for personal use, subject to the following regulations:

A. The cannabis cultivation area shall be located indoors within a residential structure and shall not exceed fifty square feet and not exceed ten feet in height, nor shall it come within twelve inches of the ceiling or any cultivation lighting. Cultivation in a greenhouse or other enclosed structure on the property of the residence but not physically part of the home is allowed, as long as it is fully enclosed, secure, not visible from a public right-of-way or other parcel of property, and meeting all requirements in this chapter.

B. Not more than six (6) cannabis plants, mature or immature, are permitted for personal cultivation at any one time under this chapter.

C. Cannabis cultivation lighting shall not exceed one thousand two hundred watts (1,200) in total for the total cultivation area within the residence.

D. Only one (1) permit may be issued for each parcel, without regard to the number of residents or qualified patients residing in or on that parcel, and no more than six (6) cannabis plants may be cultivated at any time on any parcel.

E. An owner of real property may prohibit the cultivation of cannabis on such property.

F. The use of gas products such as but not limited to CO₂, butane, methane, or any

other flammable or nonflammable gas for cannabis cultivation or processing is prohibited.

G. There shall be no exterior visibility or evidence of cannabis cultivation outside the private residence, or other structure, from the public right-of-way or other parcel of property, including but not limited to any cannabis plants, equipment used in the growing and cultivation operation, odors and any light emanating from cultivation lighting.

H. The permittee shall reside full-time in the residence where the cannabis cultivation occurs.

I. The permittee shall not participate in cannabis cultivation in any other location within the City of Willows.

J. The residence shall include fully functional and usable kitchen, bathroom, and bedroom areas for their intended use by the resident authorized grower, and the premises shall not be used primarily or exclusively for cannabis cultivation.

K. The cannabis cultivation area shall be in compliance with the current adopted edition of the California Building Code Section 1203.4, Natural Ventilation, or Section 402.3, Mechanical Ventilation (or equivalent), as amended from time to time.

L. The City's building official may require additional specific standards to meet the California Building Code and Fire Code, including but not limited to installation of fire suppression sprinklers or upgrade of electrical service.

M. Cannabis cultivation shall not result in a nuisance or adversely affect the health, welfare, or safety of the resident or nearby residents by creating dust, glare, heat, noise, noxious gases, odors, fire danger, smoke, traffic, vibration, or other impacts, or be hazardous due to use or storage of materials, processes, products or wastes.

N. Cannabis in excess of twenty-eight and one-half (28 ½) grams produced by plants kept for indoor personal cultivation under this chapter must be kept in a securely-locked space on the grounds of the private residence which space is not accessible to minors and is not visible from the public right-of-way.

9.20.044 Cultivation of marijuana restricted.

A. Commercial cultivation of cannabis is prohibited in the City of Willows.

B. Cultivation of more than six (6) cannabis plants is prohibited in the City of Willows.

C. Outdoor cultivation of cannabis is prohibited in the City of Willows.

D. No person shall grow cannabis in the City of Willows until and unless they first secure a permit from the City of Willows and pay such fee(s) as may be required and set by resolution of the City Council.

E. It is hereby declared to be unlawful, a public nuisance and a violation of this chapter for any person owning, leasing, occupying, or having charge or possession of any parcel within the city to cause or allow such parcel to be used for the cultivation of marijuana, unless the person is authorized by state law to grow marijuana for a specifically authorized purpose within a private residence in a residential zone, and such authorized grower is complying with all requirements of this chapter.

9.20.045 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 parcel 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:

- A. Such activity produces odors which are disturbing to people of reasonable sensitivity residing or present on adjacent or nearby property or areas open to the public;
- B. Such activity results in repeated responses to the parcel by law enforcement personnel;
- C. Such activity causes repeated disruption to the free passage of persons or vehicles in the neighborhood, excessive noise which is disturbing to people of normal sensitivity on adjacent or nearby property or areas open to the public;
- D. Such activity produces any other impacts on the neighborhood which are disruptive of normal activity in the area including, but not limited to, grow lighting visible outside the dwelling, excessive vehicular traffic or parking occurring at or near the dwelling, and excessive noise emanating from the dwelling; or
- E. There is growing and cultivation of marijuana outdoors or in such location as to visible by neighboring properties or the public rights of way.

Chapter 9.20.050 Residential Cultivation Permits, Enforcement, Penalties

Sections:

- 9.20.050 Residential Cultivation
- 9.20.051 Permit Required
- 9.20.052 Residential Cultivation Permits
- 9.20.053 Review and Issuance.
- 9.20.054 Permit Renewal.
- 9.20.055 Denials, Suspensions and Revocations.
- 9.20.056 Appeal of Denials, Revocations and Suspensions.
- 9.20.057 Penalties
- 9.20.058 Regulations and Enforcement.
- 9.20.059 Public Nuisance
- 9.20.060 Enforcement
- 9.20.061 Right of entry for enforcement officer.
- 9.20.062 Abatement.
- 9.20.063 Summary Abatement.
- 9.20.064 Alternative remedies.
- 9.20.065 Other Violations.
- 9.20.066 Penalties not exclusive – violation constitutes a crime.
- 9.20.066 Severability.

9.20.050 Residential Cultivation

California law allows a person 21 years of age or older to cultivate for personal use up to six (6) cannabis plants, subject to additional limitations. Health & Safety Code § 11362.2(b)(1) authorizes a city to enact and enforce regulations to reasonably regulate such personal cultivation. The City of Willows establishes the following regulations to protect the health, safety and welfare of personal cultivators and the community at large, while not prohibiting or banning such personal cultivation.

9.20.051 Permit Required.

Every person seeking to cultivate cannabis for personal use must first apply and be issued the appropriate permit to engage in such cultivation within the City of Willows. All such personal cultivation shall comply with this chapter 9.20.050, et seq.

9.20.052 Residential Cultivation Permits.

A. The form and content of the application for a residential cultivation permit shall be specified by the City Manager and shall include, at a minimum, the following information sworn by the applicant to be true and correct under penalty of perjury:

1. The name, address, and telephone number of the applicant, together with a photocopy of the applicant's driver's license or State-issued identification card.

2. The address of the property on which the residential cultivation is proposed.

3. Affirmation that the applicant is a full-time resident of the property on which the cultivation is proposed.

4. The name, address and telephone number(s) of the owner(s) of such property, together with the notarized written consent of such owner if not the applicant.

5. A description of the area within the property in which the cultivation is proposed to occur, including a floor plan, specifically identifying exit points, of the building in which the cultivation is proposed.

6. A certification from a licensed electrician that the electrical service of the property is sufficient to service the proposed cultivation, and in compliance with all state and local building codes.

7. Affirmation that the applicant does not cultivate cannabis in any other location within the City of Willows.

8. Consent of the applicant for entry to the premises by the City of Willows for the purposes of inspection and verification, with or without notice.

B. Together with a completed application, applicant shall pay a non-refundable Residential Cultivation Permit Fee.

C. The City Council shall establish such Residential Cultivation Permit Fee, which may be adjusted from time to time, by resolution in such amount(s) as reasonably calculated to cover the City's costs incurred in processing such applications, conducting inspections, and enforcing the provisions of this chapter.

D. The term of initially-issued Residential Cultivation Permits shall be one (1) year.

9.20.053 Review and Issuance.

A. Applications for Residential Cultivation Permits shall be filed with the city manager's office. Applications shall include all of the information required in chap. 9.20.052, any other information reasonably requested by the city manager, and shall be

accompanied by a nonrefundable Residential Cultivation Permit fee. A request for additional information by the city manager shall be "reasonable" if it is intended to elicit more information or clarification about the applicant, property ownership, or other information related to the proposed location of the cultivation or the safety of such location and facility.

B. If the city manager determines that the application is incomplete or has been completed improperly, the city manager shall notify the applicant within ten (10) days of application submittal. The city manager may grant the applicant an extension of up to thirty (30) days to complete the application. In the event the applicant fails to provide the information necessary to complete the application within the extension granted by the city manager, the application shall lapse and the application fee shall be forfeited to the City of Willows.

C. If the city manager determines that the Residential Cultivation Permit application is complete and, on the face of the application, there appears to be no basis for denial of the permit, the city manager shall issue the Residential Cultivation Permit.

9.20.054 Permit Renewal.

A. The holder of a Residential Cultivation Permit shall, no less than thirty (30) days prior to the expiration of the then-current permit file an application for renewal of the permit. The application shall include all of the information, appropriately updated, required in the initial application, together with a Residential Cultivation Permit renewal fee.

B. Upon receiving a renewal application, the city manager shall determine whether the application is complete. If the city manager determines that the application is incomplete or has been completed improperly, the city manager shall notify the applicant within ten (10) days. The city manager may grant the applicant an extension up to 10 days to complete the renewal application.

C. If the city manager determines that the application is complete, and there are no grounds for denying the renewal application pursuant to this chap. 9.20.050, the city manager shall so notify the applicant. The city manager may then issue a renewal of the permit for a two-year period.

9.20.055 Denials, Suspensions and Revocations.

A. **Incomplete Application.** If the application is incomplete, or remains incomplete upon the expiration of any extension, the city manager may deny the Residential Cultivation Permit application or renewal thereof. If the city manager denies the application for this reason, written notice of denial shall be served on the applicant. Notwithstanding any provisions of this code to the contrary, the decision of the city manager shall be final and not subject to administrative appeal.

B. **Suspension of Permit.**

1. If the city manager deems continuation of the permittee's Residential Cultivation Permit will cause a significant threat to the health, safety or welfare of the public, the city manager may suspend the permit and all rights and privileges thereunder. The permittee must immediately cease all cannabis cultivation immediately upon receiving notice of the suspension of his or her permit.

2. The city manager shall give notice to the permittee of his or her intent to suspend a permit in the same manner as notice of permit denial and provide the city clerk with a copy of the notice.

3. Such notification shall inform the permittee of the grounds for the suspension, together with action(s) necessary to cure or correct such grounds, including a period of time not to exceed thirty (30) days for such cure or correction to be completed.

4. Such suspension shall remain in effect, and the permit holder must cease all cannabis cultivation, unless and until the basis for which the suspension was imposed has been cured or corrected, and/or the term of the permit expires, in which event the permittee's authorization to engage in cultivation of cannabis for personal use has ended.

C. Denial or Revocation of Permit.

1. The granting of a Residential Cultivation Permit or a renewal thereof may be disapproved, and an existing permit revoked if:

a. The applicant or permittee has knowingly made a false statement in the application or in any reports or other documents furnished to the City.

b. The property owner withholds or revokes consent for the cultivation of marijuana on the property.

c. The permittee has violated the terms of this code or California law by cultivating more than six (6) cannabis plants at any one time.

d. The permittee has engaged in the sale or distribution of cannabis or cannabis products.

e. Excessive traffic, neighborhood and/or law enforcement activity at the location of the applicant's or permittee's cultivation of cannabis.

f. The granting or renewing of the permit would perpetuate or encourage any of the following:

(i) Engaging in the sale or distribution of cannabis or cannabis products;

(ii) Providing cannabis or cannabis products to minors;

(iii) Diversion of cannabis or cannabis products to jurisdictions outside of the State where cannabis and cannabis products are unlawful under State or local law;

(iv) Trafficking of other illegal drugs or facilitation of other illegal activity;

(v) Violence and the use of firearms in the cultivation or distribution of cannabis and cannabis products;

(vi) The applicant or permittee has been sanctioned by a licensing authority or other city or county for unauthorized commercial cannabis activity; or

(vii) The applicant or permittee violates any provision of the MCRSA, AUMA, MAUCRSA, this chapter or any other permits issued by the City for cannabis activity.

g. The applicant or permittee has been convicted of an offense that is substantially related to the permittee's qualifications for safely cultivating cannabis for personal use with due care for the residents of the property and the community at large, which includes but is not limited to:

(i) A felony conviction for hiring, employing, or using a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling any controlled substance to a minor; or selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor; or

(ii) A felony conviction for drug trafficking with an enhancement pursuant to Health and Safety Code Section 11370.4 or 113798.

h. Failure to pay required City fees.

2. Disapproval of Application. If the City Manager disapproves an application for Residential Cultivation Permit or renewal thereof, or revokes an existing permit, he or she shall notify the applicant in writing, stating the reasons for the disapproval. Notification of disapproval shall be delivered by first class mail to the applicant. Service of such notice shall be deemed complete two (2) business days following the deposit of the notice in the U.S. Mail. A copy of such notification shall be filed with the city clerk. No permit shall issue unless a successful appeal of the disapproval is made within the requisite time frame.

3. A permittee whose permit is revoked must immediately cease all cannabis cultivation immediately upon receiving notice of the revocation of his or her permit.

9.20.056 Appeal of Denials, Revocations and Suspensions.

A. Within fifteen (15) days after the city manager serves notification of disapproval for any reason (other than incomplete applications), or revocation or suspension of an existing permit, an applicant/permittee may appeal the denial, revocation or suspension by notifying the city clerk in writing of the appeal, the reasons for the appeal, and depositing all applicable fees and costs associated with the appeal.

B. The city clerk shall set a hearing on the appeal and shall fix a date and time certain, within thirty (30) days after the receipt of the applicant's appeal, unless the City and the applicant agree to a longer time, to consider the appeal. The city clerk shall provide notice of the date, time and place of hearing, at least seven (7) days prior to the date of the hearing.

C. The city attorney shall appoint a hearing officer to hear the appeal and determine the order of procedure, and rule on all objections to admissibility of evidence. The applicant and the city manager shall each have the right to submit documents, call and examine witnesses, cross-examine witnesses and argue their respective positions. The proceeding shall be informal, and the strict rules of evidence shall not apply, and all evidence shall be admissible which is of the kind that reasonably prudent persons rely upon in making decisions.

D. The hearing officer shall issue a written decision within fifteen (15) days after the close of the hearing. The decision of the hearing officer shall be final.

9.20.057 Penalties

A. A violation of this chapter shall punishable as a misdemeanor, which shall be punishable by a fine not to exceed \$500, or by imprisonment in the county jail for not more than six months, or by both fine and imprisonment. Each day of engaging in any of the prohibited activities shall constitute a separate offense.

B. Notwithstanding the foregoing section, cultivation of more than six (6) cannabis plants shall be a felony if:

1. The offender had or has a serious violent felony(ies) on his or her record;
2. The offender is a registered sex offender;
3. The offender has two (2) or more prior convictions for cultivating more than six (6) marijuana plants; or
4. The offender violates certain California environmental laws in their marijuana cultivation activities.

C. Forfeit of the privilege of personal cultivation of cannabis in the City of Willows.

D. The penalties herein are cumulative and not in place of any penalties, fines or costs imposed pursuant to chapter 8 of this code.

E. Any violation of this chapter or regulation promulgated under this chapter is hereby declared to be a public nuisance.

9.20.058 Regulations and Enforcement.

A. City Manager or Designee. Any action required by the city manager under this chapter may be fulfilled by the city manager's designee. In addition to City officers and employees, such designee may include, but is not limited to, officials of the Glenn County Sheriff's Office, attorneys or consultants.

B. The city manager is authorized to coordinate implementation and enforcement of this chapter and may promulgate appropriate regulations for such purposes.

9.20.059 Public Nuisance

Any violation of this chapter is declared to be a public nuisance, subject to redress as provided for in this title.

9.20.060 Enforcement.

A. This title shall be enforced pursuant to the provisions of this chapter 9.20 of Title 9 and Title 8 of the Willows Municipal Code.

B. The city manager shall, as he deems necessary, instruct the chief of police, Glenn County Sheriff, fire chief, director of public works, or code enforcement officer to abate any nuisance caused by a violation of this chapter; the cost thereof to be levied and collected as provided for in Chapter 8 of this code.

9.20.061 Right of entry for enforcement officer.

A. Whenever an enforcement officer has reason to believe that a nuisance exists or that an inspection is necessary to enforce any provision of this chapter, the officer may enter the premises at any reasonable time to perform the inspection or any other duty imposed by this title. The enforcement officer shall provide reasonable notice of the need to enter and inspect. Notwithstanding the foregoing, in the event there is reasonable suspicion of the existence of a nuisance or violation that presents a threat of imminent danger to the health, safety or welfare of the permittee or the community at large, the enforcement officer or other City official may enter the premises at any time without notice, and the applicant shall consent to such entry as a condition of qualifying for the Residential Cultivation permit.

B. The enforcement officer shall present proper identification, state the purpose of the visit and request permission of the owner or responsible person to enter the premises. If entry is refused, the enforcement officer shall have recourse to every remedy provided by law to secure entry. Any such refusal shall be grounds for suspension or revocation of the permittee's permit.

C. When the enforcement officer has first obtained a proper inspection warrant or other remedy provided by law to secure entry, no owner or responsible person shall fail or neglect, after proper request is made as provided in this title, to promptly permit entry therein by the enforcement officer for the purpose of inspection and examination pursuant to this title.

9.20.062 Abatement.

Public nuisances in violation of this chapter may be abated by demolition, removal, destruction, suspension or revocation of permit, or other appropriate action as determined by the city manager. Such nuisances may be abated pursuant to WMC 8.10 or, in the event of imminent or immediate dangers to the health, safety, welfare and

morals of the citizens of the City of Willows, summarily abated pursuant to chapter WMC 8.10.160.

9.20.063 Summary abatement.

A. Violations reasonably deemed by the City to constitute imminent or immediate dangers to the health, safety, welfare and morals of the citizens of the City of Willows may necessitate immediate correction. Accordingly, such violations, conditions or uses may be summarily abated by the City pursuant to WMC 8.10.160 and this chapter.

B. Such abatement shall not occur unless the city manager and/or his/her designate finds, from a preponderance of the evidence, that such an imminent or immediate danger exists or is believed to exist on the basis of available evidence, and has provided or attempted to provide the owner of the property in question, or the person responsible for permitting the danger to occur, reasonable notice within which and direction to correct the condition, and the necessary corrective action has not taken place. Forty-eight (48) hours shall be presumed to be reasonable notice in the absence of evidence to the contrary. Notice hereunder need not take any particular form, and may be dispensed with if the exigencies of the situation require immediate abatement and/or providing reasonable notice is impracticable.

C. The cost and expenses of such summary abatement shall be made a lien on the property and shall be collected pursuant to the procedure found in WMC 8.10.130 through 8.10.150.

9.20.064 Alternative remedies.

Nothing in the foregoing sections shall be deemed to prevent the City Council from ordering the city attorney or Glenn County District Attorney to commence a civil or criminal proceeding to abate a public nuisance under applicable Civil or Penal Code provisions as an alternative to the proceedings set forth herein. Nothing herein shall prevent the City from abating a nuisance pursuant to any other procedure established by city ordinance or state law.

9.20.065 Other Violations.

A. It shall be unlawful for any person to remove, deface, or mutilate any notice, order, statement, or resolution posted or required in this chapter.

B. It shall be unlawful for any person to obstruct, impede, or interfere with any owner or his agent or with any representative of the City of Willows when engaged in performing any act reasonably necessary for the execution of the order of abatement.

C. It shall be unlawful for an owner or occupant of any premises in the City to permit a condition declared by the City to be a public nuisance to exist upon the premises.

D. Any person who shall violate this chap. 9.20.065 shall be subject to the penalties set forth in WMC chap. 1.05.080.

9.20.066 Penalties not exclusive – violation constitutes a crime

The remedies and penalties provided herein are cumulative, alternative and nonexclusive. The use of one does not prevent the use of any other criminal, civil, or administrative remedy or penalty authorized by, or set forth in, the Willows Municipal Code. None of the penalties or remedies authorized by, or set forth in, the Willows Municipal Code shall prevent the City from using any other penalty or remedy under state statute which may be available to enforce this section or to abate a public nuisance. Violation of this chapter shall constitute a crime punishable as a misdemeanor or infraction in the discretion of the city attorney.

9.20.067 Severability.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this chapter is for any reason held to be unconstitutional or invalid, such a decision shall not affect the validity of the remaining portions of this chapter. The city council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase of this chapter irrespective of the unconstitutionality or invalidity of any section, subsection, subdivision, paragraph, sentence, clause or phrase.

Chapter 9.20.070 Retail/Dispensary Cannabis Business Licenses.

Sections:

- 9.20.070 Retail/Dispensary Cannabis Business Licenses.
- 9.20.071 Retail/Dispensary Cannabis Business License applications.
- 9.20.072 Renewal.
- 9.20.073 Transfer of License or Modification to License.
- 9.20.074 Retail/Dispensary Cannabis Business License fees.
- 9.20.075 Denials, Revocations and Suspensions.
- 9.20.076 Appeal of Disapprovals, Revocations and Suspensions.

9.20.070 Retail/Dispensary Cannabis Business Licenses.

A. The City of Willows authorizes, subject to the conditions set forth in this code, the commercial sale of cannabis and cannabis products for medical and non-medical uses. Such authorization, and any license issued hereunder, does not include the manufacturing or delivery of cannabis or cannabis products, nor the sale of cannabis or cannabis products at any location other than that for which a license is issued by the City of Willows.

B. The City Council shall, by resolution, limit the number(s) Retail/Dispensary Cannabis Business licenses to be issued within the City of Willows in order to avoid an excessive concentration of cannabis businesses in the City of Willows.

C. The City Council may, by resolution, establish special conditions for Retail/Dispensary Cannabis Business licenses.

D. Each retail/dispensary cannabis business seeking to operate within the City of Willows must first apply and be issued the appropriate license to operate within the City of Willows. The license is specific to the location where the commercial cannabis activity business will be operating. Multiple operating locations for the same cannabis business will require separate licenses.

E. Prior to being issued a license to operate within the City of Willows, a retail cannabis business applicant must first hold an A-license issued by the State of California, and a dispensary cannabis business applicant must first hold an M-license issued by the State of California. A licensee which holds both an A-license and an M-license may conduct cannabis sales from the same premises, but will require separate licenses from the City of Willows.

F. No license shall be issued if the cannabis activity is not a permitted land use in the City.

G. For the convenience and efficiency of both the applicant and the City, applications for Retail/Dispensary Cannabis Business licenses shall be processed in three (3) phases: (1) a preliminary application intended to confirm the eligibility and suitability of the applicant(s), as determined in the sole discretion of the City of Willows; (2) significant information about the proposed site of the business, proposed operations, security and other detailed business operations; and (3) final consideration and approval/disapproval by the City Council.

9.20.071 Retail/Dispensary Cannabis Business License applications.

A. Phase one applications for Retail/Dispensary Cannabis Business License.

1. Phase one applications for Retail/Dispensary Cannabis Business Licenses shall be filed with the city manager's office. Applications shall include all of the information required in subsection 2 of this section, any other information reasonably requested by the city manager, and shall be accompanied by a nonrefundable phase one license application fee, established by resolution of the City Council in an amount reasonably calculated to reimburse the City for costs and expenses incurred including, but not limited to, fully burdened staff time in processing applicant's license phase application. The phase one license application fee shall be in addition to any other fee imposed by this code. A request for additional information by the city manager shall be "reasonable" if it is intended to elicit more information or clarification about the applicant, its ownership, or background of the owners relevant to the ownership and/or operation of a retail/dispensary cannabis business in the City.

2. The phase one application shall be signed by one or more owners certifying that all of the information provided is true and correct under penalty of perjury, and shall set forth in writing:

(a) Identity of the Retail/Dispensary Cannabis Business. A description of the statutory entity or business form that will serve as the legal structure for the business and a copy of its formation and organizing documents, including but not limited to, articles of incorporation, certificate of amendment, statement of information, articles of association, bylaws, partnership agreement, operating agreement, and fictitious business name statement. If a corporation, limited liability company, or a general or limited partnership is a stockholder owning more than 5% of the stock or membership interest of an applicant's business, or is one or more of the partners in an applicant's business, the applicant shall set forth the names and addresses of each of the partners, officers, directors, and stockholders of the corporation, limited liability company, or general or limited partnership.

(b) Management Information.

(i) The name, address, telephone number, title, and function(s) of each manager of the business.

(ii) For each manager, a legible copy of one valid government-issued form of photo identification, such as a state driver's license, a passport issued by the United States, or a permanent resident card.

(c) Applicant's Phone Number and Mailing Address. The phone number and address to which notice of action on the application and future correspondence is to be mailed.

(d) Previous Addresses. Previous addresses of the applicant for the past five years immediately prior to the present address.

(e) Verification of Age. Evidence that the applicant and all managers of the dispensary are at least 21 years of age.

(f) Criminal Background.

(i) A list of each misdemeanor and/or felony conviction, if any, of the applicant, its owner(s) and manager(s), whether the conviction was by verdict, plea of guilty, or plea of nolo contendere. The list shall, for each conviction, set forth the date of arrest, the offense charged, and the offense of which the applicant or manager was convicted.

(ii) The applicant, each owner and each manager shall consent to fingerprinting and a criminal background investigation.

(g) Employee Information. Number of employees, volunteers, and other persons who will work or provide services at the business.

(h) State licenses. Copies of the state licenses relating to marijuana, including cultivation licenses, the applicant holds, and/or a description of the state licenses the application for which the applicant intends to apply.

(i) Plan of Operations. A plan describing how the business will operate consistent with state law and the provisions of this chapter.

(j) Business Description. A description of the proposed location, including the street address and parcel number, the square footage, and the characteristics of the neighborhood or surrounding area.

(k) Response to the Zoning Code. An explanation of how the business complies or expects to comply with the Zoning Code, including, but not limited to, the location requirements.

(l) Compliance with Applicable Taxes. The applicant shall provide a current copy of its business operations tax certificate and state sales tax seller's permit.

(m) City Authorization. Authorization and consent for the city manager to seek verification of the information contained within the application.

(n) Statement of Property Owner's Consent. Consent to operate a cannabis business at the proposed location, specifying the street address and parcel number, from the owner or landlord, of the proposed location.

3. Review of phase one application.

(a) Upon receiving a phase one application for a Retail/Dispensary Cannabis Business License, the city manager shall determine whether the application is complete. If the city manager determines that the application is incomplete or has been completed improperly, the city manager shall notify the applicant within 30 days of application submittal. The city manager may grant the applicant an extension of up to ten (10) days to complete the phase one application.

(b) If the city manager determines that the phase one application is complete and, on the face of the application, there appears to be no basis for denial of the permit, the city manager shall notify the applicant that it may continue to phase two in the application process.

(c) If the application is incomplete, or remains incomplete upon the expiration of any extension, the city manager may deny the application on that ground. If the city manager denies the phase one application, pursuant to the provisions of this section, written notice of denial shall be served on the applicant. Notwithstanding any provisions of this code to the contrary, the decision of the city manager shall be final and not subject to administrative appeal.

B. Phase two applications for retail/dispensary cannabis business license.

1. If the city manager notifies the applicant that it may continue to phase two in the application process, the applicant shall file a phase two application with the city manager's office, that includes the following:

(a) A nonrefundable phase two license application fee in an amount established by resolution of the City Council in an amount reasonably calculated to reimburse the City for costs and expenses incurred including, but not limited to, fully burdened staff time in processing applicant's phase two license application. The phase two license application fee shall be in addition to any other fee imposed by this code.

(b) Copies of State-issued A-license and/or M-license.

(c) Security Plan. A description and documentation of how the applicant will secure the premises twenty-four (24) hours per day, seven (7) days per week, and how waste derived from any cannabis commercial activity will be disposed of in a manner to ensure it may not be utilized for unlawful purposes. The security plan shall include, but is not limited to, the following:

(i) Preventing individuals from remaining on the premises if they are not engaged in activity expressly related to the operations of the cannabis activity;

(ii) Establishing limited access areas accessible only to authorized personnel including security measures to both deter and prevent unauthorized entrance into areas containing cannabis or cannabis products and theft of cannabis or cannabis products;

(iii) Storing all finished cannabis and cannabis products in a secured and locked room, safe, or vault, and in a manner as to prevent diversion, theft, and loss, except for limited amounts of cannabis used for display purposes, samples, immediate sale, if applicable;

(iv) Providing tamper-proof and tamper-evident packaging for finished cannabis product;

(v) Preventing off-site impacts to adjoining or near properties; and

(vi) Limiting the amount of cash on the premises.

(d) Floor Plan. A scaled floor plan for each level of the entire building showing the interior configuration of the building, including a statement of the total floor area occupied by the business. The floor plan must include entrances, exits, restrooms, waiting area, office space, storage, and area for the sale of cannabis to customers. The floor plan must be professionally prepared by a licensed civil engineer or architect.

(e) Site Plan. A scaled site plan of the parcel of real property on which the business building is located, including the outline of all structures, driveways, parking and landscape areas, and boundaries of the parcel. The site plan must be professionally prepared by a licensed civil engineer or architect.

(f) Accessibility Evaluation. A written evaluation of accessibility by the physically disabled to and within the building and identification of any planned accessibility improvements to comply with all state and federal disability access laws, including, but not limited to, title 24 of the California Code of Regulations and the Americans with Disabilities Act. The evaluation must be professionally prepared by a licensed civil engineer or architect, or Certified Access Specialist ("CASP").

(g) Neighborhood Context Map. An accurate straight-line drawing depicting the boundaries of the business property, the boundaries of all other properties within 1,000 feet of the business property, and the uses of those properties, specifically including, but not limited to, any use identified in the location requirements of the Zoning Code. The map must be professionally prepared by a licensed civil engineer or architect.

(h) Lighting Plan. A lighting plan showing existing and proposed exterior and interior lighting levels that would be the minimum necessary to provide adequate security lighting for the use.

(i) Zoning Code Compliance. A copy of a valid conditional use permit approved by the city's planning commission for the proposed business location.

(j) A copy of the business's commercial general liability insurance policy and all other insurance policies related to the operation of the business.

(k) A copy of the business's annual budget for operations.

(l) A copy of the business's most recent year's financial statement and tax return.

(m) A list of the most recent, or proposed, prices for all products and services provided by the business.

(n) Consent to entry by a City representative at any time, with or without prior notice and with or without reasonable cause, for the purpose of inspecting the premises and monitoring business operations and confirming compliance with the law and license conditions.

(o) An affirmation, signed by each business owner and manager, under penalty of perjury, that all sales shall be accurately and faithfully reported to the City of Willows, that other financial information reasonably requested shall be timely provided, that all taxes and fees will be properly calculated and paid as and when due. The applicant shall also consent to the audit of the business's books and financial records at any time deemed necessary by the City of Willows, but not more frequent than once each 180 days.

(p) Applicant's Certification. A statement dated and signed by each owner and manager, under penalty of perjury, that the owner and manager has personal knowledge of the information contained in the phase one and phase two applications, that the information contained therein is true and correct, and that the applications have been completed under their supervision.

(q) Other Information. Such other information as deemed necessary by the city manager to demonstrate compliance with this code.

2. Review of phase two application.

(a) Complete Application.

(i) Upon receiving a phase two application, the city manager shall determine whether the application is complete. If the city manager determines that the application is incomplete or has been completed improperly, the city manager shall notify the applicant within 30 days of application submittal. The city manager may grant the applicant an extension up to 10 days to complete the phase two application.

(ii) An application is not to be considered incomplete for purposes of this subsection 2(a) if the sole document remaining to be filed is the conditional use permit required to operate a retail/dispensary cannabis business in the City of Willows.

(b) If the phase two application is incomplete, or remains incomplete upon the expiration of any extension, the city manager may deny the application on that ground. If the city manager denies the phase two application for being incomplete, pursuant to the provisions of this section, written notice of denial shall be served on the applicant. Notwithstanding any provisions of this code to the contrary, the decision of the city manager shall be final and not subject to administrative appeal.

(c) The city manager shall notify the applicant that the application is complete if he or she determines that all of the required information has been provided and that the content and accuracy of the submitted documents is responsive to the requirements. The completion date of a phase two application shall be the date when the city manager notifies the applicant that it has received all of the information or materials required. If the conditional use permit is not submitted to the city manager, such notification shall advise the applicant that the otherwise complete application will be held in abeyance pending receipt of the required conditional use permit for a period not to exceed sixty (60) days.

C. Review by City Council.

1. When the city manager has determined that the application is complete, including the issuance of a conditional use permit, the city manager shall have the application placed on the next available meeting agenda of the City Council.

2. The City Council shall, in its sole discretion:

(a) Require any additional information deemed necessary or appropriate for consideration of issuance of the license; or

(b) Deny the application and state the grounds therefor; or

(c) By resolution, vote to issue the license, subject to any reasonable conditions imposed by the City Council, upon applicant's payment of the Business Cannabis License Fee established by the City Council.

D. The term of an initially-issued Retail/Dispensary Business Cannabis License shall be one (1) year.

9.20.072 Renewal.

A. An application for renewal of a Retail/Dispensary Cannabis Business license, together with all applicable fees, must be submitted to the city manager at least ninety (90) days before the expiration of the then-current license. Failure to submit a renewal application at least ninety (90) days prior to the expiration date of the then-current license will result in the automatic expiration of the license on the expiration date.

B. Renewal applications shall update and correct any such information provided in the initial phase one and phase two applications that is no longer correct, as well as an affirmation by the business owners and managers, made under penalty of perjury, that all of the information, as corrected, is accurate and correct.

C. The city manager shall compile such information and documents, as well as any information pertaining to the licensee's business operations which may reasonably affect a determination regarding renewal of the business license.

D. The city manager shall place the renewal application, together with all relevant information and documentation, on a City Council agenda approximately thirty (30) days prior to the expiration of the then-current license.

E. The City Council shall, in its sole discretion:

1. Require any additional information deemed necessary or appropriate for consideration of the renewal of the license; or

2. Deny the renewal application and state the grounds therefor; or

3. By resolution, vote to renew the license, subject to any reasonable conditions imposed by the City Council, upon applicant's payment of the then current Business Cannabis License Fee.

F. The term of a renewed Retail/Dispensary Cannabis License shall be two (2) years, subject the payment of the Business Cannabis License Fee for each year, in the amount current at the time of the commencement of each year.

G. License renewal is subject to the laws and regulations effective at the time of renewal, which may be substantially different than the regulations in place at the time of initial issuance. and may require the submittal of additional information to ensure that the new standards are met. No person shall have any entitlement or vested right to receive a permit under this chapter.

F. The City of Willows, it Council Members, managers, employees, attorneys, agents and representatives shall have no liability for any lost profits, costs, expenses, damages, or relocation or demobilization costs, or other claims of any kind claimed to have been suffered as the result of the denial or non-renewal of any application for a Retail/Dispensary Cannabis Business License.

9.20.073 Transfer of License or Modification to License.

A. A Retail/Dispensary Cannabis Business License is nontransferable to another person, entity or location, and no such transfer may be made except in accordance with this section. Any such transfer made without the prior consent of the City of Willows shall result in the revocation of the license. Any change in ownership of five percent (5%) or more, singly or cumulatively, shall be considered a "change in ownership" and constitute a "transfer" for purposes of this section.

B. Any requested transfer of an interest in a Retail/Dispensary Cannabis Business License as a result of a change in ownership shall require the submittal of all of the information regarding the proposed transferee(s) contained in a Phase One Application, pursuant to chap. 9.20.071. In addition, all such proposed transferees shall execute those consents and affirmations required in chap. 9.20.071 above.

C. Any requested transfer of a Retail/Dispensary Cannabis Business License to another location shall require the submittal of all of the information required in Phase One and Phase Two Applications pursuant to chap. 9.20.071) Any licensee conducting any cannabis business at a location other than as licensed by the City of Willows shall have his/her/its license immediately revoked.

D. Any modification of a Licensee's business operations or to the premises to which the license has been issued shall require the submittal of all information identifying and describing the existing operation or premises affected by the proposed change, together with all proposed changes.

E. The city manager shall place the transfer/modification application, together with all relevant information and documentation, on a City Council agenda within thirty (30) days after receiving such complete application.

F. The City Council shall, in its sole discretion:

1. Require any additional information deemed necessary or appropriate for consideration of the transfer or modification of the license; or

2. Deny the transfer/modification application and state the grounds therefor;
or

3. By resolution, vote to approve the transfer or modification of the license, subject to any reasonable conditions imposed by the City Council including, but not limited to, a requirement that the applicant pay all expenses incurred by the City in processing such application, in addition to payment of the Business Cannabis License Transfer/Modification Fee and, if the license is transferred to a new business location, the payment of an additional Business Cannabis License Fee.

G. Every such application for a transfer or modification of a Retail/Dispensary

Cannabis Business License shall be accompanied by the payment of a Transfer or Modification Fee established by the City Council in an amount reasonably calculated to reimburse the City for costs and expenses incurred in processing such Transfer or Modification application.

9.20.074 Retail/Dispensary Cannabis Business License fees and taxes.

A. For Retail/Dispensary Cannabis Business Licenses the City Council shall establish by resolution:

1. A Phase One Application Fee in an amount reasonably calculated to reimburse the City for costs and expenses incurred including, but not limited to, fully burdened staff time in processing applicant's phase one license application.

2. A Phase Two Application Fee in an amount reasonably calculated to reimburse the City for costs and expenses incurred including, but not limited to, fully burdened staff time in processing applicant's phase two license application.

3. A Cannabis Business License Fee, payable annually, authorizing the licensee to engage in the business of sales of cannabis and cannabis produces in the City of Willows.

4. A Retail/Dispensary Cannabis Business License Renewal Application Fee in an amount reasonably calculated to reimburse the City for costs and expenses incurred including, but not limited to, fully burdened staff time in processing applicant's license renewal application.

5. A Retail/Dispensary Cannabis Business License Transfer/Modification Application Fee in an amount reasonably calculated to reimburse the City for costs and expenses incurred including, but not limited to, fully burdened staff time in processing applicant's application for the transfer or application of a Retail/Dispensary Cannabis Business License.

6. An Appeal Fee in an amount reasonably calculated to pay the full cost of an appeal of the denial/disapproval of an application for a Retail/Dispensary Cannabis Business License, or renewal thereof, or the revocation or suspension of any such license, including but not limited to all staff and management time, legal fees, hearing officer fees, document and record fees, and other associated costs and expenses.

7. A Cannabis Business Tax reasonably calculated to reimburse the City for costs and expenses incurred including, but not limited to, issuance of licenses and maintenance of records, monitoring and inspections, preparation and submittal of reports, collection of and accounting for fees and taxes, auditing, legal expenses, enforcement actions, and other anticipated costs and expenses directly or indirectly related to the licensee's sales of cannabis and cannabis products in the City of Willows.

8. The fees set forth above shall be in addition to any other fee and/or tax imposed by this code or law.

B. The City Council may, by resolution, adjust any fee required herein at any time, which adjustment shall be effective on the date of the Council's adoption of the resolution.

9.20.075 Denials, Revocations and Suspensions.

A. Incomplete Application. If the license application is incomplete, or remains incomplete upon the expiration of any extension, the city manager may deny the Retail/Dispensary Cannabis Business License application or renewal thereof on that ground. If the city manager denies the application, written notice of denial shall be served on the applicant. Such service shall be deemed complete two (2) days following its deposit in the U.S. Mail. Notwithstanding any provisions of this code to the contrary, the decision of the city manager shall be final and not subject to administrative appeal.

B. Suspension or Revocation of License.

1. If the city manager deems, based on all available facts and circumstances, that continuation of the licensee's Retail/Dispensary Cannabis Business License will cause a significant threat to the health, safety or welfare of the public, the city manager may suspend or revoke the license and all rights and privileges thereunder.

2. The city manager shall give notice to the licensee of his or her intent to suspend or revoke the license, together with the grounds therefor, in the manner set forth in A above, and provide the City Clerk with a copy of the notice.

3. In the event of a suspension of a Retail/Dispensary Cannabis Business License, the city manager shall include in the notice of suspension the ground(s) therefore, the action necessary to cure or correct such ground(s), and provide the licensee a time limit to make such cure or correction. Failure to effect such cure or correction within the time provided, or any extension granted by the city manager, shall cause the revocation of the license.

4. In the event of suspension or revocation of Retail/Dispensary Cannabis Business License, the licensee shall immediately cease operations.

C. Grounds for Denial of Application, License Renewal, or Suspension or Revocation of License. The granting of a Retail/Dispensary Cannabis Business License, or a renewal thereof, may be disapproved, and an existing license revoked or suspended if:

1. The applicant or licensee has knowingly made a false statement in the application or in any reports or other documents furnished to the City of Willows.

2. The owner of the business premises withholds or revokes consent for the sale of cannabis and cannabis products on the premises.

3. The licensee has violated the terms of this code or California law relating to the conduct of commercial cannabis activities.

4. Revocation or suspension of the required State-issued license.

5. The licensee failed to properly and truthfully report sales cannabis and cannabis products, and/or failed to pay all fees and taxes in full as and when due.

6. The licensee has engaged in the sale or distribution of cannabis or cannabis products in a location other than the licensed premises.

7. The licensee has engaged in or permitted the sale or distribution of other controlled substances on or from the premises.

8. Excessive traffic, neighborhood and/or law enforcement activity at the location of the applicant's or licensee's business premises.

9. The licensee's failure to maintain the premises in a secure manner and/or to protect the safety and security of employees and customers.

10. The granting or renewing of the license would perpetuate or encourage any of the following:

(a) Engaging in the illegal sale or distribution of cannabis or cannabis products or other controlled substances;

(b) Providing cannabis or cannabis products to minors;

(c) Diversion of cannabis or cannabis products to jurisdictions outside of the State where cannabis and cannabis products are unlawful under State or

local law;

- (d) Trafficking of other illegal drugs or facilitation of other illegal activity;
- (e) Violence and the use of firearms in the sale or distribution of cannabis and cannabis products;
- (f) The applicant or licensee or a cannabis business owner has been sanctioned by a licensing authority or other city or county for unauthorized commercial cannabis activity.
- (g) The applicant or licensee violates any provision of the MCRSA, AUMA, this chapter or any other permits issued by the City for the cannabis activity.

11. The cannabis business owner has been convicted of an offense that is substantially related to the qualifications, functions, or duties of the cannabis business for which the application is made, which includes but is not limited to:

- (a) A violent felony conviction, as specified in Penal Code Section [667.5\(c\)](#).
- (b) A serious felony conviction, as specified in Penal Code Section [1192.7](#).
- (c) A felony conviction involving fraud, deceit or embezzlement.
- (d) A felony conviction for drug trafficking with an enhancement pursuant to Health and Safety Code Section 11370.4 or 113798.
- (d) A felony conviction for hiring, employing, or using a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling any controlled substance to a minor; or selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor.

12. Except as provided in subsections 11 of this section, an application for a permit shall not be denied if the sole ground for denial is based upon a prior conviction of Section [11357](#) of the California Health and Safety Code. An application for a permit also shall not be denied if the State would be prohibited from denying a license pursuant to either Section [26057\(b\)\(5\)](#) or Section [26059](#) of the California Business and Professions Code. Conviction of any controlled substance felony subsequent to permit issuance shall be grounds for revocation of a permit or denial of the renewal of a permit.

9.20.076 Appeal of Disapprovals, Revocations and Suspensions.

- A. Within fifteen (15) days after the city manager serves notification of disapproval of the application for a Retail/Dispensary Cannabis Business license, or renewal thereof, of the revocation or suspension of an existing license for any reason other than incomplete applications, an applicant may appeal the disapproval, revocation or suspension by notifying the city clerk in writing of the appeal, the reasons for the appeal, and depositing all applicable fees and costs associated with the appeal. The appellant shall be required to pay all fees and costs associated with any such appeal.
- B. The city clerk shall set a hearing on the appeal and shall fix a date and time certain, within thirty (30) days after the receipt of the applicant's or licensee's appeal, unless the City and the applicant agree to a longer time, to consider the appeal. The City Clerk shall provide notice of the date, time and place of hearing, at least seven (7) days prior to the date of the hearing.
- C. The city attorney shall appoint a hearing officer to hear the appeal and determine

the order of procedure, and rule on all objections to admissibility of evidence. The applicant and the city manager, or his designee, shall each have the right to submit documents, call and examine witnesses, cross-examine witnesses and argue their respective positions. The proceeding shall be informal, and the strict rules of evidence shall not apply, and all evidence shall be admissible which is of the kind that reasonably prudent persons rely upon in making decisions.

D. The hearing officer shall issue a written decision within fifteen (15) days after the close of the hearing. The decision of the Hearing Officer shall be final.

9.20.080 General Conditions for All Retail/Dispensary Cannabis Business Licenses.

A. State License. Beginning at such time that the State has begun to issue licenses and at all times thereafter, cannabis businesses licensed within the City of Willows shall hold a valid A-license or M-license, or both.

B. Hours of Operation. All permitted Retail/Dispensary Cannabis Business premises shall be closed to the general public and transporter deliveries and pick-ups shall be prohibited between the hours of 7:00 p.m. and 8:00 a.m.

C. Odor Control. Odors shall be contained on the property on which the commercial cannabis activity is located. If the City receives any odor complaints, the cannabis business shall work with the Building Official or his designee to correct odor concerns. Unresolved or repeated odor complaints may be basis for suspension or revocation of the license or denial of license renewal.

D. Minors. Licensees shall ensure that no person less than 21 years of age is permitted to work as an employee, to purchase cannabis or cannabis products, or to be on the premises of the licensee at any time.

E. Business Conducted within Building. No production, distribution, storage, display or wholesale of cannabis and cannabis-infused products shall be visible from the exterior of the building where the commercial cannabis activity is being conducted.

F. Security Measures. Every cannabis businesses shall maintain a commercial burglar alarm monitoring system, and install a video surveillance system.

G. Security Breach. A cannabis business shall notify the City and the Glenn County Sheriff's Office within twenty-four (24) hours after discovering any of the following:

1. Diversion, theft, loss, or any criminal activity involving the cannabis or cannabis product or any agent or employee of the permittee.
2. The loss or unauthorized alteration of records related to cannabis or cannabis product, registered qualifying patients, primary caregivers or employees or agents.
3. Significant discrepancies identified during inventory.
4. Any other material breach of security.

H. Labeling and Packages. Labels and packages of cannabis and cannabis products shall meet all State and Federal labeling and packaging requirements. Until such regulations are adopted by the Federal and/or State authorities, as a condition of license issuance, the city manager may impose labeling and packaging requirements to protect the public safety, health and welfare of the citizens of the City of Willows.

I. Inspection Records. Inspections, if necessary, shall take place at a reasonable time with prior notice to the cannabis business. Notwithstanding the foregoing, upon reasonable suspicion of a material violation of the law or the provisions of this code or the conditions of a license, inspections may be made at any time, with or without prior

notice. Upon request, the cannabis business shall timely provide the City official with reports and records related to the business including, but not limited to, sales reports, utility bills from the commercial energy provider for the premises. This section shall not limit any inspection authorized under any other provision of law or regulation.

J. In addition to a Retail/Dispensary Cannabis Business license, obtain and maintain a business license from the City of Willows.

K. Maintain at all times commercial general liability insurance providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one (1) or more persons, property damage and personal injury with limits of not less than one million dollars (\$1,000,000.00) per occurrence and comprehensive automobile liability (owned, non-owned, hired) providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one (1) or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000.00). The commercial general liability policy shall provide contractual liability, shall include a severability of interest or equivalent wording, shall specify that insurance coverage afforded to the City shall be primary, and shall name the City of Willows, its officials, employees and attorneys as additional insured. Failure to maintain insurance as required herein at all times shall be grounds for suspension of the license immediately, and ultimately, revocation.

L. By accepting the license, each licensee agrees to indemnify, defend and hold harmless to the fullest extent permitted by law the City of Willows, its officers, employees, attorneys, agents and consultants from and against any and all actual and alleged damages, claims, liabilities, costs (including attorney's fees), suits or other expenses resulting from and arising out of or in connection with licensee's operations, except such liability caused by the gross negligence or willful misconduct of City of Willows, its officers, employees, attorneys, agents and consultants.

M. Maintain for a minimum of three (3) years a written accounting or ledger of all cash, receipts, credit card and other financial transactions, and reimbursements (including any in-kind contributions) as well as records of all operational expenditures and costs incurred by the licensee in accordance with generally accepted accounting practices and standards typically applicable to business records, which shall be made available to the City, its auditors or consultants during business hours for inspection upon reasonable notice by the city manager and for purposes of audit.

O. Inform the city manager, in writing, of any change of or to any of the information submitted to the City in phase one and phase two applications, any renewal application, or any amendments thereto, within ten (10) days of any such change including, but not limited to, any change in ownership of five percent (5%) or more in a single transaction or cumulatively.

P. Notify the city manager within three (3) days of any notices of violations or other corrective action ordered by a State or other local licensing authority, and provide copies of the relevant documents.

Chapter 9.20.090 Regulations and Enforcement.

Sections:

- 9.20.091 Regulations and Enforcement.
- 9.20.092 Public Nuisance
- 9.20.093 Enforcement
- 9.20.094 Right of Entry for Enforcement Officer
- 9.20.095 Abatement

- 9.20.096 Summary Abatement
- 9.20.097 Alternative Remedies
- 9.20.098 Violations
- 9.20.099 Penalties
- 9.20.100 Penalties not exclusive – violation constitutes a crime

9.20.091 Regulations and Enforcement.

A. City Manager or Designee. Any action required by the city manager under this chapter may be fulfilled by the city manager's designee. In addition to City officers and employees, such designee may include, but is not limited to, officials of the Glenn County Sheriff's Office, attorneys or consultants.

B. The city manager is authorized to coordinate implementation and enforcement of this chapter and may promulgate appropriate regulations for such purposes.

9.20.092 Public Nuisance

Any violation of this chapter is declared to be a public nuisance, subject to redress as provided for in this title.

9.20.093 Enforcement.

A. This title shall be enforced pursuant to the provisions of this chapter 9.20 of Title 9 and chapter 8.10 of Title 8 of the Willows Municipal Code.

B. The city manager shall, as he deems necessary, instruct the chief of police, Glenn County Sheriff, fire chief, director of public works, or code enforcement officer to abate any nuisance caused by a violation of this chapter; the cost thereof to be levied and collected as provided for in Chapter 8 of this code.

9.20.094 Right of entry for enforcement officer.

A. Whenever an enforcement officer has reason to believe that a nuisance exists or that an inspection is necessary to enforce any provision of this chapter, the officer may enter the premises at any reasonable time to perform the inspection or any other duty imposed by this title. The enforcement officer shall provide reasonable notice of the need to enter and inspect. Notwithstanding the foregoing, in the event there is reasonable suspicion of the existence of a nuisance or violation that presents an immediate or imminent danger to the health, safety or welfare of the employees of licensee, its customers or the community at large, the enforcement officer or other City official may enter the premises at any time without notice.

B. The enforcement officer shall present proper identification, state the purpose of the visit and request permission of the owner or responsible person to enter the premises. If entry is refused, the enforcement officer shall have recourse to every remedy provided by law to secure entry. Any such refusal shall be grounds for suspension of the licensee's license.

C. When the enforcement officer has first obtained a proper inspection warrant or other remedy provided by law to secure entry, no owner or responsible person shall fail or neglect, after proper request is made as provided in this title, to promptly permit entry therein by the enforcement officer for the purpose of inspection and examination pursuant to this title.

9.20.095 Abatement.

Public nuisances in violation of this chapter may be abated by closure, removal, destruction, suspension or revocation of license, or other appropriate action as determined by the city manager. Such nuisances may be abated pursuant to chapter 8.10 of this code or, in the event of imminent or immediate dangers to the health, safety, welfare and morals of the citizens of the City of Willows, summarily abated pursuant to chapter 9.20.096 and chapter 8.10.160 of the Willows Municipal Code.

9.20.096 Summary abatement.

A. Certain violations of this chapter 9.20 may constitute imminent or immediate dangers to the health, safety, welfare and morals of the citizens of the City of Willows. Accordingly, such violations, conditions or uses may be summarily abated by the city pursuant to WMC 8.10.160 and this chapter.

B. Such abatement shall not occur unless the city manager and/or his/her designate finds, from a preponderance of the evidence, that such an imminent or immediate danger exists, and has provided or attempted to provide the owner of the property in question, or the person responsible for permitting the danger to occur, reasonable notice within which to correct the condition, and the necessary corrective action has not taken place. Twenty-four (24) hours shall be presumed to be reasonable notice in the absence of evidence to the contrary. Notice hereunder need not take any particular form, and may be dispensed with if the exigencies of the situation require immediate abatement and/or providing reasonable notice is impracticable.

C. The cost and expenses of a summary abatement shall be made a lien on the property and shall be collected pursuant to the procedure found in WMC 8.10.130 through 8.10.150.

9.20.097 Alternative remedies.

Nothing in the foregoing sections shall be deemed to prevent the city council from ordering the city attorney or Glenn County District Attorney to commence a civil or criminal proceeding to abate a public nuisance under applicable Civil or Penal Code provisions as an alternative to the proceedings set forth herein. Nothing herein shall prevent the city from abating a nuisance pursuant to any other procedure established by city ordinance or state law.

9.20.098 Violations.

A. It shall be unlawful for any person to remove, deface, or mutilate any notice, order, statement, or resolution posted as required in this chapter.

B. It shall be unlawful for any person to obstruct, impede, or interfere with any owner or his agent or with any representative of the city when engaged in performing any act reasonably necessary for the execution of the order of abatement.

C. It shall be unlawful for an owner or occupant of any premises in the city to permit a condition declared by the city to be a public nuisance to exist upon the premises.

D. Any person who shall violate this section 9.20.098 shall be subject to the penalties set forth in WMC 1.05.080.

9.20.099 Penalties.

A. A violation of this chapter shall be punishable as a misdemeanor, which shall be punishable by a fine not to exceed one thousand dollars, or by imprisonment in the county jail for not more than six months, or by both fine and imprisonment. Each day of engaging in any of the prohibited activities shall constitute a separate offense.

B. Any violation of this chapter or regulation promulgated under this chapter is hereby declared to be a public nuisance.

9.20.100 Penalties not exclusive – violation constitutes a crime

The remedies and penalties provided herein are cumulative, alternative and nonexclusive. The use of one does not prevent the use of any other criminal, civil, or administrative remedy or penalty authorized by, or set forth in, the Willows Municipal Code. None of the penalties or remedies authorized by, or set forth in, the Willows Municipal Code shall prevent the city from using any other penalty or remedy under state statute which may be available to enforce this section or to abate a public nuisance. Violation of this chapter shall constitute a crime punishable as a misdemeanor or infraction in the discretion of the city attorney.

9.20.120 Severability.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this chapter is for any reason held to be unconstitutional or invalid, such a decision shall not affect the validity of the remaining portions of this chapter. The city council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase of this chapter irrespective of the unconstitutionality or invalidity of any section, subsection, subdivision, paragraph, sentence, clause or phrase.

(f) Holding a distributor transport only license shall not authorize a licensee to:

(1) Engage in the delivery of cannabis or cannabis products as defined in Business and Professions Code section 26001(o);

(2) Engage in the wholesale, destruction, packaging, labeling, or storing of cannabis or cannabis products; or

(3) Arrange for the regulatory compliance testing of cannabis or cannabis products by a testing laboratory.

(g) A distributor transport only licensee who is licensed to engage in self-distribution and whose licensed premises will be on the same property as their licensed cultivation or licensed manufacturing premises shall comply with the security provisions contained in chapter 1, article 5 that are applicable to their licensed cultivation or licensed manufacturing premises.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26012 and 26070, Business and Professions Code.

Chapter 3. Retailers

§15400. Access to Retailer Premises.

(a) Access to the licensed premises of a retailer with only an A-designation shall be limited to individuals who are at least 21 years of age.

(b) Access to the licensed premises of a retailer with only an M-designation shall be limited to individuals who are at least 18 years of age and have a valid physician's recommendation for medicinal cannabis, and individuals who are at least 21 years of age.

(c) Access to the licensed premises of a retailer with both an A- designation and an M-designation may include persons identified in subsections (a) and (b) of this section.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26140, Business and Professions Code.

§15402. Customer Access to the Retail Area.

(a) Individuals shall be granted access to the retail area to purchase cannabis goods only after the retailer or an employee of the retailer has confirmed the individual's age and identity pursuant to section 15404.

(b) The licensed retailer or at least one employee shall be physically present in the retail area at all times when individuals who are not employees of the licensed retailer are in the retail area.

(c) All sales of cannabis goods must take place within the retail area of the retailer's licensed premises, except for cannabis goods sold through delivery, a drive-in or drive-through window as authorized by section 15025(e), or curbside delivery as provided in subsection (d).

(d) A licensed retailer or licensed microbusiness authorized to engage in storefront sales at their licensed premises may conduct sales through curbside delivery. Cannabis goods that have been purchased by a customer may be delivered to the customer in a vehicle parked immediately outside the licensed retail premises. Curbside delivery of cannabis goods must occur under video surveillance and meet the requirements of section 15044, subsection (e) for recording point-of-sale areas. Retail employees engaging in curbside delivery must verify each customer's age pursuant to subsection (a). Licensed retailers who are only authorized to engage in retail sales through delivery shall not conduct sales through curbside delivery.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26140, Business and Professions Code.

§15403. Hours of Operation.

A licensed retailer shall sell and deliver cannabis goods only between the hours of 6:00 a.m. Pacific Time and 10:00 p.m. Pacific Time.

Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code.

§15403.1. Requirements While Not Open for Business.

At any time the licensed premises is not open for retail sales, a licensed retailer shall ensure that:

(a) The licensed premises is securely locked with commercial-grade, nonresidential door locks as required in section 15046 of this division;

(b) The licensed premises is equipped with an active alarm system pursuant to section 15047 of this division, which shall be activated when the licensed retailer or its employees are not on the licensed premises; and

(c) Only employees of the licensee and other authorized individuals are allowed access to the licensed premises. For the purposes of this section, authorized individuals include individuals employed by the licensee as well as any outside vendors, contractors, or other individuals conducting business that requires access to the licensed premises.

Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code.

§15404. Retail Customers.

(a) A licensed retailer shall only sell adult-use cannabis goods to individuals who are at least 21 years of age after confirming the customer's age and identity by inspecting a valid form of identification provided by the customer as required by subsection (c) of this section.

(b) A licensed retailer shall only sell medicinal cannabis goods to individuals who are at least 18 years of age and possesses a valid physician's recommendation after confirming

the customer's age, identity, and physician's recommendation as required by subsection (c) of this section.

(c) Acceptable forms of identification include the following:

(1) A document issued by a federal, state, county, or municipal government, or a political subdivision or agency thereof, including, but not limited to, a valid motor vehicle operator's license, that contains the name, date of birth, height, gender, and photo of the person;

(2) A valid identification card issued to a member of the Armed Forces that includes the person's name, date of birth, and photo; or

(3) A valid passport issued by the United States or by a foreign government.

Authority: Section 26013, Business and Professions Code. Reference: Section 26140, Business and Professions Code.

§15405. Cannabis Goods Display.

(a) Cannabis goods for inspection and sale shall only be displayed in the retail area.

(b) Cannabis and cannabis products may be removed from their packaging and placed in containers to allow for customer inspection. The containers shall not be readily accessible to customers without assistance of retailer personnel. A container must be provided to the customer by the licensed retailer or its employees, who shall remain with the customer at all times that the container is being inspected by the customer.

(c) Cannabis and cannabis products removed from their packaging for display shall not be sold or consumed when the cannabis and cannabis products are no longer used for display.

Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code.

§15406. Cannabis Goods for Sale.

A licensed retailer shall not make any cannabis goods available for sale or delivery to a customer unless:

(a) The cannabis goods were received by the licensed retailer from a licensed distributor or licensed microbusiness authorized to engage in distribution;

(b) The licensed retailer has verified that the cannabis goods have not exceeded their best-by, sell-by, or expiration date if one is provided;

(c) In the case of manufactured cannabis products, the product complies with all requirements of Business and Professions Code section 26130;

(d) The cannabis goods have undergone regulatory compliance testing as required by the Act and chapter 6;

(e) The batch number, if any, is labeled on the package of cannabis goods and matches the batch number on the corresponding certificate of analysis for regulatory compliance testing;

(f) The packaging and labeling of the cannabis goods complies with Business and Professions Code section 26120 and this division; and

(g) The cannabis goods comply with all applicable requirements found in the Act and this division.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26120, Business and Professions Code.

§15407. Sale of Non-Cannabis Goods.

(a) In addition to cannabis goods, a licensed retailer may sell only cannabis accessories and the branded merchandise of any licensee. Licensed retailers may provide customers with promotional materials.

(b) Notwithstanding subsection (a), a licensed retailer or licensed microbusiness authorized for retail sales who operates a consumption area on the licensed premises in accordance with Business and Professions Code section 26200(g) may also sell prepackaged, non-cannabis-infused, non-alcoholic food and beverages if the applicable local jurisdiction allows such sales.

(c) Nothing in this section shall be interpreted to prevent consumers from bringing or receiving non-cannabis-infused, non-alcoholic food and beverages from a restaurant or food delivery service for consumption in the designated consumption area on the licensed premises, if the applicable local jurisdiction allows such activities.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070, 26151 and 26152, Business and Professions Code.

§15408. Sale of Live Plants and Seeds.

(a) A licensed retailer shall only sell live, immature cannabis plants and cannabis seeds if all of the following requirements are met:

(1) The plant is not flowering and is shorter and narrower than 18 inches; and

(2) The plant or seed originated from a licensed nursery that holds a valid license from the Department or a licensed microbusiness authorized to engage in cultivation.

(b) A licensed retailer shall not apply or use any pesticide, on live plants. A licensed retailer shall not cause any pesticide to be applied or used on live plants.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26100, Business and Professions Code.

§15409. Daily Limits.

(a) A licensed retailer shall not sell more than the following amounts to a single adult-use cannabis customer in a single day:

- (1) 28.5 grams of non-concentrated cannabis.
- (2) 8 grams of cannabis concentrate as defined in Business and Professions Code section 26001, including cannabis concentrate contained in cannabis products.
- (3) 6 immature cannabis plants.

(b) A licensed retailer shall not sell more than the following amounts to a single medicinal cannabis patient, or to a patient's primary caregiver purchasing medicinal cannabis on behalf of the patient, in a single day:

- (1) 8 ounces of medicinal cannabis in the form of dried mature flowers or the plant conversion as provided in Health and Safety Code section 11362.77.
- (2) 12 immature cannabis plants.

(c) Notwithstanding subsection (b) of this section, if a medicinal cannabis patient's valid physician's recommendation contains a different amount than the limits listed in this section, the medicinal cannabis patient may purchase an amount of medicinal cannabis consistent with the patient's needs as recommended by a physician and documented in the physician's recommendation.

(d) The limits provided in subsection (a) and subsection (b) of this section shall not be combined to allow a customer to purchase cannabis goods in excess of any of the limits provided in this section.

(e) For the purposes of this section, a licensed retailer shall be responsible for determining that the amount of cannabis concentrates found in manufactured cannabis products sold to customers comply with the requirements of this section.

Authority: Section 26013, Business and Professions Code. Reference: Section 26012, Business and Professions Code; and Sections 11362.1 and 11362.77, Health and Safety Code.

§15410. Customer Return of Cannabis Goods.

(a) For the purposes of this section, "customer return" means a customer's return of cannabis goods that were purchased from a licensed retailer, back to the licensed retailer from whom the cannabis goods were purchased.

(b) A licensed retailer may accept customer returns of cannabis goods that were previously sold to a customer.

(c) A licensed retailer shall not resell cannabis goods that have been returned.

(d) A licensed retailer shall treat any cannabis goods abandoned on the licensed retailer premises as a customer return.

(e) Defective manufactured cannabis products returned by customers to a licensed retailer may be destroyed or returned to the licensed distributor from whom the cannabis goods were obtained.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26011.5, 26012 and 26070, Business and Professions Code.

§15411. Requirements for Providing Free Cannabis Goods to Medicinal Consumers.

(a) A licensed retailer shall not provide free cannabis goods to any person. A licensed retailer shall not allow individuals who are not employed by the licensed retailer to provide free cannabis goods to any person on the licensed premises.

(b) Notwithstanding subsection (a), in order to provide access to medicinal cannabis patients who have difficulty accessing medicinal cannabis goods, a licensee who holds an M-Retailer license, an M-Retailer Non-storefront license, or an M-Microbusiness license that is authorized for retail sales may provide free medicinal cannabis goods if the following criteria are met:

(1) Free cannabis goods are provided only to a medicinal cannabis patient or primary caregiver who possesses a valid physician's recommendation for medicinal cannabis or cannabis products or a valid identification card issued under Health and Safety Code section 11362.71.

(A) Before providing free cannabis goods to a medicinal cannabis patient who does not possess a valid identification card issued under Health and Safety code section 11362.7, the licensed retailer shall do the following:

(i) Verify with the Medical Board of California, the Osteopathic Medical Board of California, or the California Board of Podiatric Medicine that the attending physician providing the patient's medicinal cannabis recommendation has a license in good standing to practice medicine or osteopathy in the State of California;

(ii) Keep a copy of the patient's or primary caregiver's driver's license or other government-issued identification; and

(iii) Prepare and retain written certification that the licensed retailer verified the physician's recommendation as required by this section that includes the date and time of the verification, the name of the employee who conducted the verification, the name of the licensing board(s) contacted, the method by which the licensing board was contacted, and the name of the person at the licensing board who provided the verification if it was conducted orally, or a copy of the verification if it was provided in writing.

(B) After initially verifying a physician's recommendation for a specific medicinal cannabis patient as required by this section, a licensed retailer shall also verify the physician's recommendation at least annually, for the time period that the physician's recommendation is valid.

(C) A licensee shall not provide free cannabis goods to a medicinal cannabis patient or the patient's primary caregiver if the physician's recommendation has expired.

(2) Prior to being provided to the patient or the patient's primary caregiver, the cannabis goods have been properly designated for donation and recorded in the track and trace system.

(3) Except as provided under Revenue and Taxation Code section 34012.1, the donated cannabis goods shall comply with all statutory and regulatory requirements that apply to cannabis goods for sale, including those for cultivating, manufacturing, distributing, processing, storing, regulatory compliance testing, packaging, labeling, transporting, and delivering.

(4) The cannabis goods provided to a medicinal cannabis patient or the patient's primary caregiver pursuant to this section shall be applied toward the daily purchase limit for a medicinal cannabis customer contained in section 15409 and the possession limits contained in Health and Safety Code section 11362.77.

(5) If cannabis goods are donated by a licensed retailer, then the sales invoice or receipt for the cannabis goods shall indicate that the cannabis goods were donated.

(6) The provision of free cannabis goods shall be recorded in the track and trace system and the licensed retailer's inventory records. The inventory records shall also include either the number of the medicinal cannabis patient's identification card issued under Health and Safety Code section 11362.7 or a copy of a valid physician's recommendation and the written certification that the recommendation was verified as required by this section.

(c) In addition to the provision of free cannabis goods in subsection (b), a licensed retailer may donate cannabis goods and the use of equipment in compliance with any compassionate use, equity, or other similar program administered by a local jurisdiction. The licensee shall ensure that all cannabis goods provided pursuant to this subsection comply with subsections (b)(4), (b)(5), and (b)(6).

(d) A licensed retailer may contract with an individual or organization to coordinate the provision of free cannabis goods on the licensee's retail premises. All cannabis goods provided through an individual or organization pursuant to this subsection shall comply with the requirements of this section. The licensed retailer may be disciplined for violations of the Act that are committed by an individual or organization with whom the licensee has contracted.

(e) A licensed retailer authorized to engage in retail sales only through delivery shall provide free cannabis goods only by delivery. Free cannabis goods provided through delivery shall comply with the requirements of this section.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26013, 26153 and 26160, Business and Professions Code.

§15412. Prohibition on Packaging and Labeling by a Retailer.

(a) A licensed retailer shall not accept, possess, or sell cannabis goods that are not packaged as they will be sold at final sale, in compliance with this division.

(b) A licensed retailer shall not package or label cannabis goods.

(c) Notwithstanding subsection (b) of this section, a licensed retailer may place a barcode or similar sticker on the packaging of cannabis goods to be used in inventory tracking. A barcode or similar sticker placed on the packaging of a cannabis goods shall not obscure any labels required by the Act or this division.

Authority: Section 26013, Business and Professions Code. Reference: Section 26120, Business and Professions Code.

§15413. Cannabis Goods Packaging and Exit Packaging.

(a) All cannabis goods sold by a licensed retailer shall be in compliance with the packaging requirements in chapter 11.

(b) A package containing cannabis goods shall be tamper-evident and child-resistant. If the package contains multiple servings, the package must also be resealable.

(c) All cannabis goods purchased by a customer shall not leave the licensed retailer's premises unless the goods are placed in an opaque exit package.

(d) Immature plants and seeds sold by a licensed retailer are not required to be placed in resealable, tamper-evident, child-resistant packaging.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070.1 and 26120, Business and Professions Code.

§15414. Non-Storefront Retailer.

(a) A non-storefront retailer licensee shall be authorized to conduct retail sales exclusively by delivery as defined in Business and Professions Code section 26001(o).

(b) A complete application for a non-storefront retailer license shall include all the information required in an application for a retailer license.

(c) A non-storefront retailer licensee shall comply with all the requirements applicable to retailer licensees, except for those provisions related to public access to the licensed premises and the retail area.

(d) The licensed premises of a non-storefront retailer licensee shall be closed to the public.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26012 and 26070, Business and Professions Code.

§15415. Delivery Employees.

- (a) All deliveries of cannabis goods shall be performed by a delivery employee who is directly employed by a licensed retailer.
- (b) Each delivery employee of a licensed retailer shall be at least 21 years of age.
- (c) All deliveries of cannabis goods shall be made in person. A delivery of cannabis goods shall not be made through the use of an unstaffed vehicle.
- (d) Deliveries of cannabis goods shall be received by customers only during the hours of operation established by section 15403. Delivery employees shall return to the licensed premises after making their last delivery of the day if they have any unsold cannabis goods to return to the premises.
- (e) During the process of delivery, the licensed retailer's delivery employee may not engage in any activities except for cannabis goods delivery and necessary rest, fuel, or vehicle repair stops.
- (f) A delivery employee of a licensed retailer shall, during deliveries, carry a copy of the retailer's current license, a copy of the QR Code Certificate issued by the Department, which complies with section 15039, subsection (d), the employee's government-issued identification, and an identification badge provided by the employer pursuant to section 15043. A delivery employee shall provide a copy of the retail license, a copy of the QR Code Certificate, and their employee identification badge to a delivery customer upon request.
- (g) Prior to providing cannabis goods to a delivery customer, a delivery employee shall confirm the identity and age of the delivery customer as required by section 15404 and ensure that all cannabis goods sold comply with requirements of section 15413.
- (h) A licensed retailer shall maintain an accurate list of the retailer's delivery employees and shall provide the list to the Department upon request.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§15415.1. Deliveries Facilitated by Technology Platforms.

- (a) A licensed retailer or licensed microbusiness shall not sell or otherwise transfer any cannabis goods to a customer through the use of an unlicensed third party, intermediary business, broker, or any other business or entity.
- (b) Notwithstanding subsection (a) of this section, a licensed retailer or licensed microbusiness may contract with a service that provides a technology platform to facilitate the sale and delivery of cannabis goods, in accordance with all of the following:
 - (1) The licensed retailer or licensed microbusiness does not allow for delivery of cannabis goods by the technology platform service provider.

(2) The licensed retailer or licensed microbusiness does not share in the profits of the sale of cannabis goods with the technology platform service provider, or otherwise provide for a percentage or portion of the cannabis goods sales to the technology platform service provider.

(3) The licensed retailer or licensed microbusiness shall not advertise or market cannabis goods in conjunction with the technology platform service provider, outside of the technology platform, and shall ensure that the technology platform service provider does not use the licensed retailer's or licensed microbusiness's license number or legal business name on any advertisement or marketing that primarily promotes the services of the technology platform.

(4) The licensed retailer or licensed microbusiness shall ensure the following information is provided to customers:

(A) Any cannabis goods advertised or offered for sale on or through the technology platform shall disclose, at a minimum, the licensed retailer's or licensed microbusiness's legal business name and license number.

(B) Customers placing an order for cannabis goods through the technology platform shall be able to easily identify the licensed retailer or licensed microbusiness that each cannabis good is being ordered or purchased from. This information shall be available to the customer prior to the customer placing an order or purchasing the cannabis goods.

(5) All required sales invoices and receipts, including any receipts provided to the customer, shall disclose, at a minimum, the licensed retailer's or licensed microbusiness's legal business name and license number.

(6) All other delivery, marketing, and advertising requirements under this division are complied with.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26001, 26070, 26090, 26151 and 26152, Business and Professions Code.

§15416. Delivery to a Physical Address.

(a) A delivery employee may only deliver cannabis goods to a physical address in California.

(b) A delivery employee shall not leave the State of California while possessing cannabis goods.

(c) A delivery employee shall not deliver cannabis goods to an address located on publicly owned land or any address on land or in a building leased by a public agency. This prohibition applies to land held in trust by the United States for a tribe or an individual tribal member unless the delivery is authorized by and consistent with applicable tribal law.

(d) A delivery employee may deliver to any jurisdiction within the State of California provided that such delivery is conducted in compliance with all delivery provisions of this division.

(e) A delivery employee shall not deliver cannabis goods to a school providing instruction in kindergarten or any grades 1 through 12, day care center, or youth center.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§15417. Delivery Vehicle Requirements.

(a) A licensed retailer's delivery employee, carrying cannabis goods for delivery, shall only travel in an enclosed motor vehicle. Any vehicle used in the delivery of cannabis goods shall be operated by a delivery employee of the licensee. A vehicle used in the delivery of cannabis goods shall not have any marking or other indications on the exterior of the vehicle that may indicate that the delivery employee is carrying cannabis goods for delivery. Only the licensee or an employee of the retailer licensee for whom delivery is being performed shall be in the delivery vehicle.

(b) While carrying cannabis goods for delivery, a licensed retailer's delivery employee shall ensure the cannabis goods are not visible to the public. Cannabis goods shall be stored in a secure, fully enclosed trunk that cannot be accessed from inside the vehicle, or in a secured area or compartment within the interior of the vehicle. A "secured area" is defined as an area where solid or locking metal partitions, cages, or high-strength shatterproof acrylic can be used to create a secure compartment in the fully enclosed vehicle. The secured area may be comprised on three sides by any part of the body of the vehicle, provided the parts of the vehicle used for the purposes of this section are shatterproof and are not made of glass.

(c) A licensed retailer's delivery employee shall not leave cannabis goods in an unattended motor vehicle unless the motor vehicle is locked and equipped with an active vehicle alarm system. Any cannabis goods left in an unattended vehicle must be stored in a container as required in subsection (b).

(d) A vehicle used for the delivery of cannabis goods shall be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle and recording a history of all locations traveled to by the delivery employee while engaged in delivery. A dedicated GPS device must be owned by the licensee and used for delivery only. The device shall be either permanently or temporarily affixed to the delivery vehicle and shall remain active and inside of the delivery vehicle at all times during delivery. At all times, the licensed retailer shall be able to identify the geographic location of all delivery vehicles that are making deliveries for the licensed retailer and document the history of all locations traveled to by a delivery employee while engaged in delivery. A licensed retailer shall provide this information to the Department upon request. The history of all locations traveled to by a delivery employee while engaging in delivery shall be maintained by the licensee for a minimum of 90 days.

(e) Upon request, a licensed retailer shall provide the Department with information regarding any motor vehicle used for the delivery of cannabis goods, including the vehicle's make, model, color, Vehicle Identification Number, license plate number and Department of Motor Vehicles registration information.

(f) Any motor vehicle used by a licensed retailer to deliver cannabis goods is subject to inspection by the Department. Vehicles used to deliver cannabis goods may be stopped and inspected by the Department at any licensed premises or during delivery.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§15418. Cannabis Goods Carried During Delivery.

(a) A licensed retailer's delivery employee shall not carry cannabis goods in the delivery vehicle with a value in excess of \$10,000 at any time.

(b) For the purposes of this section, the value of cannabis goods shall be determined using the current retail price of all cannabis goods carried by, or within the delivery vehicle of, the licensed retailer's delivery employee.

(c) A delivery employee may only carry cannabis goods, cannabis accessories, branded merchandise of any licensee, or promotional materials in the delivery vehicle and may only perform deliveries for one licensed retailer at a time. A delivery employee must depart and return to the same licensed premises before taking possession of any cannabis goods from another licensee to perform deliveries.

(d) Before leaving the licensed premises, the licensed retailer's delivery employee must have a delivery inventory ledger of all cannabis goods provided to the licensed retailer's delivery employee. The contents of the delivery inventory ledger must comply with the requirements of section 15049.3. During the delivery trip, as defined in section 15049.3, the delivery employee shall maintain the delivery inventory ledger in hard copy or electronically, the latter of which may be an electronic copy maintained in the track and trace system. The delivery inventory ledger must be updated after each completed delivery to reflect the remaining inventory carried by the delivery employee. The delivery inventory ledger must otherwise be updated in accordance with the requirements of section 15049.3, and then entered into the track and trace system no later than the end of the calendar day on which the delivery trip occurred.

(e) The licensed retailer's delivery employee shall maintain a log that includes all stops from the time the licensed retailer's delivery employee leaves the licensed premises to the time that the licensed retailer's delivery employee returns to the licensed premises, and the reason for each stop. The log shall be turned in to the licensed retailer when the licensed retailer's delivery employee returns to the licensed premises. The licensed retailer must maintain the log as a commercial cannabis activity record as required by this division. The log may be maintained electronically.

(f) Prior to arrival at any delivery location, the licensed retailer must have received a delivery request from the customer and provided the delivery request receipt to the licensed retailer's delivery employee electronically or in hard copy. The delivery request receipt provided to the licensed retailer's delivery employee shall contain all of the information required in section 15420, except for the date and time the delivery was made, and the signature of the customer.

(g) Immediately upon request by the Department or any law enforcement officer, the licensed retailer's delivery employee shall provide:

(1) The delivery inventory ledger from the time the licensed retailer's delivery employee left the licensed premises up to the time of the request;

(2) All delivery request receipts for cannabis goods carried by the delivery employee, in the delivery vehicle, or any deliveries that have already been made to customers; and

(3) The log of all stops from the time the licensed retailer's delivery employee left the licensed premises up to the time of the request.

(h) If a licensed retailer's delivery employee does not have any delivery requests to be performed for a 30-minute period, the licensed retailer's delivery employee shall not make any additional deliveries and shall return to the licensed premises. Required meal breaks shall not count toward the 30-minute period.

(i) Upon returning to the licensed premises, all undelivered cannabis goods shall be returned to the licensed retailer's inventory and recorded within the track and trace system in accordance with section 15049.3.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26067, 26068, 26070, 26090 and 26160, Business and Professions Code.

§15419. Cannabis Consumption During Delivery.

A licensed retailer's delivery employees shall not consume cannabis or cannabis products while delivering cannabis goods to customers.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§15420. Delivery Request Receipt.

A licensed retailer shall prepare a hard copy or electronic delivery request receipt for each delivery of cannabis goods.

(a) The delivery request receipt shall contain the following:

(1) The legal business name and license number of the licensed retailer;

(2) The first name and employee number of the licensed retailer's delivery employee who delivered the order;

(3) The first name and employee number of the licensed retailer's employee who prepared the order for delivery;

(4) The first name of the customer and a licensed retailer-assigned customer number for the person who requested the delivery;

(5) The date and time the delivery request was made;

(6) The delivery address;

(7) A detailed description of all cannabis goods requested for delivery. The description shall include the weight, volume, or any other accurate measure of the amount of all cannabis goods requested;

(8) The total amount paid for the delivery, including any taxes or fees, the cost of the cannabis goods, and any other charges related to the delivery; and

(9) Upon delivery, the date and time the delivery was made, and the handwritten or electronic signature of the customer who received the delivery.

(b) At the time of the delivery, the delivery employee of the retailer shall provide the customer who placed the order with a hard or electronic copy of the delivery request receipt. The delivery employee shall retain a hard or electronic copy of the signed delivery request receipt for the licensed retailer's records.

(c) For the purposes of this section, an employee number is a distinct number assigned by a licensed retailer to an employee that would allow the licensed retailer to identify the employee in documents or records using the employee number rather than the employee's full name. A licensed retailer shall be able to identify the employee associated with each employee number upon request from the Department.

(d) For the purposes of this section, a customer number is a distinct number assigned by a licensed retailer to a customer that would allow the licensed retailer to identify the customer in documents or records using the customer number rather than the customer's full name. A licensed retailer shall be able to identify the customer associated with each customer number upon request from the Department.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26070, 26090 and 26160, Business and Professions Code.

§15421. Delivery Route.

While making deliveries of cannabis goods, a licensed retailer's delivery employee shall only travel from the retailer's licensed premises to the delivery address; from one delivery address to another delivery address; or from a delivery address back to the retailer's licensed premises. A delivery employee of a licensed retailer shall not deviate from the delivery path described in this section, except for necessary rest, fuel, or vehicle repair stops, or because road conditions make continued use of the route unsafe, impossible, or impracticable.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§15422. Receiving Shipments of Inventory.

(a) A licensed retailer shall receive a shipment of cannabis goods only from a licensed distributor or licensed microbusiness authorized to engage in distribution.

(b) A licensed retailer shall accept shipments of cannabis goods only between the hours of 6:00 a.m. Pacific Time and 10:00 p.m. Pacific Time.

(c) During business hours, shipments of cannabis goods shall not enter the licensed premises through an entrance or exit that is available for use by the public.

(d) A licensed retailer whose licensed premises only has one entryway may be exempt from the requirements of subsection (c) of this section if the licensed retailer obtains authorization from the local jurisdiction explicitly authorizing this activity. The licensed retailer shall be required to provide this authorization to the Department upon request. For this section to apply, the licensed premises must physically have only one entryway and cannot have any other entryways.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26012 and 26070, Business and Professions Code.

§15423. Inventory Documentation.

A licensed retailer shall maintain an accurate record of its inventory. A licensed retailer shall provide the Department with the record of inventory immediately upon request. A licensed retailer shall keep a record of the following information for all cannabis goods the licensed retailer has in its inventory:

- (a) A description of each item such that the cannabis goods can easily be identified;
- (b) An accurate measurement of the quantity of the item;
- (c) The date and time the cannabis goods were received by the licensed retailer;
- (d) The sell-by or expiration date provided on the package of cannabis goods, if any;
- (e) The name and license number of the licensed distributor or licensed microbusiness that transported the cannabis goods to the licensed retailer; and
- (f) The price the licensed retailer paid for the cannabis goods, including taxes, delivery costs, and any other costs.

Authority: Section 26013, Business and Professions Code. Reference: Section 26160, Business and Professions Code.

§15424. Inventory Reconciliation.

- (a) A licensed retailer shall be able to account for all of its inventory.
- (b) In conducting an inventory reconciliation, a licensed retailer shall verify that the licensed retailer's physical inventory is consistent with the licensed retailer's records pertaining to inventory.
- (c) The result of inventory reconciliation shall be retained in the licensed retailer's records and shall be made available to the Department upon request.
- (d) If a licensed retailer identifies any evidence of theft, diversion, or loss, the licensed retailer shall notify the Department and law enforcement pursuant to section 15036 of this division.

(e) If a significant discrepancy as defined in section 15034 of this division is discovered between a licensed retailer's physical inventory and the licensed retailer's inventory records, the licensed retailer shall notify the Department and law enforcement pursuant to section 15036 of this division.

Authority: Section 26013, Business and Professions Code. Reference: Section 26160, Business and Professions Code.

§15427. Retailer Premises-to-Retailer Premises Transfer.

(a) A licensee who holds multiple retail licenses may arrange for the transfer of cannabis goods from one licensed retail premises to another licensed retail premises if both retail licenses are held by the same sole proprietor or business entity.

(b) Cannabis goods transferred to a licensed retail premises under subsection (a) may be sold by the licensed retailer receiving the cannabis goods only if the cannabis goods comply with all requirements found in the Act and this division.

(c) The transportation of cannabis goods under this section must comply with all requirements found within the Act and this division.

(d) Any movement of cannabis goods under this section shall be properly entered into the track and trace system.

Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code.

Chapter 4. Microbusiness

§ 15500. Microbusiness.

(a) In order to hold a microbusiness license, a licensee must engage in at least three (3) of the following commercial cannabis activities: cultivation, manufacturing, distribution, and retail sale. License types created by the Department in regulation shall not be considered qualifying commercial cannabis activities for purposes of obtaining a microbusiness license, except for the Type N manufacturing license and the distributor transport only license.

(b) An applicant for a microbusiness license shall indicate on the application for licensure all commercial cannabis activities in which the applicant intends to engage.

(c) All cultivation, manufacturing, distribution, and retail activities performed by a licensee under a microbusiness license shall occur on the same licensed premises.

(d) A holder of a microbusiness license engaged in cultivation shall comply with all the rules and requirements applicable to the cultivation license type suitable for the cultivation activities of the licensee.

(e) A holder of a microbusiness license engaged in manufacturing shall comply with all the rules and requirements applicable to a Manufacturer 1 license in this division.

ATTACHMENT 3

RESOLUTION NO. 32-2017

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS
ESTABLISHING THE MAXIMUM NUMBER OF RETAIL/DISPENSARY
CANNABIS BUSINESS LICENSES PERMITTED IN THE CITY OF WILLOWS**

WHEREAS, the City Council of the City of Willows, pursuant to Chapter 9.20.070 has authorized the establishment of retail and dispensary businesses selling both medical and non-medical cannabis within the City of Willows; and

WHEREAS, in 1996 "The Compassionate Use Act" of 1996 was enacted by Proposition 215 enabling persons who are in need of cannabis for medical purposes to obtain and use it without fear of State criminal prosecution; and

WHEREAS, on November 8, 2016 California voters approved Proposition 64, the "Adult Use of Marijuana Act", which established a licensing and regulatory framework for the cultivation, manufacture, transportation, storage, distribution, and sale of recreational cannabis, and which recognized the authority of local jurisdictions to either ban or regulate certain activities related to the cultivation, manufacture, transportation, storage, distribution, delivery, and sale of recreational cannabis; and

WHEREAS, on June 27, 2017 Governor Brown signed SB 94, a bill which among other things established a new statutory framework which reconciled the MCRSA and AUMA and regulating medical and non-medical cannabis use, possession, cultivation and commercial activities in the State of California (referred to as "MAUCRSA"); and

WHEREAS, on November 28, 2017 the City Council of the City of Willows enacted "An Ordinance of the City Council of the City of Willows Repealing Willows Municipal Code Chapter 9.20 ("Medical Marijuana"), Adopting New Chapter 9.20 ("Cannabis"), Repealing Chapter 8.10.010 ("Definitions"), Adopting New Chapter 8.10.010, and Amending Chapter 8.10 ("Nuisance") to Regulate Cannabis, Use, Cultivation, Sales, and Other Cannabis Activities in the City of Willows" (hereafter the "Cannabis Ordinance"); and

WHEREAS, the City Council of the City of Willows, pursuant to Chapter 9.20.070 of the Cannabis Ordinance has authorized the establishment of retail and dispensary businesses selling both medical and non-medical cannabis within the City of Willows; and

WHEREAS, Chapter 9.20.070 of the Cannabis Ordinance requires the City Council to adopt a resolution establishing the maximum number of Retail/Dispensary Cannabis Business licenses that may be issued within the City of Willows in order to prevent excessive concentrations of such businesses, and to set other special conditions that may be necessary and appropriate for the regulation of such businesses; and

WHEREAS, the City Council finds and determines that the adoption of this Resolution is exempt from environmental review pursuant to California Environmental Quality Act Guidelines

Section 15061(b)(3) in that there is nothing in this Resolution or its implementation that could have a foreseeable significant effect on the environment,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WILLOWS:

1. That, pursuant to Chapter 9.20.070 of the Willows Municipal Code, the City Council of the City of Willows hereby orders that the number of Retail/Dispensary Cannabis Licenses issued to conduct such business in the City of Willows shall not exceed two (2); and
2. That no such Retail/Dispensary Cannabis License shall be issued for any business location, and no such license holder may conduct business in any location, nearer than one thousand (1,000) feet to any church, elementary school, middle school, high school, licensed daycare or preschool facility, playground or parks; and
3. That the City of Willows Planning Commission is hereby directed to establish, in accordance with the terms of this Resolution, in which zones of the City of Willows Retail/Dispensary Cannabis Licensed business may operate as a permitted use.

PASSED AND ADOPTED by the City Council of the City of Willows this 28th day of November, 2017, by the following vote:

AYES: Williams, Mello, Yoder, Vice-Mayor Warren & Mayor Hansen

NOES: None.

ABSTAIN: None.

ABSENT: None.

ATTEST:


ROBYN JOHNSON, CITY CLERK

APPROVED:


GARY HANSEN, MAYOR

CITY OF WILLWOS
ORDINANCE NO. 738-2018

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS AMENDING
CHAPTER 18.60.030 CG GENERAL COMMERCIAL DISTRICT OF THE WILLOWS
MUNICIPAL CODE OF THE CITY OF WILLOWS SPECIFICALLY TO ADD SECTION
18.60.030(11) CANNABIS RETAIL DISPENSARY BUSINESS AS A USE WITH ALL OTHER
TEXT TO REMAIN UNCHANGED**

THE CITY COUNCIL OF THE CITY OF WILLOWS DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council does hereby amend Chapter 18.60.030 of the Willows Municipal Code, adding section 18.60.030(11) to the Municipal Code, City of Willows, California, is hereby amended to read as follows;

**Chapter 18.60
CG GENERAL COMMERCIAL DISTRICT**

Sections:

18.60.010 Purpose.

18.60.020 Permitted uses.

18.60.030 Uses permitted with a conditional use permit.

18.60.040 Other regulations.

18.60.010 Purpose.

The general commercial or CG district is intended to be applied in areas where commercial facilities are necessary for public service and convenience. [Ord. 733-17 § 1, 11-14-17; Ord. 701-11 § 1, 7-12-11; Ord. 632-91 § 16.01, 10-22-91].

18.60.020 Permitted uses.

The following uses and structures are permitted in the CG district:

- (1) Uses permitted in the CC district as set forth in WMC 18.55.020.
- (2) Pet shops and veterinarian offices.
- (3) Mortuaries and funeral parlors.
- (4) Private schools and business colleges.

(5) Commercial parking lots and parking garages.

(6) Automobile service stations.

(7) Residences, boardinghouses, transitional and supportive housing, and group dwellings; provided, that residential units and quarters occupy only the second story or higher of structures whose first stories contain nonresidential uses, either permitted or permitted by conditional use permits in the CG district, except as authorized by WMC [18.110.090](#)(8).

(8) Emergency shelters (up to 50 beds), subject to development and managerial standards per WMC [18.110.111](#). [Ord. 733-17 § 1, 11-14-17; Ord. 715-15 § 1, 6-9-15; Ord. 701-11 § 1, 7-12-11; Ord. 632-91 § 16.02, 10-22-91].

18.60.030 Uses permitted with a conditional use permit.

The following uses and structures may be permitted in the CG district only if a conditional use permit has first been secured:

(1) All uses permitted in any residential zones.

(2) Boardinghouses, group dwellings, and churches.

(3) Bars and cocktail lounges.

(4) Adult businesses.

(5) Major automobile and equipment repair service stations.

(6) Automobile and equipment sales and service including used car lots.

(7) Wholesale distribution uses and warehouses.

(8) Hotels, motels, hospitals, sanitariums, and rest homes.

(9) Other commercial uses in the opinion of the planning commission which are of similar nature to those uses listed above.

(10) Emergency shelters, 50 beds or more, subject to development and managerial standards per WMC [18.110.111](#). [Ord. 733-17 § 1, 11-14-17; Ord. 701-11 § 1, 7-12-11; Ord. 632-91 § 16.03, 10-22-91].

(11) Cannabis Retail/Dispensary business in combined CG/ML/PD or CG/PD zones subject to development standards and WMC Section 9.20.070 to 9.20.80 and defined in Chapter 8.10.010.

18.60.040 Other regulations.

(1) Commercial Uses.

(a) Minimum lot area: 5,000 square feet.

(b) Minimum Yard Requirements.

(i) Front: none.

(ii) Side: none.

(iii) Rear: 12 feet where accessible from street or alley for loading purposes. Building may project over rear yard area, providing 14 feet clear vertical distance from ground level is maintained. Building code and other regulations shall apply.

(c) Maximum building height: 35 feet. Additional height may be permitted if a use permit is secured in each case.

(d) Loading Space. Private off-street space for the handling of all materials and equipment.

(e) Minimum Parking. Off-street parking shall be provided in an amount in accordance with the regulations of Chapter [18.120](#) WMC.

(2) Residential Uses. Minimum lot area, front, side and rear setbacks, maximum building height, maximum lot coverage and parking requirements for residential uses permitted with a use permit shall be subject to the regulations of the residential zone(s) for which the use is considered a principally permitted use. [Ord. 733-17 § 1, 11-14-17; Ord. 701-11 § 1, 7-12-11; Ord. 632-91 § 16.04, 10-22-91].

SECTION 2: The City Council of the City of Willows finds that the foregoing amendment and adoption of Ordinance No. 738-2018 is consistent with the General Plan, all applicable specific plans and the City of Willows Zoning Ordinance.

SECTION 3: The Planning Commission of the City of Willows further finds that the project is exempt from the California Environmental Quality Act pursuant to Section 15061(3) and Resolution No. 07-2018 passed prior to the adoption of this amendment.

SECTION 4. Severability. Should any provision of this ordinance, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable or otherwise void, that determination shall have no effect on any other provision of this ordinance or the application of this ordinance to any other person or circumstance and, to that end, the provisions hereof are severable.

SECTION 5. *Judicial Review.* The time within which judicial review must be sought is governed by California Code of Civil Procedure Section 1094.6.

SECTION 6. *Effective Date.* This ordinance shall take effect and be in force thirty (30) days after its adoption as provided by Government Code Section 36937.

SECTION 7. *Posting.* The City Clerk shall cause this Ordinance to be published and/or posted within fifteen days after its adoption.

INTRODUCED for first reading on the 24th day of July 2018.

PASSED AND ADOPTED at a public meeting of the City Council of the City of Willows on the 14th day of August 2018, by the following vote:

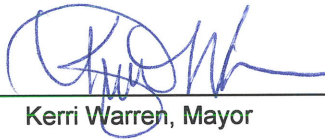
AYES: Williams, Yoder, Hansen, Vice-Mayor Mello, Mayer Warren

NOES:

ABSENT:

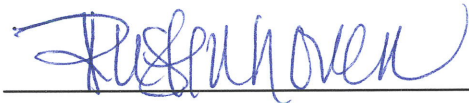
ABSTAIN:

APPROVED:



Kerri Warren, Mayor

ATTESTED:



Tara Rustenhoven, City Clerk

CITY OF WILLOWS
ORDINANCE NO. 739- 2018

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS AMENDING CHAPTER 18.65.030 HIGHWAY COMMERCIAL DISTRICT OF THE WILLOWS MUNICIPAL CODE OF THE CITY OF WILLOWS SPECIFICALLY ADDING SECTION 18.65.030(3) CANNABIS RETAIL DISPENSARY BUSINESS TO THE CODE WITH ALL OTHER TEXT TO REMAIN UNCHANGED

THE CITY COUNCIL OF THE CITY OF WILLOWS DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council does hereby amend Chapter 18.65.030 Highway Commercial District of the Willows Municipal Code adding section 18.65.030(3) to the code of the Municipal Code, City of Willows, California, is hereby amended to read as follows:

**Chapter 18.65
CH HIGHWAY COMMERCIAL DISTRICT**

Sections:

- [18.65.010](#) Purpose.
- [18.65.020](#) Permitted uses.
- [18.65.030](#) Uses permitted with a conditional use permit.
- [18.65.040](#) Other regulations.

18.65.010 Purpose.

The highway commercial or CH district is intended to be applied along main roads and highway frontages in order to provide necessary services for the traveling public. [Ord. 632-91 § 17.01, 10-22-91].

18.65.020 Permitted uses.

The following uses and structures are permitted in the CH district:

- (1) Motels and hotels.
- (2) Automobile service stations.
- (3) Restaurants and cafes.
- (4) Convenience stores.
- (5) Office space. [Ord. 632-91 § 17.02, 10-22-91].

18.65.030 Uses permitted with a conditional use permit.

The following uses and structures may be permitted in the CH district only if a conditional use permit has first been secured:

(1) Additional highway commercial uses will require a conditional use permit only if the planning commission finds that the type of use is necessary for servicing the traveling public.

(2) All permitted uses set forth in WMC [18.60.020](#). [Ord. 664-00 § 17.03, 6-27-00; Ord. 632-91 § 17.03, 10-22-91].

(3) Cannabis Retail/Dispensary business subject to development standards and WMC Section 9.20.070 to 9.20.80 and defined in Chapter 8.10.010.

18.65.040 Other regulations.

(1) Commercial Uses.

(a) Minimum lot area: 5,000 square feet.

(b) Minimum Yard Requirements.

(i) Front: none.

(ii) Side: none.

(iii) Rear: 12 feet where accessible from street or alley for loading purposes. Building may project over rear yard area, providing 14 feet clear vertical distance from ground level is maintained.

Building code and other regulations shall apply.

(c) Maximum building height: 35 feet. Additional height may be permitted if a use permit is secured in each case.

(d) Loading Space. Private off-street space for the handling of all materials and equipment.

(e) Minimum Parking. Off-street parking shall be provided in an amount in accordance with the regulations of Chapter [18.120](#) WMC. [Ord. 632-91 § 17.04, 10-22-91].

SECTION 2: The City Council of the City of Willows finds that the foregoing amendment and adoption of Ordinance No. 739-2018 is consistent with the General Plan, all applicable specific plans and the City of Willows Zoning Ordinance.

SECTION 3: The Planning Commission of the City of Willows further finds that the project is exempt from the California Environmental Quality Act pursuant to Section 15061(3) and Resolution No. 07-2018 passed prior to the adoption of this amendment.

SECTION 4. Severability. Should any provision of this ordinance, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable or otherwise void, that determination shall have no effect on any other provision of this ordinance or the application of this ordinance to any other person or circumstance and, to that end, the provisions hereof are severable.

SECTION 5. Judicial Review. The time within which judicial review must be sought is governed by California Code of Civil Procedure Section 1094.6.

SECTION 6. Effective Date. This ordinance shall take effect and be in force thirty (30) days after its adoption as provided by Government Code Section 36937.

SECTION 7. Posting. The City Clerk shall cause this Ordinance to be published and/or posted within fifteen days after its adoption.

INTRODUCED for first reading on the 24th day of July 2018.

PASSED AND ADOPTED at a public meeting of the City Council of the City of Willows on the 14th day of August 2018, by the following vote:

AYES: Williams, Yoder, Hansen, Vice-Mayor Mellow, Mayor Warren

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:



Kerri Warren, Mayor



Tara Rustenhoven, City Clerk





City of Willows
Resolution 19-2024

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WILLOWS, STATE OF CALIFORNIA, MODIFYING RESOLUTION 32-2017'S DISTANCE REQUIREMENTS FOR RETAIL/DISPENSARY CANNABIS BUSINESSES

WHEREAS, on November 28, 2017 the City Council of the City of Willows enacted "An Ordinance of the City Council of the City of Willows Repealing Willows Municipal Code Chapter 9.20 ("Medical Marijuana"), Adopting New Chapter 9.20 ("Cannabis"), Repealing Chapter 8.10.010 ("Definitions"), Adopting New Chapter 8.10.010, and Amending Chapter 8.10 ("Nuisance") to Regulate Cannabis, Use, Cultivation, Sales, and Other Cannabis Activities in the City of Willows" (hereafter the "Cannabis Ordinance"); and

WHEREAS, the City Council of the City of Willows, pursuant to Chapter 9.20.070 of the Cannabis Ordinance has authorized the establishment of retail and dispensary businesses selling both medical and non-medical cannabis within the City of Willows; and

WHEREAS, Chapter 9.20.070 of the Cannabis Ordinance requires the City Council to adopt a resolution establishing the maximum number of Retail/Dispensary Cannabis Business licenses that may be issued within the City of Willows in order to prevent excessive concentrations of such businesses, and to set other special conditions that may be necessary and appropriate for the regulation of such businesses; and

WHEREAS, The City Council of the City of Willows approved Resolution 32-2017, which established that no such Retail/Dispensary Cannabis License shall be issued for any business location, and no such license holder may conduct business in any location, nearer than one thousand (1,000) feet to any church, elementary school, middle school, high school, licensed daycare or preschool facility, playground or parks; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WILLOWS AS FOLLOWS:

1. That no such Retail/Dispensary Cannabis License shall be issued for any business location, and no such license holder may conduct business in any location, nearer than one thousand (1,000) feet linear radius measured from property line to property line of a school and;
2. This Resolution supersedes the following provision of Resolution 32-2017 "2. That no such Retail/Dispensary Cannabis License shall be issued for any business location, and no such license holder may conduct business in any location, nearer than one thousand (1,000) feet to any church, elementary school, middle school, high school, licensed daycare or preschool facility, playground or parks"; and

3. All other provisions of Resolution 32-2017 shall remain in full force and effect.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council on this 28th day of May 2024, by the following vote:

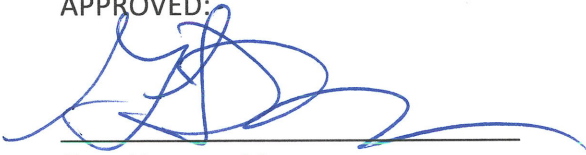
AYES: Vice Mayor Hutson, and Councilmembers Thomas and Vodden

NOES: Mayor Hansen, Councilmember Sprague

ABSENT: None

ABSTAIN: None

APPROVED:



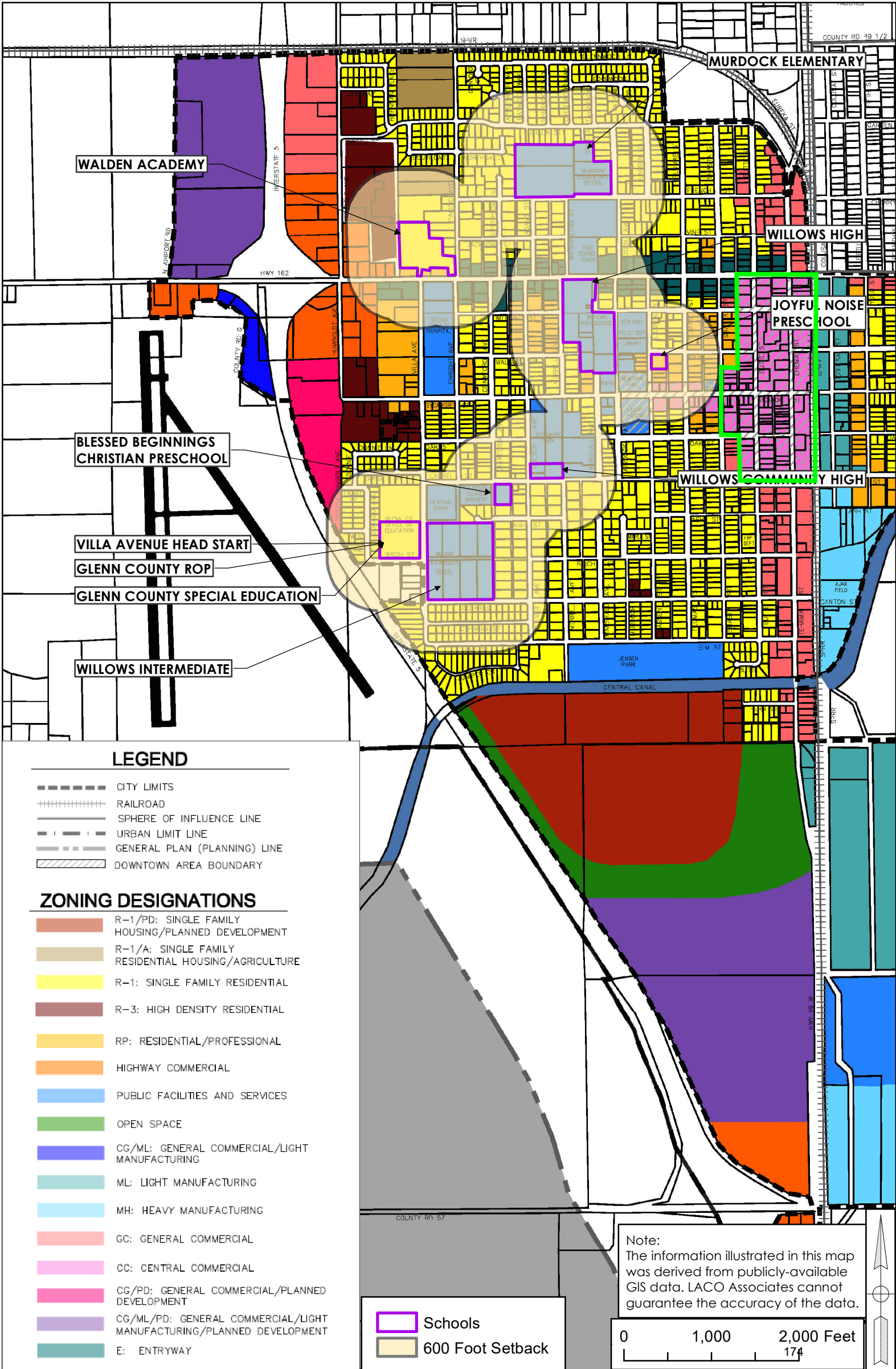
Gary Hansen, Mayor

ATTESTED:



Amos Hoover, City Clerk

REUSE OF DOCUMENTS: This document and the ideas and design incorporated herein, as an instrument of professional service, is the property of LACO Associates and shall not be reused in whole or part for any other project without LACO Associates express written authorization.





Date: January 14, 2025

To: Honorable Mayor and Councilmembers

From: Joe Bettencourt, Community Development & Services Director
Marti Brown, City Manager

Subject: Second Reading by Title Only of Ordinance 761-2024 - Cannabis Retail/Dispensary Businesses in General Commercial and Light Industrial Zones

Recommendation:

Conduct a Public Hearing and adopt Ordinance 761-2024, by title only and waive the full reading of the text, authorizing an amendment to the Willows Municipal Code chapter 18.60.030 to allow cannabis retail/dispensary businesses in the General Commercial Zone with a Conditional Use Permit.

Rationale for Recommendation:

As directed by the Council at the September 10, 2024 City Council meeting, staff are bringing forward Ordinance 761-2024 (Attachment 1) for adoption.

The Willows Municipal Code states that uses requiring a Conditional Use Permit for the Light Industrial Zone include retail stores and business or service enterprises, which, in the opinion of the planning commission, are similar to those included in WMC 18.60.030 (CG district). Therefore, approving Ordinance 761-2024 for cannabis retail/dispensary businesses in General Commercial, would also allow cannabis retail/dispensary businesses in the Light Industrial Zone.

Background:

On November 28, 2017, the Willows City Council adopted a Cannabis Ordinance #736-2017 (Attachment 2) to facilitate the approval, regulation, and operation of cannabis businesses. This ordinance, as chaptered in the WMC along with State laws (Attachment 3) and regulations, imposes strict zoning, security, and operational requirements on cannabis dispensaries. Thereafter, the Willows City Council adopted Resolution #32-2017 (Attachment 4), which established a maximum of two licenses for cannabis retail/dispensary businesses with the City of Willows, 1,000-foot setbacks from churches, schools, licensed daycare or preschool facilities, playgrounds and/or parks for cannabis retail/dispensary businesses and directed the Planning Commission to review zoning to determine where cannabis retail/dispensary businesses could operate. In July of 2018, Ordinances #738- 2018 and #739-2018 (Attachment 5 & 6) were passed by the City Council. They amended the Willows Municipal Code to allow cannabis retail/dispensary businesses in Highway Commercial and combined zones

(General Commercial/Light Industrial/Planned Development and General Commercial/Planned Development) with a Conditional Use Permit.

The City of Willows Municipal Code (WMC) Section 9.20.070 allows for the commercial sale of Cannabis and Cannabis products for medical and non-medical uses, subject to the conditions set forth in this code, and only in zones in which such sales are permitted uses pursuant to WMC Title 18.

At the February 14, 2023, City Council meeting, a public hearing was held, and a Resolution was passed approving a business license for Sundial Collective. Since approval, Sundial Collective has never moved forward with the construction of the project in South Willows, and the permit has now expired. Before Sundial Collective, Element 7 was another approved dispensary application whose permit also expired before the project was even started. In both instances, the applicants would have preferred to occupy existing buildings (because they were more affordable). Still, they could not find buildings within the city limits that satisfied the city's distance and/or zoning requirements. As a result, they resolved to construct new buildings; however, they both allowed their permits to expire, and staff could not contact them – they “disappeared.”

At the May 28, 2024, City Council meeting, Resolution #19-2024 (Attachment 7) was adopted to remove all setback requirements from churches, licensed daycares, playgrounds, and parks. Still, it retained a 1,000-foot setback requirement from schools (e.g., preschool through 12th grade). The Council also directed staff to present zoning modification options to the Planning Commission for consideration and to return to the Council with any Commission recommendations to modify the zoning for cannabis retail/dispensary businesses.

At the July 17, 2024, Planning Commission meeting, staff presented this information and requested direction on whether to modify the zoning in which a cannabis retail/dispensary business may operate with a Conditional Use Permit. The Planning Commission elected to take no action to modify the zoning in which cannabis retail/dispensary businesses may operate.

The item was brought back to the City Council at the September 10, 2024, meeting, and the staff was directed to prepare an Ordinance to modify the Willows Municipal Code to allow cannabis retail/dispensary businesses in the Central Commercial, General Commercial, and Light Industrial Zones and reduce the setback from schools to 600 feet.

Ordinance 761-24 passed the first reading at the November 26, 2024, City Council Meeting. A resolution was also passed at this meeting to modify the setback of cannabis retail/dispensary businesses to 600 feet from schools.

In accordance with Government Code Section 36933, a summary of Ordinance 761-2024 was published in a newspaper of general circulation on January 3, 2025, and a certified copy of Ordinance 761-2024 was posted in its entirety at the office of the City Clerk on January 8, 2025.

Discussion & Analysis:

There is minimally developed land (e.g., a suitable structure for cannabis retail/dispensary businesses) in the Highway Commercial and Mixed-Use zones. Allowing cannabis retail/dispensary businesses in the General Commercial and Light Industrial Zones creates an opportunity for potential businesses to access developed land, which is a significant investment incentive. It is also an opportunity to direct

traffic from I-5 into the city's downtown business corridor. This has the potential to positively affect surrounding businesses by increasing foot traffic to the area. Attachment 8 is a map showing the General Commercial and Light Industrial Zone with a 600-foot setback from schools.

General Commercial

The following uses and structures are currently allowed in General Commercial zoning if a conditional use permit has been issued:

- (1) All uses permitted in any residential zones.
- (2) Boardinghouses, group dwellings, and churches.
- (3) Bars and cocktail lounges.
- (4) Adult businesses.
- (5) Major automobile and equipment repair service stations.
- (6) Automobile and equipment sales and service including used car lots.
- (7) Wholesale distribution uses and warehouses.
- (8) Hotels, motels, hospitals, sanitariums, and rest homes.
- (9) Other commercial uses in the opinion of the planning commission which are of similar nature to those uses listed above.
- (10) Emergency shelters, 50 beds or more, subject to development and managerial standards per WMC [18.110.111](#).
- (11) Cannabis retail/dispensary business in combined CG/ML/PD or CG/PD zones subject to development standards and WMC [9.20.070](#) to [9.20.080](#) and defined in WMC [8.10.010](#). [Ord. 738-18 § 1, 8-14-18; Ord. 733-17 § 1, 11-14-17; Ord. 701-11 § 1, 7-12-11; Ord. 632-91 § 16.03, 10-22-91].

Light Industrial

The following uses and structures are currently allowed in Light Industrial zoning if a conditional use permit has been issued:

In the opinion of the planning commission, retail stores and business or service enterprises are similar to those included in WMC 18.60.030 (CG district). [Ord. 632-91 § 18.03, 10-22-91].

Consistency with Council Priorities and Goals:

Consideration of allowing cannabis retail/dispensary businesses in the Central Commercial Zone is consistent with the Council's Priority #1: Financial Stability, and Priority #2: Economic Development.

Fiscal Impact:

While it is uncertain exactly how much revenue might be generated by modifying the zoning and/or reducing setback requirements for cannabis retail/dispensary businesses, two retail business licenses in the city limits would certainly increase sales tax revenue and encourage the placement of a local cannabis business tax on a future ballot.

Attachments:

- Attachment 1: Proposed Ordinance #761-2024
- Attachment 2: Ordinance #736-2017

- Attachment 3: State Cannabis Regulations
- Attachment 4: Resolution #32-2017
- Attachment 5: Ordinance #738- 2018
- Attachment 6: Ordinance #739-2018
- Attachment 7: Resolution #19-2024
- Attachment 8: General Commercial and Light Industrial Zone Map w/600-foot Setback from Schools



**City of Willows
Ordinance 761-2024**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS AMENDING CHAPTER 18.60.030 CG GENERAL COMMERCIAL DISTRICT OF THE CITY OF WILLOWS MUNICIPAL CODE SPECIFICALLY TO AMEND SECTION 18.60.030(11) TO ALLOW CANNABIS RETAIL DISPENSARY BUSINESSES IN THE GENERAL COMMERCIAL ZONE, ALL OTHER TEXT IS TO REMAIN UNCHANGED

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WILLOWS does ordain as follows:

SECTION 1: The City Council does hereby amend Chapter 18.60.030 of the Willows Municipal Code, specifically amending section 18.60.030(11), Chapter 18.60.030 of the City of Willows Municipal Code is hereby amended to read as follows;

18.60.030 Uses permitted with a conditional use permit.

The following uses and structures may be permitted in the CG district only if a conditional use permit has first been secured:

- (1) All uses permitted in any residential zones.
- (2) Boardinghouses, group dwellings, and churches.
- (3) Bars and cocktail lounges.
- (4) Adult businesses.
- (5) Major automobile and equipment repair service stations.
- (6) Automobile and equipment sales and service including used car lots.
- (7) Wholesale distribution uses and warehouses.
- (8) Hotels, motels, hospitals, sanitariums, and rest homes.
- (9) Other commercial uses in the opinion of the planning commission which are of similar nature to those uses listed above.
- (10) Emergency shelters, 50 beds or more, subject to development and managerial standards per WMC [18.110.111](#).

(11) Cannabis retail/dispensary business in General Commercial (CG), combined CG/ML/PD or CG/PD zones subject to development standards and WMC [9.20.070](#) to [9.20.080](#) and defined in WMC [8.10.010](#). [Ord. 738-18 § 1, 8-14-18; Ord. 733-17 § 1, 11-14-17; Ord. 701-11 § 1, 7-12-11; Ord. 632-91 § 16.03, 10-22-91].

SECTION 2: The City Council of the City of Willows finds that the forgoing amendment and adoption of Ordinance No. 761-2024 is consistent with the General Plan, all applicable specific plans and the City of Willows Zoning Ordinance.

SECTION 3: The City Council of the City of Willows further finds that the project is exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3); and

SECTION 4: Severability- Should any provision of this ordinance, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable or otherwise void, that determination shall have no effect on any other provision of this ordinance or the application of this ordinance to any other person or circumstance and, to that end, the provisions hereof are severable.

SECTION 5: Judicial Review- The time within which judicial review must be sought is governed by California Code of Civil Procedure Section 1094.6

SECTION 6: Effective Date- This ordinance shall take effect and be in force thirty (30) days after its adoption as provided by Government Code Section 36937.

INTRODUCED first reading on the 26th day of November 2024.

PASSED AND ADOPTED by the City Council of the City of Willows this 14th day of January 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTESTED:

Evan Hutson, Mayor

Tara Rustenhoven, Deputy City Clerk

ORDINANCE NO. 736-2017**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WILLOWS REPEALING WILLOWS MUNICIPAL CODE CHAPTER 9.20 (“MEDICAL MARIJUANA”), ADOPTING NEW CHAPTER 9.20 (“CANNABIS”), REPEALING CHAPTER 8.10.010 (“DEFINITIONS”), ADOPTING NEW CHAPTER 8.10.010, AND AMENDING CHAPTER 8.10 (“NUISANCE”) TO REGULATE CANNABIS USE, CULTIVATION, SALES AND OTHER CANNABIS ACTIVITIES IN THE CITY OF WILLOWS.**

WHEREAS, the City Council of the City of Willows intends to and hereby does establish regulations pertaining to the personal cultivation of cannabis, regulations pertaining to the commercial sales of cannabis and cannabis products, and prohibiting all other cannabis-related activities within the City of Willows; and

WHEREAS, the Federal Controlled Substances Act (21 U.S.C. Section 841 et seq.) makes it unlawful to manufacture, distribute, dispense or possess cannabis, and, accordingly, medical and nonmedical cannabis dispensaries are illegal under Federal law; and

WHEREAS, in 2013, Deputy U.S. Attorney General James Cole issued a memorandum to all Federal prosecutors to provide guidance on the enforcement of the Federal Controlled Substances Act as it related to cannabis, indicating that enforcement would not be a priority in states and local jurisdictions that have laws authorizing cannabis-related conduct and that have implemented strong and effective regulatory and enforcement systems that will address the threat those state laws could pose to public safety, public health, and other law enforcement interests; and that have provided the necessary resources to demonstrate the willingness to enforce their laws and regulations; and

WHEREAS, in 2015, Congress began to defund enforcement of the Federal Controlled Substances Act in states where such enforcement activities would prevent states from implementing their own state laws that authorize the use, distribution, possession or cultivation of medical cannabis; and

WHEREAS, the voters of the State of California approved Proposition 215 (codified as Health and Safety Code Section 11362.5 et seq., “The Compassionate Use the Act of 1996”); the intent of Proposition 215 was to enable persons who are in need of cannabis for medical purposes to obtain and use it without fear of State criminal prosecution; and

WHEREAS, on October 9, 2015, Governor Brown approved a series of bills commonly referred to as the Medical Cannabis Regulation and Safety Act (“MCRSA”), effective on January 1, 2016, which establishes a comprehensive State licensing and regulatory framework for the cultivation, manufacture, transportation, storage, distribution, and sale of medical cannabis, also known as marijuana; and which recognized the authority of local jurisdictions to either impose additional restrictions or prohibit certain activities related to the cultivation, manufacture, transportation, storage, distribution, delivery, and sale of medical cannabis; and

WHEREAS, on November 8, 2016 the voters of the State of California approved Proposition 64, known as the “Control, Regulate and Tax Adult Use of

Marijuana Act” (“AUMA”), which establishes a comprehensive State licensing and regulatory framework for the cultivation, manufacture, transportation, storage, distribution, and sale of recreational cannabis, also known as marijuana; and which recognizes the authority of local jurisdictions to either impose additional restrictions or prohibit certain activities related to the cultivation, manufacture, transportation, storage, distribution, delivery, and sale of recreational cannabis; and

WHEREAS, the City Council of the City of Willows has recognized, and continues to recognize, the potential adverse impacts on the health, safety, and welfare of its residents and business from secondary effects associated with commercial cannabis activity, which include: offensive odors, trespassing, theft, violent encounters between growers and persons attempting to steal plants, fire hazards, increased crime in and about the dispensary, robberies of customers, negative impacts on nearby businesses, nuisance problems, and increased DUI incidents; and

WHEREAS, there is a need to adopt health, safety, and welfare, as well as land use regulations, to avoid adverse impacts on the community which may arise from both personal use and cultivation and commercial cannabis activity; and

WHEREAS, on June 27, 2017 Governor Brown signed SB 94, a bill which among other things established a new statutory framework which reconciled the MCRSA and AUMA and regulating medical and non-medical cannabis use, possession, cultivation and commercial activities in the State of California (referred to as “MAUCRSA”); and

WHEREAS, the MCRSA, AUMA and MAUCRSA set forth a comprehensive framework to regulate cannabis and cannabis products from seed to use or ingestion by a consumer, which includes uniform health and safety standards designed to implement quality control, a labeling and a track-and-trace program, and other consumer protections, which mitigates some of the potential adverse impacts identified by the City Council in the past; and

WHEREAS, an effective regulatory system governing cannabis in the City of Willows as provided herein, will address potential adverse impacts to the public health, welfare, and safety, thereby allowing cannabis cultivation for personal use and certain commercial cannabis activity within specified use zones with the City consistent with California law; and

WHEREAS, the City Council finds and determines that the enactment of this Ordinance is exempt from environmental review pursuant to California Environmental Quality Act Guidelines Section 15061(b)(3) in that there is nothing in this Ordinance or its implementation that could have a foreseeable significant effect on the environment; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF WILLOWS does ordain as follows:

SECTION 1. The City Council finds and determines the foregoing recitals to be true and correct and hereby incorporates them into this Ordinance.

SECTION 2. Chapter 8.10.010 of the Willows Municipal Code is hereby repealed in its entirety.

SECTION 3. A new Chapter 8.10.010, attached hereto as Exhibit A, is hereby adopted into the Willows Municipal Code.

SECTION 4. Chapter 8.10.020, subsections (24) and (25), of the Willows Municipal Code are hereby replaced with new subsections (24) and (25) as follows:

(24) To cultivate, maintain, process or store on the property cannabis without a permit from the City of Willows pursuant to Chap. 9.20 of the Willows Municipal Code.

(25) To cultivate, or allow the cultivation of, more than six (6) cannabis plants on any single property in violation of Chap. 9.20 of the Willows Municipal Code.

SECTION 5. Chapter 8.10.020 of the Willows Municipal Code is hereby amended by the addition of the following subsections:

(26) To cultivate, or allow to be cultivated, cannabis outdoors, or in an enclosed building or shed that is visible from the public rights of way or neighboring properties.

(27) To cultivate cannabis on any property on which the permit holder does not reside full time.

(28) Any other cannabis activity in violation of Chap. 9.20 of the Willows Municipal Code.

SECTION 6. Chapter 9.20 of the Willows Municipal Code is hereby repealed in its entirety.

SECTION 7. A new Chapter 9.20, attached hereto as Exhibit B, is hereby adopted into the Willows Municipal Code.

This ordinance was introduced at a regular meeting of the City Council of the City of Willows, held on November 14, 2017, and adopted at a regular meeting of the City Council of Willows, held on the November 28, 2017, by the following vote, to wit:

AYES: Williams, Mello, Yoder, Vice-Mayor Warren & Mayor Hansen
NOES: None.
ABSENT: None.
ABSTAIN: None.

APPROVED:



GARY HANSEN, MAYOR

ATTEST:



ROBYN JOHNSON, CITY CLERK

APPROVED AS TO FORM:

THE CITY ATTORNEY'S OFFICE



ROBERT HUNT, CITY ATTORNEY

EXHIBIT A .

Article I. General Provisions

New Chap. 8.10.010 is adopted as follows:

8.10.010 Definitions.

The following definitions shall apply in this chapter:

“Appeals Board”. The city council of the city of Willows is designated to act as the appeals board.

“Cannabis” means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; 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” 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. The terms “cannabis” and “marijuana” may be used interchangeably herein, and both shall have the meaning specified here.

“Cannabis business” means a business or enterprise engaged in commercial cannabis activity.

“Commercial cannabis activity” includes cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, transportation, research and development, delivery or sale of cannabis or cannabis products for commercial purposes, whether for profit or nonprofit.

“Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, trimming, or processing of cannabis.

“Deliver” or “Delivery” shall have the same meaning as set forth in Business and Professions Code Section 26001 and Health and Safety Code section 11009. “Deliver” or “Delivery” as used in this chapter shall not include the transfer of cannabis to a patient by a primary caregiver, or the transfer of bulk cannabis or cannabis product to a licensed dispensary or retail business for resale.

“Dispensary” means a retail establishment, facility or location holding an M-license issued by the State of California where the primary purpose is to dispense medical cannabis or medical cannabis products. A “dispensary” shall not include dispensing of medical cannabis by primary caregivers to qualified patients in the following locations and uses, as long as the location of such uses is otherwise regulated by this code or applicable law: a qualified patient’s or caregiver’s place of residence, a clinic licensed pursuant to Chapter 1 of Division 2 of the Health and Safety Code, a health care facility licensed pursuant to Chapter 2 of Division 2 of the Health and Safety Code, a residential care facility for persons with chronic life-threatening hospice, or a home health agency licensed pursuant to Chapter 8 of Division 2 of the Health and Safety Code, as long as any such use complies strictly with applicable law including, but illness licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code, a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code, a residential not limited to, Health and Safety Code Section 11362.5 et seq.

“Enforcement officer,” unless otherwise specified, shall be the city manager or his designee.

“Highway” means a way or place of whatever nature, publicly maintained and open to the use of the public for purposes of vehicular travel. Highway includes streets and alleys.

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

“Marijuana” as used in this chapter shall have the same meaning as “cannabis” set forth in subsection above. The terms “cannabis” and “marijuana” may be used interchangeably, and both shall have the meaning specified here.

“Marijuana processing” means any method used to prepare marijuana or its byproducts for commercial retail and/or wholesale, including but not limited to: drying, cleaning, curing, packaging, and extraction of active ingredients to create marijuana-related products and concentrates.

“Medicinal or medical cannabis” or “medicinal or medical cannabis product” means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code, by a medicinal cannabis patient in California who possesses an identification card issued by the California Department of Public Health.

“Nuisance” means anything which is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property so as to interfere with the comfortable enjoyment of life or property, or unlawfully obstructs the free passage or use, in the customary manner, of any navigable lake, or river, bay, stream, canal, or basin, or any public park, square, street or highway.

“Permit” refers to a permit issued to a person as described in chap. 9.20.040.

“Permittee” means any person or entity holding a permit issued by the City of Willows to engage in cultivation of not more than six (6) cannabis plants in accordance with chap. 9.20.040, et seq.

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

“Primary caregiver” has the same meaning as in Section 11362.7 of the Health and Safety Code and who holds a valid caregiver identification card issued by the California Department of Health.

“Private nuisance” means every nuisance not applicable to “public nuisance.”

“Public nuisance” means any nuisance affecting at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal.

“Qualified patient” shall have the same definition as Health and Safety Code Sections 11362.7(c) and (f).

“Retail” means the sale of either medical or nonmedical cannabis or cannabis products to the public in relatively small quantities for use or consumption rather than for resale.

“Retail business” or “retail/dispensary cannabis business” means (1) the commercial activity of engaging in the retail sales of cannabis or cannabis products, or (2) the location upon or from which the retail sales of cannabis or cannabis products are made.

“School” means an institution of learning for minors, whether public or private, which offers instruction in those courses of study required by the California Education Code or which is maintained pursuant to standards set by the State Board of Education. This definition includes a nursery school, kindergarten, elementary school, junior high school, senior high school, or a special institution of learning under the jurisdiction of the State Department of Education, or a site that is planned for such school uses in the City’s general plan, but it does not include a vocational or professional institution or any

CITY OF WILLOWS ORDINANCE 736-2017

institution of higher education, including a community or junior college, college or university.

“Vehicle” means a device by which any person or property may be propelled, moved or drawn upon a highway, except a device moved by human power or used exclusively upon stationary rails or tracks. [Ord. 719-162 § 2, 1-26-16. Prior code § 9-30].

“Youth-oriented facility” shall mean elementary school, middle school, high school, public park, and any establishment that advertises in a manner that identifies the establishment as catering to or providing services primarily intended for minors, or the individuals who regularly patronize, congregate or assemble at the establishment are predominantly minors. This shall not include a licensed daycare or preschool facility that provides supervision of eight or fewer minor children, or children under ten years of age.

EXHIBIT B .

TITLE 9 PUBLIC PEACE, MORALS AND WELFARE

Chap. 9.20 Cannabis

- 9.20.010 Findings**
- 9.20.015 Purpose and Intent**
- 9.20.020 Definitions**
- 9.20.025 Possession of Cannabis or Cannabis Product**
- 9.20.030 Prohibited Activities**
- 9.20.040 Cannabis Cultivation**
- 9.20.050 Residential Cultivation Permits, Enforcement, Penalties**
- 9.20.070 Retail/Dispensary Cannabis Business Licenses**
- 9.20.080 General Conditions for All Retail/Dispensary Business Permits**
- 9.20.090 Regulations and Enforcement**
- 9.20.120 Severability**

Chapter 9.20 Cannabis

9.20.010 Findings

(a) The Federal Controlled Substances Act (21 U.S.C. Section 841 et seq.) makes it unlawful to manufacture, distribute, dispense or possess cannabis, and, accordingly, medical and nonmedical cannabis dispensaries and retail businesses are illegal under Federal law;

(b) In 2013, Deputy U.S. Attorney General James Cole issued a memorandum to all Federal prosecutors to provide guidance on the enforcement of the Federal Controlled Substances Act as it related to cannabis, indicating that enforcement would not be a priority in states and local jurisdictions that have laws authorizing cannabis-related conduct; that have implemented strong and effective regulatory and enforcement systems that will address the threat those state laws could pose to public safety, public health, and other law enforcement interests; and that have provided the necessary resources to demonstrate the willingness to enforce their laws and regulations;

(c) In 2015, Congress began to defund enforcement of the Federal Controlled Substances Act in states where such enforcement activities would prevent states from implementing their own state laws that authorize the use, distribution, possession or cultivation of medical cannabis;

(d) The voters of the State of California approved Proposition 215 (codified as Health and Safety Code Section 11362.5 et seq., "The Compassionate Use Act of 1996" or "CUA"); the intent of Proposition 215 was to enable persons who are in need of cannabis for medical purposes to obtain and use it without fear of State criminal prosecution;

(e) On October 9, 2015, Governor Brown approved a series of bills commonly referred to as the Medical Cannabis Regulation and Safety Act ("MCRSA"), effective on January 1, 2016, which established a comprehensive State licensing and regulatory framework for the cultivation, manufacture, transportation, storage, distribution, and sale of medical cannabis, also known as marijuana; and which recognizes the authority of local

jurisdictions to either impose additional restrictions or prohibit certain activities related to the cultivation, manufacture, transportation, storage, distribution, delivery, and sale of medical cannabis;

(f) On November 8, 2016 the voters of the State of California approved Proposition 64, known as the "Control, Regulate and Tax Adult Use of Marijuana Act" ("AUMA"), which established a comprehensive State licensing and regulatory framework for the cultivation, manufacture, transportation, storage, distribution, and sale of recreational cannabis, also known as marijuana; and which recognized the authority of local jurisdictions to either impose additional restrictions or regulate or prohibit certain activities related to the cultivation, manufacture, transportation, storage, distribution, delivery, and sale of recreational cannabis;

(g) On June 27, 2017 Governor Brown signed into law SB 94, a bill which, among other things, reconciled differences between MCRSA and AUMA, and established a new statutory framework regulating medical and non-medical cannabis use, possession, cultivation and commercial activities in the State of California (referred to as 'MAUCSRA');

(h) The City Council of the City of Willows has recognized, and continues to recognize, the potential adverse impacts on the health, safety, and welfare of its residents and business from secondary effects associated with commercial cannabis activity, which include: offensive odors, trespassing, theft, violent encounters between growers and persons attempting to steal plants, fire hazards, increased crime in and about points of sale, robberies of customers, negative impacts on nearby businesses, nuisance problems, and increased DUI incidents;

(i) There is a need to adopt health, safety, and welfare regulations to avoid or mitigate adverse impacts on the community which may arise from commercial cannabis activity;

(j) The MCRSA, AUMA and MAUCRSA set forth a comprehensive framework to regulate cannabis and cannabis products from seed to use or ingestion by a consumer, which includes uniform health and safety standards designed to implement quality control, a labeling and a track-and-trace program, and other consumer protections, which mitigates against some of the potential adverse impacts identified by the City Council; and

(k) An effective regulatory system governing cannabis in the City of Willows as provided in this chapter, will address potential adverse impacts to the public health, welfare, and safety, thereby allowing commercial cannabis activity and other use of cannabis and cannabis products consistent with California law.

9.20.015 Purpose and Intent.

It is the purpose and intent of this chapter for the City Council to exercise its police powers derived from Section 7 of Article XI of the California Constitution and State law to promote the health, safety, and general welfare of the residents and businesses of the City of Willows by regulating cannabis activities within the City's jurisdictional limits, unless preempted by Federal or State law.

9.20.020 Definitions.

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

(a) "A-license" means a license issued by the State of California for the sale of cannabis or cannabis products that are intended for adults who are 21 years of age and older and who do not possess a physician's recommendation.

(b) "Applicant" means a person who is required to file an application for a permit or license under this chapter, including an individual owner, managing partner, officer of a

corporation, or any other operator, manager, employee, or agent of a retail establishment or dispensary.

(c) "AUMA" refers to the California law entitled "Control, Regulate and Tax Adult Use of Marijuana Act of 2016," also known as Proposition 64, and any regulations promulgated thereunder.

(d) "Cannabis" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; 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" 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. The terms "cannabis" and "marijuana" may be used interchangeably herein, and both shall have the meaning specified here.

(e) "Cannabis business" means a business or enterprise engaged in any commercial cannabis activity.

(f) "Cannabis business owner" means any of the following:

(1) Each person or entity having an ownership interest in a commercial cannabis business other than a security interest, lien, or encumbrance on property that will be used by the commercial cannabis business;

(2) Each person or entity applying for a commercial cannabis license, or having an ownership interest in an entity applying for a commercial cannabis license, in the City of Willows.

(3) The chief executive officer of a nonprofit or other entity, or any person or entity with an aggregate ownership interest of five percent (5%) or more in such entity.

(4) A member of the board of directors of a nonprofit or other entity.

(5) Each person who participates in the direction, control, or management of the commercial cannabis business.

(g) "Cannabis product" means marijuana or 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 marijuana and other ingredients.

(h) "Caregiver" shall have the same meaning as "primary caregiver."

(i) "Church" means a structure or leased portion of a structure which is used primarily for religious worship and related religious activities.

(j) "City" means the City of Willows.

(k) "Commercial cannabis activity" includes cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, transportation, research and development, delivery or sale of cannabis or cannabis products for commercial purposes, whether for profit or nonprofit.

(l) "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, trimming, or processing of cannabis.

(m) "Customer" means a natural person 21 years of age or older or a natural person

18 years of age or older who possesses a physician's recommendation, or a primary caregiver.

(n) "Cultivation site" means a location where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a location where any combination of those activities occurs.

(o) "Day care center" has the same meaning as in Section 1596.76 of the Health and Safety Code.

(p) "Deliver" or "Delivery" shall have the same meaning as set forth in Business and Professions Code Section 26001 and Health and Safety Code section 11009. "Deliver" or "Delivery" as used in this chapter shall not include the transfer of cannabis to a patient by a primary caregiver, or the transfer of bulk cannabis or cannabis product by a transporter to or from a licensed dispensary or retail business for resale.

(q) "Dispensary" means a retail establishment, facility or location holding an M-license issued by the State of California where the primary purpose is to dispense medical cannabis or medical cannabis products. A "dispensary" shall not include dispensing of medical cannabis by primary caregivers to qualified patients in the following locations and uses, as long as the location of such uses is otherwise regulated by this code or applicable law: a qualified patient's or caregiver's place of residence, a clinic licensed pursuant to Chapter 1 of Division 2 of the Health and Safety Code, a health care facility licensed pursuant to Chapter 2 of Division 2 of the Health and Safety Code, a residential care facility for persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code, a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code, a residential hospice, or a home health agency licensed pursuant to Chapter 8 of Division 2 of the Health and Safety Code, as long as any such use complies strictly with applicable law including, but not limited to, Health and Safety Code Section 11362.5 et seq.

(r) "Juvenile" or "minor" means any natural person who is under the age of 21 years.

(s) "License" means an authorization issued by the City of Willows, subject to all terms and conditions under which such license may be issued, authorizing a licensee to engage in the retail business of selling medical or non-medical cannabis and cannabis products at a specified location within the City.

(t) "Licensee" means any person or entity holding a license to sell medical or non-medical cannabis and cannabis products in the City under this chapter.

(u) "Manufacture" means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

(v) "Marijuana" as used in this chapter shall have the same meaning as "cannabis" set forth in subsection (c) above.

(w) "MAUCRSA" means the Medicinal and Adult-Use Cannabis Regulation and Safety Act of 2017.

(x) "M-license" means a State of California license issued for commercial cannabis activity involving medicinal cannabis and cannabis products.

(y) "MCRSA" refers to the California law entitled Medical Cannabis Regulation and Safety Act.

(z) "Medicinal or medical cannabis" or "medicinal or medical cannabis product" means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code, by a medicinal cannabis patient in California who possesses an identification card issued by the California Department of Public

Health, Glenn County Department of Public Health, or a physician's recommendation.

(aa) "Owner" means the title holder to a parcel of real estate.

(ab) "Permit" refers to an authorization issued by the City to a person as described in chap. 9.20.040 to cultivate cannabis for personal use.

(ac) "Permittee" means any natural person holding a permit issued by the City to engage in cultivation of not more than six (6) cannabis plants in accordance with chap. 9.20.040.

(ad) "Person" includes any individual, firm, partnership, joint venture, association, corporation, collective, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.

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

(af) "Premises" means the designated structure or structures and land specified in an application that is owned, leased, or otherwise held under the control of the applicant or licensee where the commercial cannabis activity will be or is conducted. The premises shall be a contiguous area and shall only be occupied by one licensee. "Premises" shall also mean the designated residence structure or structures and land specified in an application where the applicant cultivates cannabis for his or her personal use.

(ag) "Primary caregiver" has the same meaning as in Section 11362.7 of the Health and Safety Code and who holds a valid caregiver identification card issued by the California Department of Health or the Glenn County Department of Public Health.

(ah) "Purchaser" means the customer who is engaged in a transaction with a licensee for purposes of obtaining cannabis or cannabis products.

(ai) "Retail" means the sale of either medical or nonmedical cannabis or cannabis products to the public in relatively small quantities for use or consumption rather than for resale.

(aj) "Retail business" or "retail/dispensary cannabis business" means (1) the commercial activity of engaging in the retail sales of cannabis or cannabis products, or (2) the location upon or from which the retail sales of cannabis or cannabis products are made.

(ak) "School" means an institution of learning for minors, whether public or private, which offers instruction in those courses of study required by the California Education Code or which is maintained pursuant to standards set by the State Board of Education. This definition includes a nursery school, kindergarten, elementary school, junior high school, senior high school, or a special institution of learning under the jurisdiction of the State Department of Education, or a site that is planned for such school uses in the City's general plan, but it does not include a vocational or professional institution or any institution of higher education, including a community or junior college, college or university.

(al) "Sell," "sale," and "to sell" include any transaction whereby, for any consideration, title to cannabis or cannabis products is transferred from one person to another in exchange for payment.

(am) "Youth-oriented facility" shall mean elementary school, middle school, high school, public park, and any establishment that advertises in a manner that identifies the establishment as catering to or providing services primarily intended for minors, or the individuals who regularly patronize, congregate or assemble at the establishment

are predominantly minors. This shall not include a licensed daycare or preschool facility that provides supervision of eight or fewer minor children, or children under ten years of age.

9.20.025 Possession of cannabis or cannabis products.

Persons 21 years of age or older may possess, obtain, purchase and transport, without receiving any compensation in any form whatsoever, not more than 28 ½ grams of cannabis not in the form of concentrated cannabis, or not more than eight (8) grams of concentrated cannabis, including cannabis products.

Chapter 9.20.030 Prohibited activities.

Sections:

- 9.20.031 Public Consumption of Cannabis
- 9.20.032 Prohibited activities; unlawful; nuisance.
- 9.20.033 Outdoor cultivation.
- 9.20.034 Commercial cultivation.

9.20.031 Public Consumption of Cannabis

The use or consumption, smoking or ingestion, of cannabis in any form, or any cannabis product, is prohibited on any public property or in any facility or space to which members of the public have access including, but not limited to, schools, playgrounds, parks and other areas where children are present or may generally attend or congregate. Consumption of cannabis or cannabis product on or about the premises of any retail/dispensary cannabis business is also prohibited.

9.20.032 Prohibited activities; unlawful; nuisance.

The cultivation, manufacturing, distribution, delivery, dispensing, sale, possession and use of cannabis and cannabis products in the City of Willows is expressly prohibited, unless otherwise authorized by this code. It is hereby declared to be unlawful, a public nuisance, and a violation of this chapter for any person to engage in such cultivation, manufacturing, distribution, delivery, dispensing, sale, possession and use of cannabis and cannabis products in the City of Willows, unless otherwise authorized by this code. It is further hereby declared to be unlawful, a public nuisance, and a violation of this chapter for any person owning, leasing, occupying, or having charge or possession of any premises or parcel within any zoning district in the City of Willows to cause or allow such premises or parcel to be used for the cultivation, manufacturing, distribution, delivery, dispensing, sale, possession and use of cannabis and cannabis products, unless such activity is otherwise authorized by this code.

9.20.033 Outdoor cultivation.

It is hereby declared to be unlawful, a public nuisance, and a violation of this chapter for any person owning, leasing, occupying, or having charge or possession of any parcel within any zoning district in the city to engage in, cause or allow such premises to be used for the outdoor cultivation of marijuana plants.

9.20.034 Commercial cultivation.

It is hereby declared to be unlawful, a public nuisance, and a violation of this chapter for any person owning, leasing, occupying, or having charge or possession of any parcel within any zoning district in the City to engage in, cause or allow the cultivation of more than six (6) cannabis plants on any parcel within the City of Willows.

Chapter 9.20.040 Cannabis Cultivation

Sections:

- 9.20.041 Purpose and intent.
- 9.20.042 Definitions.
- 9.20.043 Cultivation of cannabis for personal use.
- 9.20.044 Cultivation of marijuana restricted.
- 9.20.045 Public nuisance prohibited.

9.20.041 Purpose and intent.

The City Council finds as follows:

- A. Purpose and intent. The purpose and intent of this chapter is to regulate the cultivation of cannabis for personal use in a manner that protects the health, safety and welfare of the residents who cultivate and the community consistent with State and federal law. This chapter is not intended to give any person unfettered legal authority to grow cannabis; it is intended to regulate the personal cultivation of cannabis when it is authorized by California law.
- B. Applicability. The cultivation of cannabis for personal use in the City of Willows shall be controlled and regulated by the provisions of this chapter. Cultivation of more than six (6) cannabis plants is deemed commercial cultivation. All commercial cultivation is prohibited in the City of Willows pursuant to chap. 9.20.034.
- C. Nonconflicting Enactment. No part of this chapter shall be deemed to conflict with federal law as contained in the Controlled Substances Act, 21 U.S.C. Section 800 et seq., nor to otherwise permit any activity that is prohibited under that Act or any other local, state or federal law, statute, rule or regulation.

9.20.042 Definitions.

As used herein the following definitions shall apply:

- A. "Authorized grower" means a natural person twenty-one years and older who is authorized by, and in compliance with, federal or state law to cultivate cannabis indoors for personal or medical use, and who obtains a permit from the City authorizing cultivation of cannabis for personal use.
- B. "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, trimming, or otherwise processing of marijuana plants or any part thereof.
- C. "Fully enclosed and secure structure" means a fully enclosed space within a building that complies with the California Building Code ("CBSC"), as adopted in the City of Willows, or if exempt from the permit requirements of the CBSC, that has a complete

roof, a foundation, slab or equivalent base to which the floor is secured by bolts or similar attachments, is secure against unauthorized entry, is accessible only through one or more lockable doors, and which interior is not visible from a public right-of-way or any other parcel of property. Walls and roofs must be constructed of solid materials that cannot be easily broken through, such as two-inch by four-inch nominal or thicker studs overlaid with three-eighths inch or thicker plywood or the equivalent. Plastic sheeting, regardless of gauge, or similar products do not satisfy this requirement. If indoor grow lights or air filtration systems are used, they must comply with the California building, electrical, and fire codes as adopted in the City of Willows.

D. "Immature plant" means a cannabis plant, whether male or female, that has not yet flowered and which does not yet have buds that are readily observed by unaided visual examination.

E. "Indoors" means within a fully enclosed and secure structure as that structure is defined in subsection C of this section.

F. "Mature plant" means a cannabis plant, whether male or female, that has flowered and which has buds that are readily observed by unaided visual examination.

G. "Outdoor" means any location within the City of Willows that is not within a fully enclosed and secure structure as defined in subsection C of this section.

H. "Parcel" means real property assigned a separate parcel number by the Glenn County assessor.

I. "Permit" refers to a permit issued to a person as described in this chap. 9.20.040, et seq. Only one (1) permit may be issued for each parcel, without regard to the number of residents or qualified patients residing on that parcel.

J. "Permittee" means any natural person holding a permit issued by the City of Willows to engage in cultivation of not more than six (6) cannabis plants.

K. "Private residence" means a house, apartment unit, mobile home, or other similar dwelling unit.

9.20.043 Cultivation of cannabis for personal use.

When authorized by state law, an authorized grower shall be allowed to cultivate cannabis only in a private residence or on the grounds of such residence, only indoors, and only for personal use, subject to the following regulations:

A. The cannabis cultivation area shall be located indoors within a residential structure and shall not exceed fifty square feet and not exceed ten feet in height, nor shall it come within twelve inches of the ceiling or any cultivation lighting. Cultivation in a greenhouse or other enclosed structure on the property of the residence but not physically part of the home is allowed, as long as it is fully enclosed, secure, not visible from a public right-of-way or other parcel of property, and meeting all requirements in this chapter.

B. Not more than six (6) cannabis plants, mature or immature, are permitted for personal cultivation at any one time under this chapter.

C. Cannabis cultivation lighting shall not exceed one thousand two hundred watts (1,200) in total for the total cultivation area within the residence.

D. Only one (1) permit may be issued for each parcel, without regard to the number of residents or qualified patients residing in or on that parcel, and no more than six (6) cannabis plants may be cultivated at any time on any parcel.

E. An owner of real property may prohibit the cultivation of cannabis on such property.

F. The use of gas products such as but not limited to CO₂, butane, methane, or any

other flammable or nonflammable gas for cannabis cultivation or processing is prohibited.

G. There shall be no exterior visibility or evidence of cannabis cultivation outside the private residence, or other structure, from the public right-of-way or other parcel of property, including but not limited to any cannabis plants, equipment used in the growing and cultivation operation, odors and any light emanating from cultivation lighting.

H. The permittee shall reside full-time in the residence where the cannabis cultivation occurs.

I. The permittee shall not participate in cannabis cultivation in any other location within the City of Willows.

J. The residence shall include fully functional and usable kitchen, bathroom, and bedroom areas for their intended use by the resident authorized grower, and the premises shall not be used primarily or exclusively for cannabis cultivation.

K. The cannabis cultivation area shall be in compliance with the current adopted edition of the California Building Code Section 1203.4, Natural Ventilation, or Section 402.3, Mechanical Ventilation (or equivalent), as amended from time to time.

L. The City's building official may require additional specific standards to meet the California Building Code and Fire Code, including but not limited to installation of fire suppression sprinklers or upgrade of electrical service.

M. Cannabis cultivation shall not result in a nuisance or adversely affect the health, welfare, or safety of the resident or nearby residents by creating dust, glare, heat, noise, noxious gases, odors, fire danger, smoke, traffic, vibration, or other impacts, or be hazardous due to use or storage of materials, processes, products or wastes.

N. Cannabis in excess of twenty-eight and one-half (28 ½) grams produced by plants kept for indoor personal cultivation under this chapter must be kept in a securely-locked space on the grounds of the private residence which space is not accessible to minors and is not visible from the public right-of-way.

9.20.044 Cultivation of marijuana restricted.

A. Commercial cultivation of cannabis is prohibited in the City of Willows.

B. Cultivation of more than six (6) cannabis plants is prohibited in the City of Willows.

C. Outdoor cultivation of cannabis is prohibited in the City of Willows.

D. No person shall grow cannabis in the City of Willows until and unless they first secure a permit from the City of Willows and pay such fee(s) as may be required and set by resolution of the City Council.

E. It is hereby declared to be unlawful, a public nuisance and a violation of this chapter for any person owning, leasing, occupying, or having charge or possession of any parcel within the city to cause or allow such parcel to be used for the cultivation of marijuana, unless the person is authorized by state law to grow marijuana for a specifically authorized purpose within a private residence in a residential zone, and such authorized grower is complying with all requirements of this chapter.

9.20.045 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 parcel 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:

- A. Such activity produces odors which are disturbing to people of reasonable sensitivity residing or present on adjacent or nearby property or areas open to the public;
- B. Such activity results in repeated responses to the parcel by law enforcement personnel;
- C. Such activity causes repeated disruption to the free passage of persons or vehicles in the neighborhood, excessive noise which is disturbing to people of normal sensitivity on adjacent or nearby property or areas open to the public;
- D. Such activity produces any other impacts on the neighborhood which are disruptive of normal activity in the area including, but not limited to, grow lighting visible outside the dwelling, excessive vehicular traffic or parking occurring at or near the dwelling, and excessive noise emanating from the dwelling; or
- E. There is growing and cultivation of marijuana outdoors or in such location as to visible by neighboring properties or the public rights of way.

Chapter 9.20.050 Residential Cultivation Permits, Enforcement, Penalties

Sections:

- 9.20.050 Residential Cultivation
- 9.20.051 Permit Required
- 9.20.052 Residential Cultivation Permits
- 9.20.053 Review and Issuance.
- 9.20.054 Permit Renewal.
- 9.20.055 Denials, Suspensions and Revocations.
- 9.20.056 Appeal of Denials, Revocations and Suspensions.
- 9.20.057 Penalties
- 9.20.058 Regulations and Enforcement.
- 9.20.059 Public Nuisance
- 9.20.060 Enforcement
- 9.20.061 Right of entry for enforcement officer.
- 9.20.062 Abatement.
- 9.20.063 Summary Abatement.
- 9.20.064 Alternative remedies.
- 9.20.065 Other Violations.
- 9.20.066 Penalties not exclusive – violation constitutes a crime.
- 9.20.066 Severability.

9.20.050 Residential Cultivation

California law allows a person 21 years of age or older to cultivate for personal use up to six (6) cannabis plants, subject to additional limitations. Health & Safety Code § 11362.2(b)(1) authorizes a city to enact and enforce regulations to reasonably regulate such personal cultivation. The City of Willows establishes the following regulations to protect the health, safety and welfare of personal cultivators and the community at large, while not prohibiting or banning such personal cultivation.

9.20.051 Permit Required.

Every person seeking to cultivate cannabis for personal use must first apply and be issued the appropriate permit to engage in such cultivation within the City of Willows. All such personal cultivation shall comply with this chapter 9.20.050, et seq.

9.20.052 Residential Cultivation Permits.

A. The form and content of the application for a residential cultivation permit shall be specified by the City Manager and shall include, at a minimum, the following information sworn by the applicant to be true and correct under penalty of perjury:

1. The name, address, and telephone number of the applicant, together with a photocopy of the applicant's driver's license or State-issued identification card.

2. The address of the property on which the residential cultivation is proposed.

3. Affirmation that the applicant is a full-time resident of the property on which the cultivation is proposed.

4. The name, address and telephone number(s) of the owner(s) of such property, together with the notarized written consent of such owner if not the applicant.

5. A description of the area within the property in which the cultivation is proposed to occur, including a floor plan, specifically identifying exit points, of the building in which the cultivation is proposed.

6. A certification from a licensed electrician that the electrical service of the property is sufficient to service the proposed cultivation, and in compliance with all state and local building codes.

7. Affirmation that the applicant does not cultivate cannabis in any other location within the City of Willows.

8. Consent of the applicant for entry to the premises by the City of Willows for the purposes of inspection and verification, with or without notice.

B. Together with a completed application, applicant shall pay a non-refundable Residential Cultivation Permit Fee.

C. The City Council shall establish such Residential Cultivation Permit Fee, which may be adjusted from time to time, by resolution in such amount(s) as reasonably calculated to cover the City's costs incurred in processing such applications, conducting inspections, and enforcing the provisions of this chapter.

D. The term of initially-issued Residential Cultivation Permits shall be one (1) year.

9.20.053 Review and Issuance.

A. Applications for Residential Cultivation Permits shall be filed with the city manager's office. Applications shall include all of the information required in chap. 9.20.052, any other information reasonably requested by the city manager, and shall be

accompanied by a nonrefundable Residential Cultivation Permit fee. A request for additional information by the city manager shall be "reasonable" if it is intended to elicit more information or clarification about the applicant, property ownership, or other information related to the proposed location of the cultivation or the safety of such location and facility.

B. If the city manager determines that the application is incomplete or has been completed improperly, the city manager shall notify the applicant within ten (10) days of application submittal. The city manager may grant the applicant an extension of up to thirty (30) days to complete the application. In the event the applicant fails to provide the information necessary to complete the application within the extension granted by the city manager, the application shall lapse and the application fee shall be forfeited to the City of Willows.

C. If the city manager determines that the Residential Cultivation Permit application is complete and, on the face of the application, there appears to be no basis for denial of the permit, the city manager shall issue the Residential Cultivation Permit.

9.20.054 Permit Renewal.

A. The holder of a Residential Cultivation Permit shall, no less than thirty (30) days prior to the expiration of the then-current permit file an application for renewal of the permit. The application shall include all of the information, appropriately updated, required in the initial application, together with a Residential Cultivation Permit renewal fee.

B. Upon receiving a renewal application, the city manager shall determine whether the application is complete. If the city manager determines that the application is incomplete or has been completed improperly, the city manager shall notify the applicant within ten (10) days. The city manager may grant the applicant an extension up to 10 days to complete the renewal application.

C. If the city manager determines that the application is complete, and there are no grounds for denying the renewal application pursuant to this chap. 9.20.050, the city manager shall so notify the applicant. The city manager may then issue a renewal of the permit for a two-year period.

9.20.055 Denials, Suspensions and Revocations.

A. **Incomplete Application.** If the application is incomplete, or remains incomplete upon the expiration of any extension, the city manager may deny the Residential Cultivation Permit application or renewal thereof. If the city manager denies the application for this reason, written notice of denial shall be served on the applicant. Notwithstanding any provisions of this code to the contrary, the decision of the city manager shall be final and not subject to administrative appeal.

B. **Suspension of Permit.**

1. If the city manager deems continuation of the permittee's Residential Cultivation Permit will cause a significant threat to the health, safety or welfare of the public, the city manager may suspend the permit and all rights and privileges thereunder. The permittee must immediately cease all cannabis cultivation immediately upon receiving notice of the suspension of his or her permit.

2. The city manager shall give notice to the permittee of his or her intent to suspend a permit in the same manner as notice of permit denial and provide the city clerk with a copy of the notice.

3. Such notification shall inform the permittee of the grounds for the suspension, together with action(s) necessary to cure or correct such grounds, including a period of time not to exceed thirty (30) days for such cure or correction to be completed.

4. Such suspension shall remain in effect, and the permit holder must cease all cannabis cultivation, unless and until the basis for which the suspension was imposed has been cured or corrected, and/or the term of the permit expires, in which event the permittee's authorization to engage in cultivation of cannabis for personal use has ended.

C. Denial or Revocation of Permit.

1. The granting of a Residential Cultivation Permit or a renewal thereof may be disapproved, and an existing permit revoked if:

a. The applicant or permittee has knowingly made a false statement in the application or in any reports or other documents furnished to the City.

b. The property owner withholds or revokes consent for the cultivation of marijuana on the property.

c. The permittee has violated the terms of this code or California law by cultivating more than six (6) cannabis plants at any one time.

d. The permittee has engaged in the sale or distribution of cannabis or cannabis products.

e. Excessive traffic, neighborhood and/or law enforcement activity at the location of the applicant's or permittee's cultivation of cannabis.

f. The granting or renewing of the permit would perpetuate or encourage any of the following:

(i) Engaging in the sale or distribution of cannabis or cannabis products;

(ii) Providing cannabis or cannabis products to minors;

(iii) Diversion of cannabis or cannabis products to jurisdictions outside of the State where cannabis and cannabis products are unlawful under State or local law;

(iv) Trafficking of other illegal drugs or facilitation of other illegal activity;

(v) Violence and the use of firearms in the cultivation or distribution of cannabis and cannabis products;

(vi) The applicant or permittee has been sanctioned by a licensing authority or other city or county for unauthorized commercial cannabis activity; or

(vii) The applicant or permittee violates any provision of the MCRSA, AUMA, MAUCRSA, this chapter or any other permits issued by the City for cannabis activity.

g. The applicant or permittee has been convicted of an offense that is substantially related to the permittee's qualifications for safely cultivating cannabis for personal use with due care for the residents of the property and the community at large, which includes but is not limited to:

(i) A felony conviction for hiring, employing, or using a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling any controlled substance to a minor; or selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor; or

(ii) A felony conviction for drug trafficking with an enhancement pursuant to Health and Safety Code Section 11370.4 or 113798.

h. Failure to pay required City fees.

2. Disapproval of Application. If the City Manager disapproves an application for Residential Cultivation Permit or renewal thereof, or revokes an existing permit, he or she shall notify the applicant in writing, stating the reasons for the disapproval. Notification of disapproval shall be delivered by first class mail to the applicant. Service of such notice shall be deemed complete two (2) business days following the deposit of the notice in the U.S. Mail. A copy of such notification shall be filed with the city clerk. No permit shall issue unless a successful appeal of the disapproval is made within the requisite time frame.

3. A permittee whose permit is revoked must immediately cease all cannabis cultivation immediately upon receiving notice of the revocation of his or her permit.

9.20.056 Appeal of Denials, Revocations and Suspensions.

A. Within fifteen (15) days after the city manager serves notification of disapproval for any reason (other than incomplete applications), or revocation or suspension of an existing permit, an applicant/permittee may appeal the denial, revocation or suspension by notifying the city clerk in writing of the appeal, the reasons for the appeal, and depositing all applicable fees and costs associated with the appeal.

B. The city clerk shall set a hearing on the appeal and shall fix a date and time certain, within thirty (30) days after the receipt of the applicant's appeal, unless the City and the applicant agree to a longer time, to consider the appeal. The city clerk shall provide notice of the date, time and place of hearing, at least seven (7) days prior to the date of the hearing.

C. The city attorney shall appoint a hearing officer to hear the appeal and determine the order of procedure, and rule on all objections to admissibility of evidence. The applicant and the city manager shall each have the right to submit documents, call and examine witnesses, cross-examine witnesses and argue their respective positions. The proceeding shall be informal, and the strict rules of evidence shall not apply, and all evidence shall be admissible which is of the kind that reasonably prudent persons rely upon in making decisions.

D. The hearing officer shall issue a written decision within fifteen (15) days after the close of the hearing. The decision of the hearing officer shall be final.

9.20.057 Penalties

A. A violation of this chapter shall punishable as a misdemeanor, which shall be punishable by a fine not to exceed \$500, or by imprisonment in the county jail for not more than six months, or by both fine and imprisonment. Each day of engaging in any of the prohibited activities shall constitute a separate offense.

B. Notwithstanding the foregoing section, cultivation of more than six (6) cannabis plants shall be a felony if:

1. The offender had or has a serious violent felony(ies) on his or her record;
2. The offender is a registered sex offender;
3. The offender has two (2) or more prior convictions for cultivating more than six (6) marijuana plants; or
4. The offender violates certain California environmental laws in their marijuana cultivation activities.

C. Forfeit of the privilege of personal cultivation of cannabis in the City of Willows.

D. The penalties herein are cumulative and not in place of any penalties, fines or costs imposed pursuant to chapter 8 of this code.

E. Any violation of this chapter or regulation promulgated under this chapter is hereby declared to be a public nuisance.

9.20.058 Regulations and Enforcement.

A. City Manager or Designee. Any action required by the city manager under this chapter may be fulfilled by the city manager's designee. In addition to City officers and employees, such designee may include, but is not limited to, officials of the Glenn County Sheriff's Office, attorneys or consultants.

B. The city manager is authorized to coordinate implementation and enforcement of this chapter and may promulgate appropriate regulations for such purposes.

9.20.059 Public Nuisance

Any violation of this chapter is declared to be a public nuisance, subject to redress as provided for in this title.

9.20.060 Enforcement.

A. This title shall be enforced pursuant to the provisions of this chapter 9.20 of Title 9 and Title 8 of the Willows Municipal Code.

B. The city manager shall, as he deems necessary, instruct the chief of police, Glenn County Sheriff, fire chief, director of public works, or code enforcement officer to abate any nuisance caused by a violation of this chapter; the cost thereof to be levied and collected as provided for in Chapter 8 of this code.

9.20.061 Right of entry for enforcement officer.

A. Whenever an enforcement officer has reason to believe that a nuisance exists or that an inspection is necessary to enforce any provision of this chapter, the officer may enter the premises at any reasonable time to perform the inspection or any other duty imposed by this title. The enforcement officer shall provide reasonable notice of the need to enter and inspect. Notwithstanding the foregoing, in the event there is reasonable suspicion of the existence of a nuisance or violation that presents a threat of imminent danger to the health, safety or welfare of the permittee or the community at large, the enforcement officer or other City official may enter the premises at any time without notice, and the applicant shall consent to such entry as a condition of qualifying for the Residential Cultivation permit.

B. The enforcement officer shall present proper identification, state the purpose of the visit and request permission of the owner or responsible person to enter the premises. If entry is refused, the enforcement officer shall have recourse to every remedy provided by law to secure entry. Any such refusal shall be grounds for suspension or revocation of the permittee's permit.

C. When the enforcement officer has first obtained a proper inspection warrant or other remedy provided by law to secure entry, no owner or responsible person shall fail or neglect, after proper request is made as provided in this title, to promptly permit entry therein by the enforcement officer for the purpose of inspection and examination pursuant to this title.

9.20.062 Abatement.

Public nuisances in violation of this chapter may be abated by demolition, removal, destruction, suspension or revocation of permit, or other appropriate action as determined by the city manager. Such nuisances may be abated pursuant to WMC 8.10 or, in the event of imminent or immediate dangers to the health, safety, welfare and