Regular Meeting of the
Concord City Council

Tuesday, November 5, 2019
6:00 p.m. - Open Session
Council Chamber
1950 Parkside Drive

Information for the public on participation at Council meetings can be found on the back of the Speaker Identification Card located near the Council Chamber entrance. Should you have any questions after consulting the Speaker Identification Card, please contact the City Clerk prior to the Council meeting.

AGENDIZED ITEMS – The public is entitled to address the City Council on items appearing on the agenda before or during the City Council’s consideration of that item. Each speaker will be limited to approximately three minutes.

1. OPENING

Roll Call

Pledge to the Flag - Vice Mayor McGallian

2. PUBLIC COMMENT PERIOD
This is a 15-minute Public Comment Period for items within the City Council’s subject matter jurisdiction that are not on this agenda. Each speaker will be limited to approximately three minutes. State law prohibits the City Council from acting at this meeting on any matter raised during the Public Comment Period.

3. PRESENTATIONS

4. ANNOUNCEMENTS

a. Announcing – recruitment of three positions on the Measure Q Oversight Committee with a deadline for applications by Friday, January 3, 2020, at 5 p.m. to the City Clerk's Office. Report by Joelle Fockler, City Clerk.
5. **CITY COUNCIL CONSENT CALENDAR**
The public is entitled to address the City Council on items appearing on the Consent Calendar before or during the City Council’s consideration of the Consent Calendar. Adoption of the Consent Calendar may be made by one motion of the City Council, provided that any Councilmember, individual or organization may request removal of an item from the Consent Calendar for separate consideration. If a request for removal of an item from the Consent Calendar has been received, the Mayor may defer action on the particular item and place the same on the regular agenda for consideration in any order s/he deems appropriate.

a. **Considering** – approval of the minutes from the meeting of October 15, 2019. Recommended by the City Clerk.

b. **Considering** – approval of an amendment to the Professional Services Agreement with Swinerton Management & Consulting in the amount of $10,130 for the Concord BART Area Sanitary Sewer Upgrade (Project No. 2406), authorizing the City Manager to execute the Agreement in a form acceptable to the City Attorney; accepting improvements for the Concord BART Area Sanitary Sewer Upgrade (Project No. 2406), and directing the City Clerk to file a Notice of Completion. Recommended by the Director of Community and Economic Development.

c. **Considering** – approval of an amendment to the City of Concord Project Stabilization Agreement (PSA), which is required to comply with Federal regulations (23 CFR 635.117(b)) that conflict with the PSA’s "local hire" provisions which, if unaddressed, would prevent the City from receiving approved Federal funding (per 23 CFR 1.9(a)); authorizing the City Manager to execute the agreement in a form acceptable to the City Attorney. Recommended by the Director of Community and Economic Development.

CEQA: Not a project/exempt per CEQA Guidelines Sections 15060(c)(2), 15061(b)(3), and/or 15378.

d. **Considering** – adoption of a Resolution approving an interagency agreement with Contra Costa County, authorizing the acceptance and appropriation of State AB 109 (Public Safety Realignment Act) funds in the amount of $146,795 to partially offset the cost of one existing police officer to provide coordinated support of AB 109 law enforcement activities, and authorizing and directing the City Manager to execute the related agreement between the City of Concord and Contra Costa County. Recommended by the Chief of Police.

e. **Considering** – adoption of a Resolution accepting $35,322 in funding under the California Department of Resources Recycling and Recovery Used Oil Payment Program and allocating such funds to the City of Concord used oil collection programs and installation of catch basin filters. Recommended by the Director of Public Works.

CEQA: Not a project/exempt per CEQA Guidelines Sections 15060(c)(2), 15262, 15061(b)(3), 15378, and/or 15300.2.
6. CITY COUNCIL CONSIDERATION ITEMS
The public is entitled to address the City Council on items appearing on the agenda before or during the City Council’s consideration of that item. Each speaker will be limited to approximately three minutes.

a. **Considering** – an amendment to the Employment Agreement between the City of Concord and City Attorney Susanne Brown providing for an annual increase in leave time from 25 days to 40 days plus 3 hours credited on Good Friday, and 8 hours credited on September 9th in lieu of Admissions Day. (General Fund) **Report by Jasmin Loi, Director of Human Resources.**

b. **Considering** – an amendment to the Employment Agreement between the City of Concord and City Manager Valerie Barone providing for an annual increase in leave time from 35 days to 40 days plus 3 hours credited on Good Friday and 8 hours credited on September 9th in lieu of Admissions Day, and applying July 2019 and July 2020 salary adjustments to the City Manager: specifically, a 1 percent adjustment effective July 1, 2019, (annual salary of $285,150) and a future 3 percent adjustment effective July 13, 2020, concurrent with all other employees (annual salary of $293,704). (General Fund) **Report by Jasmin Loi, Director of Human Resources.**

7. CITY COUNCIL PUBLIC HEARING
Persons who wish to speak on Public Hearings listed on the agenda will be heard when the public hearing is opened, except on public hearing items previously heard and closed to public comment. After the public has commented, the item is closed to further public comment and brought to the Council level for discussion and action. Further comment from the audience will not be received unless requested by the Council. No public hearing shall commence after 10 p.m. unless approved by majority vote of the City Council.

a. **Considering** – 1) introduction of an Ordinance amending Concord Municipal Code Chapter 5.80 (Cannabis) to add adult-use City Cannabis Licenses for manufacturing and distribution; to increase the maximum number of City Cannabis Licenses for manufacturing, distribution, and testing laboratories; to allow City Cannabis Licenses for medicinal and adult-use retail (storefront and non-storefront); and to allow City Cannabis Licenses for microbusinesses by reading of the title only and waiving further reading; and

2) direction to staff on draft amendments to the Development Code, related to implementation of the Cannabis Ordinance, for future Planning Commission and City Council consideration. **Report by Coleman Frick, Senior Planner**

CEQA: Not a project under Public Resources Code 21065, Guidelines Sections 15060(c)(2), 15061(b)(3), or 15378; in the alternative, CEQA does not apply under Business and Professions Code Section 26055(h).

8. CORRESPONDENCE
Correspondence received at the City Council meeting will be listed here on the Annotated Agenda.

a. 9/9/19 Letter to BART Director Mark Foley re: Assembly Bill 2923
b. 9/12/19 Letter to Governor Newsom re: SB 5

9. REPORTS AND ANNOUNCEMENTS

a. Closed Session Announcements
b. City Manager or Staff Reports
c. Council Reports

10. ADJOURNMENT

Next Meeting: Regular Meeting
Date: 11/12/2019 6:30 p.m.

ADA NOTICE AND HEARING IMPAIRED PROVISIONS - The Council Chamber is equipped with a T-Coil Hearing Loop. This system allows “T” coil reception of the audio proceedings. Please switch your hearing aid or cochlear device to the “T”, “T” Coil or telephone position. If you would like better audio reception, a loop receiver that picks up the audio loop is available from the City Clerk.

In accordance with the Americans with Disabilities Act and California Law, it is the policy of the City of Concord to offer its public programs, services and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are disabled and require a copy of a public hearing notice, or an agenda and/or agenda packet in an appropriate alternative format; or if you require other accommodation, please contact the ADA Coordinator at (925) 671-3031, at least five days in advance of the hearing. Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility.

The following is a list of regular Council Committee meeting dates. Most meetings are held in the Garden Conference Room, 1950 Parkside Drive, Concord. **NOTE: Meetings are subject to change or cancellation. For latest information and committee agendas please call 671-3158.**

<table>
<thead>
<tr>
<th>Committee</th>
<th>Chair/Member</th>
<th>Meeting Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy Development &amp; Internal Operations</td>
<td>Obringer/McGallian</td>
<td>2nd Wednesday at 5:30 p.m.</td>
</tr>
<tr>
<td>Housing &amp; Economic Development</td>
<td>McGallian/Obringer</td>
<td>3rd Monday at 5:30 p.m.</td>
</tr>
<tr>
<td>Infrastructure &amp; Franchise</td>
<td>Hoffmeister/Birsan</td>
<td>2nd Monday at 6:00 p.m.</td>
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<tr>
<td>Recreation, Cultural Affairs &amp; Comm. Svc.</td>
<td>Birsan/Aliano</td>
<td>3rd Wednesday at 5:30 p.m.</td>
</tr>
<tr>
<td>Youth &amp; Education</td>
<td>Aliano/Hoffmeister</td>
<td>3rd Monday at 6:00 p.m.</td>
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Staff Report

Date: November 5, 2019

To: City Council

From: Valerie J. Barone, City Manager

Reviewed by: Andrea Ouse, Director of Community and Economic Development
Mindy Gentry, Planning Manager

Prepared by: Coleman Frick, Associate Planner
Coleman.frick@cityofconcord.org
(925) 671-3281

Subject: Considering 1) introduction of an Ordinance amending Concord Municipal Code Chapter 5.80 (Cannabis) to add adult-use City Cannabis Licenses for manufacturing and distribution; to increase the maximum number of City Cannabis Licenses for manufacturing, distribution, and testing laboratories; to allow City Cannabis Licenses for medicinal and adult-use retail (storefront and non-storefront); and to allow City Cannabis Licenses for microbusinesses by reading of the title only and waiving further reading; and

2) direction to staff on draft amendments to the Development Code, related to implementation of the Cannabis Ordinance, for future Planning Commission and City Council consideration.

CEQA: Not a project under Public Resources Code 21065, Guidelines Sections 15060(c)(2), 15061(b)(3), or 15378; in the alternative, CEQA does not apply under Business and Professions Code Section 26055(h).

Report in Brief
The City Council has directed staff to prepare revisions to the existing cannabis regulations to allow for adult-use cannabis manufacturing and distribution, and to increase the maximum number of City Cannabis Licenses allowed for these cannabis
activities, including cannabis testing laboratories, to allow additional city cannabis licenses including retail (storefront and non-storefront) and microbusinesses. The City Council also provided direction on a competitive selection process for retail cannabis businesses, and potential revenue agreements. To support understanding of the terms as used in this report, the table below provides colloquial descriptions of pertinent cannabis terms. (The technical, legal definitions are included in the Proposed Ordinance).

Table 1: Cannabis Terms – in layperson’s language

<table>
<thead>
<tr>
<th>Cannabis Term</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicinal</td>
<td>Medical cannabis allowable for use by qualified patients for individuals 18 years of age and older.</td>
</tr>
<tr>
<td>Adult-use</td>
<td>Recreational cannabis allowable for use by adults 21 years of age and older per passage of Proposition 64.</td>
</tr>
<tr>
<td>Retail storefront or storefront</td>
<td>Retail store open to the public. Commonly referred to as “dispensary.”</td>
</tr>
<tr>
<td>Retail non-storefront or non-storefront</td>
<td>Retail store closed to the public that conducts sales through delivery.</td>
</tr>
<tr>
<td>Microbusiness</td>
<td>A vertically integrated cannabis business that engages in at least three of the following cannabis business types: cultivation of cannabis in an area less than 10,000 square feet, distribution, manufacturing, and retail.</td>
</tr>
<tr>
<td>Distribution</td>
<td>Transportation of cannabis between licensees.</td>
</tr>
<tr>
<td>Delivery</td>
<td>When legally purchased cannabis is delivered to an individual. Pursuant to state law a retail (storefront or non-storefront) or microbusiness business in one jurisdiction may deliver to another jurisdiction. The State does not issue cannabis delivery licenses. In Concord, delivery licenses are required for businesses located outside city limits that deliver into Concord.</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>Applies to businesses that use raw cannabis or cannabis products and processes or modifies them into a product for use or sale.</td>
</tr>
</tbody>
</table>
The proposed Ordinance (Attachment 1) incorporates amendments to the Concord Municipal Code Chapter 5.80 - Cannabis ("Cannabis Ordinance") to allow for more cannabis license types (retail, both storefront and non-storefront, and microbusinesses), additional licenses for existing cannabis activities (manufacturing, distribution, and testing laboratories), and to allow adult-use cannabis, among other proposed revisions (Exhibit A to Attachment 1).

Staff is also requesting Council direction on draft amendments to Concord Municipal Code Title 18 ("Development Code") in order to implement the Cannabis Ordinance, which will be presented to the Planning Commission at a future meeting for a recommendation to the Council in early 2020.

The table below provides an overview and summarizes staff’s recommendations:

<table>
<thead>
<tr>
<th>License Type</th>
<th>Number of Licenses Now Allowable</th>
<th>Number of Licenses Recommended</th>
<th>In an Overlay District</th>
<th>Adult-Use/Medicinal</th>
<th>RFP Required</th>
<th>Community Benefit Agreement/Development Agreement Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>2</td>
<td>5</td>
<td>Yes, both</td>
<td>Both</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Testing Laboratory</td>
<td>2</td>
<td>No limit</td>
<td>Yes, both</td>
<td>Both</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Retail Non-Storefront</td>
<td>None</td>
<td>2</td>
<td>Yes. Overlay District, West only</td>
<td>Both</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Retail Storefront</td>
<td>None</td>
<td>2</td>
<td>No, only allowable in downtown districts (DP, DMX, WMX).</td>
<td>Both</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Microbusiness</td>
<td>None</td>
<td>2</td>
<td>Yes. Overlay District, West only</td>
<td>Both</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Delivery</td>
<td>No limit</td>
<td>No limit</td>
<td>N/A</td>
<td>Both</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Distribution</td>
<td>Only with manufacturing</td>
<td>Only in conjunction with a license type listed above (except for testing laboratory)</td>
<td>Yes/No based on corresponding license type and location</td>
<td>Both</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Recommended Action
1. Introduce the attached Cannabis Ordinance by reading of the title only and waiving further reading; and

2. Provide direction to staff on draft amendments to the Development Code, related to implementing the Cannabis Ordinance, for future Planning Commission and City Council consideration.

Background
On January 1, 2016, the Medical Cannabis Regulation and Safety Act ("MCRSA"), became effective, which created a state licensing and regulatory framework for the cultivation, manufacture, transportation, storage, distribution, and sale of medicinal cannabis\(^1\).

On November 8, 2016, the Control, Regulate, & Tax Adult Use of Marijuana Act ("AUMA") was approved by California voters with the passage of Proposition 64. Effective November 9, 2016, the AUMA legalized the use and cultivation for personal use of adult-use cannabis for persons 21 years or older. AUMA also permitted local jurisdictions to regulate and/or prohibit adult-use cannabis related to the cultivation, distribution and delivery, transportation, manufacturing, testing laboratories, dispensaries, and microbusiness facilities.

Senate Bill 94, or the "Medicinal and Adult-Use Cannabis Regulation and Safety Act" ("MAUCRSA"), was passed by the state legislature and signed by the Governor on June 27, 2017. MAUCRSA served to reconcile the differences between MCRSA and AUMA, and to create a comprehensive state licensing and regulatory framework for the cultivation, manufacturing, testing laboratories, distribution, retail (storefront and non-storefront), and microbusinesses of both adult- and medicinal-use of cannabis. In December 2017, the Bureau of Cannabis Control ("BCC") adopted emergency cannabis regulations to clarify and make specific licensing and enforcement criteria for these commercial cannabis businesses under the MAUCRSA, which were re-adopted in June 2018.

On January 16, 2019, the BCC approved new State regulations for cannabis businesses across the supply chain. The new regulations went into effect immediately, replacing the emergency regulations. Notable changes include the following:

- Removal of distinction between medicinal or adult-use in the state's definition of commercial cannabis activity; and

\(^1\) In order to be consistent with the terminology used by the State's Bureau of Cannabis Control, "marijuana" is referred to as "cannabis," "medical" is referred to as "medicinal," and "recreational" is referred to as "adult-use" for purposes of this report.
Legalizing statewide delivery of adult-use cannabis from licensed facilities, regardless of jurisdiction.

History of Existing Concord Regulations
On September 27, 2005, the City Council adopted Ordinance No. 05-9, which amended the Concord Municipal Code by prohibiting the establishment of medicinal cannabis retailers, due to the inconsistencies between federal and state law and to protect public health, safety, and general welfare.

On April 9, 2013, the City Council adopted Ordinance No. 13-1, which amended the Concord Development Code by prohibiting outdoor cultivation of medicinal cannabis.

On January 10, 2017, the City Council adopted Ordinance No. 16-9, which prohibited outdoor cannabis cultivation (medicinal and non-medicinal) and reinforced the existing policy. By doing so, Ordinance No. 16-9 prohibited the outdoor growing of both medicinal and non-medicinal cannabis. The Council also directed the Council Committee on Policy Development & Internal Operations (“PD&IO”) to comprehensively study potential regulations for medicinal and non-medicinal cannabis activities.

On July 25, 2017, the City Council adopted Ordinance No. 17-10, which amended the Concord Municipal Code to allow delivery of medicinal cannabis from licensed dispensaries located outside the City to qualified patients.

On November 14, 2017, the City Council adopted Ordinance No. 17-13, amending the Municipal Code and Development Code to ban all cannabis activities, except for personal indoor cultivation and delivery of medicinal cannabis from licensed dispensaries located outside of Concord to qualified patients. At that time, the City Council also instructed staff to bring back for consideration regulations for certain cannabis activities.

On June 12, 2018, the City Council adopted Ordinance No. 18-3 to amend the Municipal Code and Development Code to establish the City’s Commercial Cannabis Overlay District, associated development standards, and a licensing framework for medicinal-only cannabis manufacturing and distribution, as well as adult-use and medicinal-use testing laboratories.

On April 2, 2019, the City Council and Planning Commission conducted a Joint Study Session and directed staff to pursue revisions to the existing cannabis regulations to potentially allow additional cannabis activities including adult-use and medicinal non-storefront retail. While both the Planning Commission and City Council were less supportive of storefront retail and microbusinesses, both bodies directed staff to address both business types in the proposed regulations, so Council could provide additional direction. The Council and Commission were also supportive of maintaining a 600-foot buffer for sensitive uses, exploring additional sensitive uses such as parks and
state-licensed drug treatment centers, and creating a competitive process for all new cannabis retail-related business. The City Council also requested staff provide additional information on certain topics such as how to address cash transactions and to investigate the use of a development agreement or similar mechanisms to generate City revenue from cannabis businesses.

At the May 28, 2019 Council meeting, Vice Mayor McGallian requested that the Council clarify the direction provided to staff at the April 2, 2019 Joint Study Session regarding two topics: (1) removing the existing cap on the quantity of City Cannabis Licenses for manufacturing, distribution, and testing laboratories, and (2) allowing for adult-use in addition to medicinal-only cannabis activities for manufacturing and distribution.

On August 13, 2019, the Council provided further direction to staff to expand cannabis manufacturing and distribution licenses to allow for adult-use, in addition to medicinal-only license types, and to increase the number of licenses for manufacturing/distribution, and testing laboratories, above the current cap of two for the aforementioned license types. Councilmembers were unanimously in favor of allowing adult-use, in addition to medicinal cannabis, for manufacturing and distribution businesses, and a majority of Councilmembers were generally supportive of increasing the number of licenses for manufacturing and distribution, and removing the number limit on testing laboratory licenses.

At the August 13 meeting, Mayor Obringer also requested information regarding how increasing the number of allowable manufacturing/distribution, and testing laboratory licenses would impact commercial real estate markets in the City’s industrial areas located in the Commercial Cannabis Overlay District (“Overlay District”). Based on research conducted by Economic Development staff, increasing the number of licenses is not anticipated to have a negative impact on real estate to the industrial market in the Overlay District both in the near-term or the long-term.

In addition, the Council also provided direction regarding topics discussed at the April 2, 2019 Study Session such as sensitive uses, allowable areas for cannabis businesses, and cannabis businesses’ role in providing a community benefit or development agreement. The direction provided to staff at the April 2, 2019 and August 13, 2019 meetings is the basis for the recommendations in this report.

Analysis

Summary of existing cannabis business approval process
Adult-use and medicinal cannabis testing laboratories, medicinal cannabis manufacturing, and medicinal cannabis distribution are currently allowed in the City and controlled through two mechanisms: 1) a revocable City Cannabis License framework in the Municipal Code, which regulates commercial cannabis businesses and their operation; and, 2) land use controls imposed through the Development Code. Cannabis businesses are required to obtain each of the following approvals prior to operation:
1. The appropriate City Cannabis License, issued by the Police Department;
2. The appropriate land use approval for the underlying use (e.g. use permit, minor use permit, administrative permit, or zoning clearance);
3. The appropriate state cannabis license(s); and,
4. A City business license.

These cannabis businesses may only locate in the Overlay District (Attachment 3) and City Cannabis Licenses are evaluated on a first-come, first-served basis. The Overlay District encompasses the vast majority of business park and industrial zoned properties in the City, where manufacturing, processing, distribution, wholesaling, laboratory, and research and development businesses are allowable, generally with a lower land use approval threshold, such as a Zoning Clearance or Administrative Permit.

There is also a 600-foot buffer encircling the Overlay District to ensure that, if a discretionary permit is required, neither sensitive uses nor cannabis licensees can locate in the buffer area in the future, thereby minimizing potential conflicts. “Sensitive uses” include schools, child care facilities, and youth centers. The Overlay District results in a greater level of certainty for prospective business owners in determining the appropriate location for cannabis businesses, in order to facilitate a simplified application process for licensing.

The purpose of the framework outlined above is for a City Cannabis License to be separate and independent from a land use approval so that a City Cannabis License does not constitute a “land use” and does not run with the land.

As of the date of this report, two City Cannabis Licenses have been issued for manufacturing businesses and one City Cannabis License application for a testing laboratory is currently in process. The existing application process has worked well for the City in reviewing these application materials and issuing City Cannabis Licenses.

Section I. Proposed Cannabis Ordinance Amendments

The following is a summary of the proposed amendments to the City’s Cannabis Ordinance, including an analysis supporting the recommendations. These amendments are the subject of the proposed Ordinance being considered for introduction.

Proposed Cannabis Activities by License Type:

A. Manufacturing: A cannabis business that intends to compound, blend, extract, infuse, or otherwise make or prepare cannabis products. Underlying use classified as Manufacturing, Processing in the Development Code.
   - Current regulations: Allowable in the Overlay District. Restricted to medicinal only. Maximum of two licenses (both of which have been issued).
• **Proposed amendments:** Also allow adult-use cannabis manufacturing in the Overlay District.

• **Recommended number of licenses:** Five.

• **Analysis:** Allowing additional manufacturing licenses and the inclusion of adult-use manufacturing is anticipated to make Concord more attractive for larger and more viable players in the cannabis industry, which could result in long-term partnerships and additional revenue for the City. The process of adult-use cannabis manufacturing is identical to that of medicinal cannabis manufacturing, the only difference is the end user, but Concord’s current restriction on adult-use cannabis is contrary to industry trends and market demands. Allowing more licenses is not anticipated to negatively impact the real estate market for non-cannabis businesses in Concord’s industrial areas.

B. **Testing Laboratory:** A cannabis business, facility, or entity that offers or performs tests of cannabis or cannabis products. Underlying use classified as Laboratory, research, and development in the Development Code.

  • **Current regulations:** Allowable in the Overlay District. Medicinal and adult-use allowed. Maximum of two licenses (one is in process).

  • **Proposed amendments:** Clarifying language added that testing laboratory licenses cannot be paired with other license types, pursuant to state law. No other change except to number of licenses (below).

  • **Recommended number of licenses:** No limit; because of minimal impact on surrounding uses and its similarity to other biotechnology laboratory uses.

  • **Analysis:** To date, the demand for cannabis testing laboratory licenses in the City has been limited. Treating cannabis testing labs more similarly to general laboratory uses by removing the cap on licenses is not anticipated to have a negative impact. The four-part approval process already in place to approve these licenses, and requirement for a security plan approved by the Police Department would mitigate any impacts on surrounding properties.

C. **Retail Non-Storefront:** A cannabis business or commercial activity, closed to the public, which provides for the retail sale of cannabis and cannabis products to customers from a physical location exclusively via delivery. Underlying use classified as Warehouse, No Outdoor Storage in the Development Code.

  • **Current regulations:** Prohibited by ordinance (adult-use and medicinal).

  • **Proposed amendments:** Allow adult-use and medicinal non-storefront retail in certain areas of the Overlay District through a competitive selection process.

  • **Recommended number of licenses:** Two.
• **Analysis**: Non-storefront retail business are closed to the public and do not include on-site sales to customers. Staff recommends allocating two licenses through a competitive process to afford the City a greater degree of control, and the ability to evaluate the success of a limited number of businesses. The physical location where a non-storefront retail use is located typically functions as an office and storage area closed to the public, as a result, the Concord Development Code classifies the underlying land use as *Warehouse, No Outdoor Storage*, which is best suited for the City’s industrial areas.

D. **Retail Storefront**: A cannabis business or commercial activity which provides for the retail sale of cannabis and cannabis products to customers from a fixed location with direct physical access for the public. Underlying use classified as *Retail Sales, General* in the Development Code.
   - **Current regulations**: Prohibited by ordinance (adult-use and medicinal).
   - **Proposed amendments**: Allow adult-use and medicinal storefront retail cannabis businesses through a competitive selection process. Retail storefront licenses would only be issued within the downtown zoning districts (see Development Code section of report for further analysis) and would be prohibited within 600 feet of sensitive land uses (schools, child day care centers, and youth centers).
   - **Recommended number of licenses**: Two.
   - **Analysis**: Retail storefront cannabis businesses are unique as a cannabis license type in that customers can enter the business and directly purchase cannabis products. This characteristic means that retail storefront businesses could potentially have a greater impact on surrounding businesses without proper regulation and enforcement. As a result, the Police Department recommends that these businesses be located in or near the downtown, which is close to the Police Department, has a greater saturation of officers on a regular basis, and a higher density of pedestrian and vehicular traffic resulting in more “eyes on the street.” By incorporating enhanced conditions of approval specific to retail storefront businesses, staff is confident that two retail storefront businesses would not be anticipated to have a negative impact on the community. The additional requirement of a competitive selection process for prospective applicants would further mitigate potential impacts of retail storefront cannabis businesses.

E. **Microbusiness**: A cannabis business that conducts three of the following activities: cultivation (indoor only) of cannabis in an area less than 10,000 square feet, and includes distribution, manufacturing, and/or retail. Underlying use classified as *Manufacturing, Processing* in the Development Code.
   - **Current regulations**: Prohibited by ordinance (adult-use and medicinal).
Proposed amendments: Allow adult-use and medicinal cannabis microbusinesses in certain areas of the Overlay District through the existing first-come first-served procedures. Prohibit storefront retail as a permissible component of microbusinesses.

Recommended number of licenses: Two.

Analysis: Cannabis microbusinesses encompass a variety of different cannabis activities into a single license for one vertically integrated business. Pursuant to BCC regulations, a microbusiness is required to have at least three of the following four components: cultivation, manufacturing, retail (storefront or non-storefront), or distribution. Due to the limited number of operational cannabis microbusiness in the region at this time, staff recommends the Council allow a limited number of licenses, similar in nature to the Council’s initial approach for adult-use manufacturing licenses. Further, staff recommends prohibiting storefront retail (but allowing non-storefront retail) as a component of a cannabis microbusiness in order to limit customers and on-site sales from the industrial areas for security purposes. Staff is not recommending a competitive selection process for microbusiness at this time because it could be a deterrent due to site control concerns and large upfront property and improvement costs for these types of businesses.

F. Distribution: A cannabis business that intends to procure, sell and transport cannabis and cannabis products between state licensees. Underlying use classification in the Development Code is dependent on associated affiliated cannabis activity classification, A-E list above

Current regulations: Distribution licenses are only allowable in conjunction with an approved manufacturing license.

Proposed amendments: Allow adult-use in addition to medicinal, with an affiliated primary cannabis license type. Clarifying language added to the Municipal Code to specify that distribution cannot be a stand-alone license type but can be issued in conjunction with another cannabis license such as a microbusiness, as is currently required for manufacturing. Cannot be issued in conjunction with a testing laboratory license due to state law.

Recommended number of licenses: Limited to the number of licenses issued for the above licenses A-E, with the exception of testing laboratories. No stand-alone distribution licenses.

Analysis: When Ordinance No. 18-3 was adopted, stand-alone cannabis distribution licenses were prohibited because distribution only businesses would not generate taxes through a point of sale, but would require warehouse space in Concord’s industrial areas to operate. Staff still supports not allowing stand-alone distribution licenses for the same reasons. However, if the Council allows new cannabis license types and additional licenses, a corresponding number of increased distribution
licenses will be required in conjunction with retail, microbusiness, and manufacturing licenses for the businesses to operate. Alternatively, if the Council desires to allow stand-alone distribution licenses, the Cannabis Ordinance (Exhibit A to Attachment 1) could be amended to allow a maximum of two stand-alone distribution licenses (or an alternative maximum number).

G. Delivery: Delivery is an activity associated with a retailer (storefront or non-storefront) or microbusiness located outside of Concord city limits that delivers cannabis in the City. Delivery is an activity and not a use classification in the Development Code.

- **Current regulations:** Medicinal delivery is currently a license type listed in the Development Code applying to retailers or microbusinesses licensed by the state and located outside city limits, to deliver within the City. There is no current limit listed in the Development Code.
- **Proposed amendments:** Allow adult-use and medicinal delivery in conformance with State law. Revisions to the Development Code would restrict delivery to the residence of the consumer, or at the secure exchange location at the Concord Police Department. Requiring delivery to a residence, in lieu of any physical address, prevents deliveries to places of business and to public parks.
- **Recommended number of licenses:** Maintain no limit.
- **Analysis:** Currently, BCC regulations prohibit the City from banning cannabis deliveries in the City if the delivery provider is in compliance with the state regulations on delivery, although that particular issue is being challenged in court. Accordingly, staff has proposed amendments to the Code that require adherence to the state regulations. If the Council approves cannabis storefront, non-storefront, and microbusiness, delivery of cannabis associated with those businesses will be regulated through conditions of approval related to the City Cannabis Licenses, but no separate delivery license will be required.

*Proposed Conditions for Cannabis Licenses* (Exhibit A to Attachment 1, Sections 5.80.080 and 5.80.090)

To address the proposed Municipal Code amendments related to cannabis licensing, corresponding amendments to the conditions for each new cannabis licensing type have also been revised in the Code (Exhibit A to Attachment 1). The proposed new conditions were prepared by Planning Staff based on a collaborative effort with the Police Department and the City Attorney’s Office. Additionally the team reviewed regulations from across the state, consulted with staff in other jurisdictions where cannabis has been permitted, and considered information obtained during site visits of operational cannabis businesses. The purpose of these conditions is to ensure the safety of residents and visitors, minimize potential adverse impacts on surrounding
properties and businesses, provide enhanced security measures for employee safety and to deter crime, and reduce the visibility of cannabis businesses that are not open to the public.

**Competitive Selection Process – Retail Uses (Storefront and Non-storefront)**

For retail storefront and retail non-storefront businesses, staff recommends establishing a competitive selection process and utilizing a Request for Proposal (RFP) approach for the selection of up to two cannabis businesses (for each license type). The RFP requirement has been added to the Municipal Code under the “Conditions for specific cannabis licenses” in Section 5.80.090 (Exhibit A to Attachment 1).

Staff recommends that other license types, such as manufacturing, distribution, microbusinesses, and testing laboratories, not be subject to a competitive selection process because it is anticipated the RFP process could discourage prospective businesses due to the large expenses incurred to secure a location, upgrade buildings, and to make site improvements. In addition, lease rates and buildout for these types of businesses can be far more expensive and involved than for retail and non-retail storefront uses, which generally require significantly less square footage and building improvements; therefore, staff believes the RFP process could act as a deterrent for cannabis businesses due to the required amount of financial investment and the lack of certainty of being granted a City Cannabis License. In addition, an RFP process for all new licenses would impact limited staff resources. Finally, the Police Department is supportive of maintaining the existing approach of first-come, first-served license application for any newly available manufacturing/distribution and testing laboratory licenses because the process has been successful for the existing businesses in the city.

**Goals and Criteria of the RFP**

Assuming the Council approves up to four retail City Cannabis Licenses as proposed, the RFP process would require cannabis businesses to submit an application for consideration by the City for one of the four available City Cannabis Licenses for retail businesses: two non-storefront retail and two storefront retail. The process would entail a merit-based approach to rank applications. The RFP would be developed through a Council subcommittee, but is proposed to include the following goals and evaluation criteria:

1. Experienced and potential operators with a regional draw are selected by providing a demonstrable understanding of the cannabis business, sufficient funding, and a commercially feasible approach to operating a cannabis business.

2. The RFP would require a description of proposed community benefits to be provided to the local community, such as community services, amenities, monetary or in-kind contributions, and/or economic incentives to the City. Staff recommends that a corresponding Community Benefit Agreement be executed.
by the City and each of the retail cannabis businesses selected by the City Council.

3. The businesses are operated in a safe manner, consistent with state law, the locally adopted regulations, and the conditions of the City Cannabis License.

4. For non-storefront retail, the site is appropriately located in the Overlay District, West; and for storefront retail, the site is within the appropriate zoning district and not within 600 feet of a sensitive use (and if applicable, proximity to other specific uses as determined by the Council Committee).

5. The business has a level of control over the property, such as a lease agreement, real estate Letter of Intent, or purchase agreement.

6. The business has a safety and security plan for the proposed location that addresses crime prevention through a description of security measures. This will include how the building is secured, how products and cash are secured, employee procedures, and loss prevention measures.

7. The establishment and demonstrated ability of a local hire program, which could contain a minimum percentage of local employees who reside in Concord.

A Council-selected standing Committee would work with staff to develop both the final RFP and create a detailed process for merit-based selection criteria to rank the applications. Staff recommends that the Council Committee’s RFP and merit-based selection criteria would be final, their work would not go back before the full Council. Staff anticipates launching the RFP development process shortly after the Council adopts both the Cannabis Ordinance and the Development Code amendments.

Following the receipt and review of proposals in response to the RFP, the Committee would make a recommendation to the full Council for a final decision as to which businesses would be selected to be invited to apply for a City Cannabis License.

Section II. Draft Development Code Changes

The proposed Municipal Code cannabis regulation revisions discussed above are interconnected, and cross-referenced with the cannabis regulations contained in the Development Code. Following the incorporation of any direction received by the Council, the next step for these proposed Development Code amendments (Attachment 2) will be to take the proposed changes to the Planning Commission for recommendation to the Council.

The following is a summary of proposed changes to the Development Code and staff requests direction from the Council on these suggested amendments.

A. Allowable locations for microbusinesses and non-storefront license types; revisions to Overlay District.

2Outlined in Section II of this report.
As stated above, the following uses are currently allowed in the Overlay District: manufacturing, distribution and testing laboratories. The existing Overlay District includes four distinct areas in the north and west portions of the city and includes business park and industrial areas. The four areas are located as follows: 1) the largest and northern portion, is north of Highway 4, (2) between Solano Way and Concord Ave west of 242, (3) south of Diamond Boulevard near the intersection of 680 and 242, and (4) off Detroit Avenue, south of Monument (see map at Attachment 3). The Overlay District was created to include the majority of Office Business Park (OBP) and Industrial Business Park (IBP) zoned parcels and the Overlay District was located outside of the State recommended 600-foot buffer areas from sensitive uses. A 600-foot buffer was also added around those areas to keep cannabis businesses and new sensitive uses from impacting each other and to provide certainty to staff/applicants in connection with future applications.

Cannabis businesses are only allowed to locate where the underlying use is allowed per the Development Code (e.g. cannabis manufacturing is only allowed where non-cannabis manufacturing is allowed). The new proposed cannabis license types that are closed to the public (such as microbusiness and non-storefront retail) would be classified by the Development Code as Manufacturing, Processing and Warehouse, No Outdoor Storage. These uses are primarily allowed in industrial areas and the existing cannabis Overlay District. These areas are seen by staff as most appropriate for the new cannabis license types.

The Police Department has concerns that microbusiness (which can include indoor cultivation) and non-storefront retail businesses (which may have a large quantity of product on site at any given time) are not appropriate in the northernmost portion of the Overlay District (North Concord) at this time. This concern relates to public safety: North Concord is located a greater distance than other industrial areas from the downtown where the Police Department is located and calls for service are centered. The Police Department is supportive of allowing microbusiness and non-storefront retail in the other areas of the Overlay District that are located closer to the Police Department headquarters. Therefore, staff recommends that the existing Commercial Cannabis Overlay District be broken into two separate overlay districts – “Commercial Cannabis Overlay District North” and “Commercial Cannabis Overlay District West” – as described below (See Attachment 4\(^3\)).

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\(^3\) Attachment 4 shows a citywide application of the existing Overlay District, the sensitive uses currently listed in the code, and the state-recommended buffer area of 600 feet. Note that this map is for illustrative purposes and some sensitive uses in the categories shown on the map may be missing, but this is the best representation that staff has at this time. Sensitive uses are not static; they can come and go without the City’s knowledge if no permit is required.
1. Commercial Cannabis Overlay District North ("Overlay District, North"):  
The Overlay District, North would only include the area north of Highway 4, and would allow the same uses allowable in the current cannabis Overlay District: manufacturing, testing laboratories, and distribution (associated with manufacturing). Adult-use in addition to medicinal cannabis is proposed to be allowable.

2. Commercial Cannabis Overlay District West ("Overlay District, West"):  
The Overlay District, West would encompass the other three areas of the existing Overlay District and allow the same uses in the Overlay District, North as well as microbusinesses, non-storefront retail, and distribution (associated with manufacturing, microbusinesses, and non-storefront retail). Adult-use in addition to medicinal cannabis is proposed to be allowable.

B. Allowable Locations for Retail Storefront  
Based on direction received from the City Council and by the Police Department’s request of placing a retail storefront business in close proximity to its headquarters, City staff is proposing retail storefront cannabis businesses be allowed in commercial areas in the downtown zoning districts (Downtown Pedestrian [DP], Downtown Mixed-Use [DMX] and West Concord Mixed-use [WMX]), subject to specific siting criteria to be identified in the RFP. The selected zoning designations allow for retail sales, which is consistent with the Development Code which requires the underlying land use classifications to be in conformance with the cannabis business. Staff is not proposing an overlay for retail cannabis because a 600-foot buffer could prohibit certain non-cannabis uses from locating in the downtown in the future. Attachment 5 shows which commercial areas in the downtown zoning districts a retail storefront use could potentially be located after taking into consideration the 600-foot buffer from sensitive uses. As proposed by staff, only two retail storefront licenses could be issued, with applicants only able to apply for a license after selection by Council through an RFP process. Attachment 5 is included to give the Council a sense of where these businesses could apply through the RFP process.

C. Sensitive Uses and Buffer Areas  
Unless otherwise regulated by local ordinance, the State’s buffer area is 600 feet from the following sensitive uses in existence at the time the initial license is issued: (1) public or private schools providing instruction from kindergarten through grade 12, (2) large family day care centers, home or child day care center, preschool, nursery school, and (3) youth community centers. The City used these sensitive uses and the recommended 600 foot buffer when establishing the Overlay District for cannabis manufacturers, testing laboratories, and distributors.
The City could choose to be more or less restrictive when creating buffers from sensitive uses to determine the potential locations for each commercial cannabis business. For example, the City could increase the buffers to 1,000 feet or remove them entirely (0-foot buffer). The City could also add additional sensitive uses (e.g. public parks).

At this time staff does not recommend including additional sensitive uses beyond those recommended by the state for the following reasons:

- Potential sensitive uses such as public parks and drug rehabilitation centers may have more impact in proximity to storefront retail cannabis businesses (which are open to the public) than other types of cannabis activities. However, because storefront retail cannabis businesses will be selected through an RFP process (which will include the proposed location), staff believes that it would be more appropriate to include proximity to certain uses as criteria in the RFP selection process, rather than enumerating sensitive uses in the Code. The RFP criteria would also provide the Council with full discretion and more flexibility to evaluate each proposed location on a case-by-case basis.

- Adding new sensitive uses (for example public parks and/or drug rehabilitation centers) would be problematic because the new buffer area would encroach into the existing delineated Overlay District, which was created so that it would not impact, or be impacted by, sensitive uses recommended by the State. It may also result in new sensitive uses being located within 600 feet from a licensed cannabis business and reduce the already limited overlay areas where cannabis businesses are allowable.

Alternatively, if the Council desires to adjust or increase the current 600-foot buffer from specific sensitive uses, staff recommends that this restriction be added to the license section of the Municipal Code for particular license types, rather than applying it to all cannabis license types. For example, Council could prohibit the issuance of a storefront retail license unless the proposed location is 600 feet (or a greater/lesser distance) from public parks or other specific land uses. This approach would reduce the potential conflicts with the Overlay District and existing cannabis businesses by not adding more sensitive uses for all licenses types; while still addressing the unique characteristics of retail storefront cannabis.

D. Development Agreements for Manufacturing, Distribution, Testing Labs and Microbusiness

Chapter 18.460 of the Development Code allows applicants to enter into a development agreement with the City (pursuant to Government Code Section 65864 et seq.), which can benefit both the developer and City in certain types of developments. For instance, a development agreement can provide vested land
use rights for applicants for larger scale or phased developments, while also providing benefits to the community; because City Cannabis Licenses are revocable licenses, and not land uses, no cannabis business rights would be vested. The proposed RFP process for retail cannabis contemplates including a statement of community benefits and a community benefit agreement (which is similar to a development agreement, except that it does not vest land use rights) as part of the selection criteria. Similar to the RFP selection criteria, staff recommends that the Council consider entering into development agreements with any development or tenant improvement applicants for new cannabis manufacturing, distribution, testing laboratories, or microbusinesses located in the Overlay District.

E. Delivery
In the Development Code, staff proposes to remove delivery (both adult-use and medicinal) from the land use table because “delivery” is not a land use, but an activity. For example, the act of receiving a delivery from a restaurant is also an activity, not a land use.

F. Miscellaneous Minor Changes to Development Code
Other Development code revisions include:

- “Industrial Hemp Cultivation” (discussed below) added to land use tables.
- Footnote added regarding limitation on number of licenses, cross referencing the Cannabis Ordinance.
- Signage restriction amended to allow limited signage for cannabis storefront retail businesses.

Section III. Remaining Considerations

*Industrial Hemp (CBD)*

Hemp and hemp derived products, like CBD, are regulated as agricultural products through the federal Agricultural Act of 2014 and the 2018 Farm Bill as well as California Senate Bill 1409, and are expressly permitted to be sold pursuant to federal law. The federal legislation has defined hemp and hemp derived products as limiting the THC content to an amount not to exceed 0.3 percent.

Staff recommends prohibiting the cultivation of industrial hemp in the proposed regulations based on concerns related to industrial hemp being mistaken for cannabis and concerns related to odor. Retail sales of commercial products containing hemp would not be restricted by the proposed regulations.

However, staff anticipates further state regulations will be signed into law this year and next (SB 153 and AB 228, respectively) relating to new provisions on hemp for registration, testing, and enforcement. If necessary or as directed by Council, staff will
draft code amendments for the Council’s consideration in the future based on any received direction from the Council and any requirements of that legislation

Miscellaneous Code Revisions

In addition to the revisions listed above, additional minor edits and revisions have been made to conform to state law, provide clarifying language, and update the code to simplify sections that have been shown be confusing to applicants and staff when processing the City’s existing cannabis licenses.

April 2, 2019 Study Session Follow-up Items

A few items discussed at the April 2, 2019 Study Session, not elsewhere addressed in this report, included requests from Commissioners/Councilmembers for follow-up. These items are discussed below:

A. Cash transactions and best practices for cash-based businesses

The existing cannabis regulations include security plan requirements that limit the amount of cash on the premises and require providing a cash management plan for the safe handling and transferring of money. The Finance Department has communicated that if the City were to receive large amounts of cash from cannabis businesses as part of a tax, fee, or community benefit agreement/development agreement payment, the City will follow cash handling best practices to ensure the safety of all involved parties during intake and processing of large cash deposits. Procedures can include using secure locations to accept cash payments and hiring an armored car service to take cash directly from cannabis businesses and deposit it with a banking institution.

Further, larger cannabis businesses have been able to facilitate, to a certain degree, alternative banking methods in lieu of having access to traditional financial institutions. There are third party payment processing platforms that can process credit card transactions as well as some credit unions that have provided banking services. These alternative methods have reduced the amount of cash transactions, but have not solved the larger banking issue due to the conflicts with federal regulations. The state legislature is also considering legislation in 2020 (SB 51) to provide a pathway to a banking system for legal cannabis businesses without running afoul of federal regulations.

B. Smoking and vaping products

The Council discussed prohibiting retail businesses from selling cannabis products that can be smoked or vaped. Staff does not recommend adding this prohibition or restriction on these products, which are already regulated by the state. The Police Department has also expressed concerns regarding the enforcement of this type of restriction applying to certain products and not others, and verifying compliance. Moreover, it could impact the success and long-term viability of the selected retail
businesses and resulting revenue. Instead, the proposed regulations include a requirement that security guards monitor activity within 150 of storefront retail entrances to ensure no cannabis consumption is occurring in the vicinity (Exhibit A to Attachment 2).

Based on direction from the City Council, staff is bringing forth an Ordinance in the next few months with proposed amendments to address a prohibition of smoking of any substance in multifamily units. State law has also included vaping and e-cigarettes when considering smoking regulations. In addition, state law already includes a prohibition on smoking or ingesting cannabis in a variety of different places such as public parks, within 1,000 feet of a school, while driving or operating a vehicle, and any public place.

C. Online survey results
Based on the discussion at the April 2, 2019 Study Session there was direction to conduct additional outreach. In response to this direction, staff created a ten (10) question online survey which was posted to the City’s website. The survey was open between June 20 and July 19, 2019 and received 938 visitors and 474 responses (Attachment 6). High level results from the online survey include the following:

- A preference for storefront retail cannabis businesses to be located near the Police Station;
- A strong preference for non-storefront retail cannabis businesses to be located in industrial areas;
- A majority of respondents indicated the market and other regulations to limit the number of retail cannabis businesses (storefront and non-storefront), and microbusinesses rather than a numerical cap;
- A strong preference for cannabis microbusinesses to be located in industrial areas;
- Regarding whether the City should add additional sensitive uses to apply a buffer from cannabis businesses, the highest results gained between 30-40% support and included:
  - No new sensitive uses in addition to the State’s (schools, day care centers, and youth community centers)
  - Public parks
  - Drug treatment centers
  - Residential zoning districts
- Regarding support for having a 600-foot or 1,000-foot buffer for sensitive uses, more were in favor of the 600-foot buffer
- A majority of respondents preferred not to regulate separation between various cannabis businesses from one another.
**Next Steps**
The Development Code changes, accounting for any Council requested amendments, will be presented to the Planning Commission in December or January. Following the Planning Commission’s recommendation, staff will bring back the Cannabis Ordinance and the Development Code in their entirety to the Council for consideration, currently anticipated for February.

**Financial Impact**
The requirement for community benefit/development agreements in relation to new cannabis uses is expected to result in additional revenue for the City. Additionally, the City could consider placing a cannabis tax revenue measure before voters in the future.

**Environmental Determination**
Pursuant to the California Environmental Quality Act of 1970, Public Resources Code §21000, et seq., as amended and implementing State CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations (collectively, “CEQA”), the proposed amendments to the Municipal Code do not constitute a “project” within the meaning of Public Resources Code Section 21065 and CEQA Guidelines Sections 15060(c)(2), or 15378 because there is no potential that the activity will result in a direct or reasonably foreseeable indirect or direct physical change in the environment. Moreover, even if the proposed Municipal Code amendments did comprise a project for CEQA analysis, it falls within the "common sense" CEQA exemption set forth in CEQA Guidelines Section 15061(b)(3), excluding projects where "it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” In addition, Business and Professions Code Section 26055(h) provides that CEQA does not apply to the adoption of an ordinance, rule, or regulation that requires discretionary review and approval of permits, licenses or other authorizations to engage in commercial cannabis activity as long as each subsequent discretionary approval involves applicable CEQA review.

Therefore, the proposed Municipal Code text amendments do not warrant further environmental review.

**Public Contact**
All appropriate public notices of this agenda item have been posted. An advertisement was posted in the *East Bay Times* in accordance with the public notification requirements. Staff also e-notified interested parties, and have posted the notification on the City’s cannabis webpage: [http://www.cityofconcord.org/527/Cannabis-Regulations](http://www.cityofconcord.org/527/Cannabis-Regulations). Additionally, an online survey soliciting opinions on cannabis regulations in the city was open between June 20 and July 19, 2019, which received 474 responses. Staff also conducted presentations to the Greater Concord Chamber of Commerce (9/20/19) and Todos Santos Business Association (9/11/19).
Attachments

1. Ordinance with Municipal Code Amendments attached thereto as Exhibit A
2. Draft Development Code Amendments
3. Map: Existing Cannabis Overlay District
4. Map: Cannabis Business Overlay and Sensitive Use Areas Buffer
5. Map: Downtown District Storefront Retail Areas Outside of Sensitive Use Buffer
6. Online Survey Results Summary
7. Correspondence Received
ORDINANCE NO. 19-XX

AN ORDINANCE AMENDING CONCORD MUNICIPAL CODE
CHAPTER 5.80 (CANNABIS) TO ADD ADULT-USE CITY CANNABIS
LICENSES FOR MANUFACTURING AND DISTRIBUTION; TO
INCREASE THE MAXIMUM NUMBER OF CITY CANNABIS LICENSES
FOR MANUFACTURING, DISTRIBUTION AND TESTING
LABORATORIES; TO ALLOW CITY CANNABIS LICENSES FOR
MEDICINAL AND ADULT-USE RETAIL (STOREFRONT AND NON-
STOREFRONT); AND TO ALLOW CITY CANNABIS LICENSES FOR
MICROBUSINESSES

WHEREAS, in 1970, Congress enacted the Controlled Substances Act (CSA), which, among
other things, makes it illegal to import, manufacture, distribute, possess, or use marijuana in the
United States; and

WHEREAS, in 1996, the voters of the State of California approved Proposition 215, known
as the Compassionate Use Act (CUA), codified as California Health and Safety Code Section
11362.5. The CUA creates a limited exception from criminal liability for serious ill persons who are
in need of medical marijuana for specified medical reasons and who obtain and use medical marijuana
under limited, specified circumstances; and

WHEREAS, in 2004, the State legislature adopted the Medical Marijuana Program Act
(MMPA), codified as California Health and Safety Code Section 11362.7 et seq., to clarify the scope
of the CUA and to allow cities and other governing bodies to adopt and enforce rules and regulations
consistent with the MMPA. The CUA expressly anticipates the enactment of additional local
legislation and provides that “(n)othing in this section shall be construed to supersede legislation
prohibiting persons from engaging in conduct that endangers others, nor to condone the diversion of
marijuana for nonmedical purposes.” (Health and Safety Code Section 11362.5); and

WHEREAS, on September 27, 2005, the City Council adopted Ordinance 05-9, amending the
Concord Municipal Code by prohibiting the establishment of medical marijuana dispensaries, fixed or
mobile, due to the inconsistencies between Federal and State law and to protect the public health,
safety, and general welfare; and

WHEREAS, on April 9, 2013, the City Council adopted Ordinance 13-1, amending the Concord
Development Code, prohibiting outdoor cultivation of medical marijuana to provide for the public
health, safety, and welfare, to limit odor caused by marijuana from impacting adjacent properties, and
to prevent the attractive nuisance created by marijuana cultivation, which creates the risk of burglary,
trespass, robbery, and armed robbery, posing the threat of serious injury or death, and requiring the
expenditure of scarce police and public safety resources; 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 January 1, 2016, which
created a state licensing and regulatory framework for the cultivation, manufacture, transportation,
storage, distribution, and sale of medical cannabis; and

WHEREAS, on November 8, 2016, the Control, Regulate, & Tax Adult Use of Marijuana Act
(AUMA) was approved by California voters through the passing of Proposition 64. Effective November
9, 2016, the AUMA legalizes for persons 21 years or older to: (1) smoke or ingest marijuana or
marijuana products, (2) possess, process, transport, purchase, obtain, give away without compensation
to persons 21 years or older 28.5 grams of marijuana or 8 grams of concentrated marijuana, and (3)
possess, plant, cultivate, harvest, dry, or process up to six living marijuana plants per legal dwelling unit
for personal use. Additionally, the AUMA created a state regulatory and licensing system governing the
commercial cultivation, testing, and distribution of nonmedical marijuana, and the manufacturing of
nonmedical marijuana products, of which temporary regulations established by the State became
effective as of January 2, 2018; and

WHEREAS, on January 10, 2017, the City Council adopted Ordinance 16-9, which (among
other things) prohibited outdoor cultivation of medical and nonmedical marijuana. The City Council
also directed the Council Committee on Policy Development and Internal Operations ("PD&IO") to
comprehensively study potential regulations for medical and nonmedical marijuana uses; and

WHEREAS, on May 24, 2017, the PD&IO Committee held a public meeting on marijuana
regulations and recommended that the City Council consider an ordinance removing any prohibitions
or bans on delivery of medical marijuana from licensed dispensaries, while keeping the existing
restrictions and bans on marijuana cultivation and dispensaries (fixed or mobile) in place; and

WHEREAS, in June 2017, the California Legislature passed Senate Bill 94, which effectively
repealed MCRSA and incorporated certain provisions of MCRSA in the licensing provisions of the
AUMA, and replaced it with the Medical and Adult Use Cannabis Regulation and Safety Act
(“MAUCRSA”); and

WHEREAS, on July 25, 2017, the City Council adopted Ordinance No. 17-10, which amended
the Concord Municipal Code to allow delivery of medical marijuana from licensed dispensaries to
qualified patients; and

WHEREAS, on November 14, 2017, the City Council adopted Ordinance No. 17-13, amending
the Municipal Code and Development Code to ban all cannabis uses, except for personal indoor
cultivation and delivery of medicinal cannabis from licensed dispensaries located outside of Concord to
qualified patients. At that time, the City Council also instructed staff to bring back for consideration
regulations for certain cannabis uses at a later time; and

WHEREAS, on June 12, 2018, the City Council adopted Ordinance No. 18-3 to amend the
Municipal Code and Development Code to establish a Commercial Cannabis Overlay District,
associated development standards, and a licensing framework for medicinal-only cannabis
manufacturing and distribution, as well as adult-use and medicinal testing laboratories; and

WHEREAS, on April 2, 2019, the City Council and Planning Commission conducted a Joint
Study Session and directed staff to pursue revisions to the existing cannabis regulations to potentially
allow additional city cannabis licenses including adult-use and medicinal non-storefront manufacturing
and distribution; and consideration of allowing city cannabis licenses for adult-use and medicinal
storefront retail and microbusinesses; and provided direction on a competitive selection process for
cannabis businesses, and potential revenue agreements; and

WHEREAS, on August 13, 2019, the City Council provided direction to staff to draft
regulations to allow adult-use, in addition to medicinal-only, cannabis manufacturing and distribution
city cannabis licenses; and to increase the number of city cannabis licenses for cannabis manufacturing,
distribution, and testing laboratories; and

WHEREAS, the adoption of this Ordinance and attached text amendments (“Amendment”
attached hereto as Exhibit A) to the Concord Municipal Code is necessary to add adult-use city cannabis
licenses in addition to medicinal city cannabis licenses, to increase the maximum number of city
cannabis licenses for manufacturing, distribution, and testing laboratories; to allow city cannabis
licenses for medicinal and adult-use retail (storefront and non-storefront); and to allow city cannabis
license for microbusinesses; and

WHEREAS, pursuant to the California Environmental Quality Act of 1970, Public Resources
Code §21000, et seq., as amended and implementing State CEQA Guidelines, Title 14, Chapter 3 of
the California Code of Regulations (collectively, “CEQA”), the Amendment to the Municipal Code
does not constitute a “project” within the meaning of Public Resources Code Section 21065 and
CEQA Guidelines Sections 15060(c)(2), or 15378 because there is no potential that the activity will
result in a direct or reasonably foreseeable indirect or direct physical change in the environment.
Moreover, even if the Amendment comprised a project for CEQA analysis, it falls within the
“common sense” CEQA exemption set forth in CEQA Guidelines Section 15061(b)(3), excluding
projects where “it can be seen with certainty that there is no possibility that the activity in question
may have a significant effect on the environment.” In addition, Business and Professions Code
Section 26055(h) provides that CEQA does not apply to the adoption of an ordinance, rule, or
regulation that requires discretionary review and approval of permits, licenses or other authorizations
to engage in commercial cannabis activity as long as each discretionary approval involves applicable
CEQA review; and

WHEREAS, the City Council, after giving all public notices required by state law and the
Concord Municipal Code, held a duly noticed public hearing on November 5, 2019, on the proposed
Amendment, considered testimony and information received at the public hearing and the oral and
written reports from City staff dated November 5, 2019, as well as other documents contained in the
record of proceedings relating to the proposed project, which are maintained at the offices of the City
of Concord City Clerk’s Office, 1950 Parkside Drive, Concord, CA, and declared their intent to approve
and adopt the Amendment.

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

Section 1. All of the facts set forth in the Recitals are true and correct and are hereby
incorporated and adopted as findings of the City Council as if fully set forth herein.

Section 2. Pursuant to CEQA, the Amendment to the Municipal Code does not constitute a “project” within the meaning of Public Resources Code Section 21065 and CEQA Guidelines Sections 15060(c)(2), or 15378 because there is no potential that the activity will result in a direct or reasonably foreseeable indirect or direct physical change in the environment. Moreover, even if the Amendment comprised a project for CEQA analysis, it falls within the “common sense” CEQA exemption set forth in CEQA Guidelines Section 15061(b)(3), excluding projects where “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” In addition, Business and Professions Code Section 26055(h) provides that CEQA does not apply to the adoption of an ordinance, rule, or regulation that requires discretionary review and approval of permits, licenses or other authorizations to engage in commercial cannabis activity as long as each discretionary approval involves applicable CEQA review. This determination reflects the City’s independent judgment and analysis.

Section 3. The Amendment is consistent with the General Plan Policy E-2.1.1, which states “establish land use priorities that foster entrepreneurship, growth, and innovative business development” and Policy E-2.1.5, to “attract businesses in growth industries that require highly skilled labor.” The Amendment is also consistent with Policy LU-6.1.2, which states “provide sites for employment-generating businesses…and light industrial uses wishing to locate to Concord.”

Section 4. The Amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City, as the proposed Amendment maintains the four part regulatory framework to evaluate certain cannabis businesses and commercial activities and includes conditions of licenses to lessen potential impacts that may result from allowing adult-use cannabis and additional cannabis licenses.

Section 5. The City Council has reviewed, considered, and evaluated all of the Amendment Information prior to acting upon Amendment.

Section 6. The documents and other materials that constitute the record of proceedings upon which the City Council has based its recommendation are located in and may be obtained from the
City of Concord Clerk’s Office, 1950 Parkside Drive, Concord, CA 94519.

Section 7. The Concord Municipal Code is hereby amended as set forth in Exhibit A, attached hereto and made a part hereof.

Section 8. This ordinance shall become effective thirty (30) days following passage and adoption. In the event a summary of said Ordinance is published in lieu of the entire Ordinance, a certified copy of the full text of this Ordinance shall be posted in the office of the City Clerk at least five (5) days prior to its adoption and within fifteen (15) days after its adoption, including the vote of the Councilmembers. Additionally, a summary prepared by the City Attorney’s Office shall be published once at least five (5) days prior to the date of adoption of this Ordinance and once within fifteen (15) days after its passage and adoption, including the vote of the Councilmembers, in the East Bay Times, a newspaper of general circulation in the City of Concord.

Carlyn S. Obringer
Mayor

ATTEST:

By: Joelle Fockler, MMC
City Clerk
(Seal)
Ordinance No. 19-XX was duly and regularly introduced at a regular meeting of the City Council of the City of Concord held on November 5, 2019, and was thereafter duly and regularly passed and adopted at a regular meeting of the City Council held on December 3, 2019, by the following vote:

AYES: Councilmembers -

NOES: Councilmembers -

ABSTAIN: Councilmembers -

ABSENT: Councilmembers -

I HEREBY CERTIFY that the foregoing is a true and correct copy of an ordinance duly and regularly introduced, passed, and adopted by the City Council of the City of Concord, California.

By: ________________________________
   Joelle Fockler, MMC
   City Clerk

Exhibit A: Amendment
Chapter 5.80

CANNABIS

Sections:
5.80.010 Purpose and intent.
5.80.020 Definitions.
5.80.030 City cannabis license required.
5.80.040 City cannabis license application.
5.80.050 Review of city cannabis license application and appeals.
5.80.060 City cannabis license term.
5.80.070 City cannabis license transfer or modification.
5.80.080 General conditions for all city cannabis licenses.
5.80.090 Conditions for specific city cannabis licenses.
5.80.100 Prohibited cannabis uses.
5.80.110 Fees.
5.80.120 Taxation. (Reserved)
5.80.130 Penalties.
5.80.140 Severability – Miscellaneous provisions.


5.80.010 Purpose and intent.
(a) On October 9, 2015, Governor Brown approved a series of bills commonly referred to as the “Medical Cannabis Regulation and Safety Act” (MCRSA), effective January 1, 2016, which created a state licensing and regulatory framework for the cultivation, manufacture, transportation, storage, distribution and sale of medical cannabis.

(b) In November 2016, the voters of the state of California approved Proposition 64, known as the “Control, Regulate and Tax Adult Use of Marijuana Act,” referred to as the “Adult Use of Marijuana Act” (AUMA), which legalized, subject to certain restrictions, specified nonmedical or adult cannabis uses for purposes of state law.

(c) Thereafter, the state legislature passed the “Medicinal and Adult Use Cannabis Regulation and Safety Act” (MAUCRSA), which reconciled the differences between MCRSA and AUMA, and created a comprehensive state licensing and regulatory framework for the cultivation, manufacture, transportation, storage, distribution, delivery and sale of both adult and medicinal use of cannabis.

(d) It is the purpose and the intent of the City Council to regulate cannabis businesses consistent with state law and to protect the health, safety, and welfare of the residents of Concord. The regulations in this chapter do not interfere with a qualified patient’s right to obtain and use cannabis as authorized by state law, nor do they criminalize the possession or cultivation of cannabis by certain individuals as allowed under state law.

(e) Cannabis businesses shall comply with all provisions of the Concord Municipal and Development Code, state law, and all other applicable local codes and regulations, including all applicable land use and zoning regulations imposed on cannabis businesses. It is neither the intent of this chapter to condone or legitimize the illegal use or consumption of cannabis under federal, state or local law, nor to authorize the operation of a legal business in an illegal manner.

(Ord. No. 18-3, § 7 (Exh. B))

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

*Accessory building or structure* means a building or structure that is not part of the principal dwelling unit on the parcel, the use of which is incidental and subordinate to the use of the principal dwelling. Examples of accessory buildings or structures include, but are not limited to: garages, tool sheds, storage sheds, carports, greenhouses, pool cabanas, and other outbuildings and or structures.
Adult cannabis use or adult use means all uses of cannabis and cannabis products by adults 21 years and over, also referred to as “recreational” or “personal” cannabis use.

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

Buffer area or buffer areas means the minimum separation distance that a particular cannabis activity or business must be separated from and a particular “sensitive” land use or activity, e.g., schools, child day care centers, or youth community centers, as designated by state laws or regulations, or as set forth in the relevant development code land use tables.

Bureau of Cannabis Control (BCC) means the lead state agency or successor agency responsible for developing regulations and licensing commercial medicinal and adult use cannabis in California, which is also responsible for licensing retailers, distributors, testing laboratories and microbusinesses, and temporary cannabis events.

Cannabis includes the term “marijuana” and 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, as that term is defined by California Business and Professions Code Section 26001(f), or any successor statute thereto. For the purpose of this chapter, “cannabis” does not mean “industrial hemp” as defined by Section 11018.5 of the Health and Safety Code, as that section may be amended or interpreted by the California courts or superseded by any successor statute.

Cannabis accessories means any equipment, products, materials or paraphernalia of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, smoking, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing cannabis or cannabis products into the human body, as that term is defined by California Health and Safety Code Section 11018.2, or any successor statute thereto.

Cannabis business or commercial activity means a business, enterprise, collective or cooperative engaged in commercial cannabis activity, including, but not limited to, planting, cultivation, harvesting, transporting, manufacturing, compounding, converting, processing, preparing, storing, packaging, distributing, researching, testing, providing, or selling wholesale and/or retail sales of cannabis. A cannabis business includes any facility, building, structure or location, expressly including storefront or non-storefront retail businesses, dispensaries and deliveries, and shall expressly include those commercial cannabis activities authorized and/or licensed by state law.

Cannabis business owner or owner means a person who is entitled to a share of at least 20 percent of the profits of the commercial cannabis business, as that term is defined by California Business and Professions Code Section 26001(a), or any successor statute thereto, including:

1. A person with an aggregate ownership interest of 20 percent or more in the person applying for a license or a licensee, unless the interest is solely a security, lien, or encumbrance.

2. The chief executive officer of a nonprofit or other entity.

3. A member of the board of directors of a nonprofit.

4. An individual who will be participating in the direction, control, or management of the person applying for a license.

5. Any individual who is entitled to a financial interest in the commercial cannabis business, including individuals who have entered into an agreement to share in the profits of the commercial cannabis business.
(1) Each person or entity having an ownership interest in the commercial cannabis business other than a security interest, lien, or encumbrance on property that will be used by the commercial cannabis business;

(2) Partners, officers, directors, and stockholders of every corporation, nonprofit corporation, limited liability company, or general or limited partnership that owns at least 20 percent of the cannabis business or that is one of the partners of the cannabis business;

(3) Each person who participates in the direction, control, or management of, or has a financial interest in, the commercial cannabis business, including employees or staff of the cannabis business.

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, an edible, or a topical product containing cannabis or concentrated cannabis and other ingredients, as that term is defined by Health and Safety Code Section 11018.1, or any successor statute thereto.

Cannabis regulation or cannabis regulations means, collectively, the regulations codified at: California Business and Professions Code Section 26000 et seq., “Medicinal and Adult Use Cannabis Regulation and Safety Act” (MAUCRSA); California Code of Regulations Title 16, Division 45, Bureau of Cannabis Control; California Code of Regulations Title 3, Food and Agriculture Division 8, Cannabis Cultivation, Chapter 1, Cannabis Cultivation Program; California Code of Regulations Title 17, Division 1, Chapter 13, Manufactured Cannabis Safety; and any successor regulations thereto. The generic terms “regulations” or “laws” include cannabis regulations.

CBD means the compound cannabidiol, as that term is defined by the California Code of Regulations, Title 17, Division 1, Chapter 13, Section 40100, or any successor statute or regulation thereto.

CDFA means the California Department of Food and Agriculture, which is responsible for issuing state licenses to operate a commercial cannabis cultivation business.

CDPH means the California Department of Public Health, which is responsible for issuing state licenses to operate a commercial cannabis manufacturing business.

Chief of Police means the City of Concord Chief of Police or designee.

City approval means, collectively, any applicable local cannabis license, cannabis permit, stamp, signature or other notation on approved plans, use permit, minor use permit, administrative permit, zoning clearance, variance, exception, building permit, business or other license, environmental permit, or other applicable entitlement or approval, and compliance with applicable state and local laws and regulations.

City cannabis license means a revocable license that is issued by the Chief of Police for a cannabis business or commercial activity, which is permitted under this chapter and licensed by the state, as identified in California Business Code Section 26050(a), or any successor statute therein.

Community Benefit Agreement means an agreement entered into between the City and a City Cannabis Licensee, which sets forth the terms and conditions under which a City Cannabis License holder may operate that are in addition to the requirements of this Chapter, including but not limited to public outreach and education, community service, payment of fees and other charges as mutually agreed, and such other terms and conditions that will protect and promote the public health, safety, and welfare of the City and its residents.

Cultivation means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis, as that term is defined by California Business and Professions Code Section 26001(l), or any successor statute thereto.

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, as that term is defined by California Business and Professions Code Section 26001(n), or any successor statute thereto.
**Delivery** means the commercial transfer of cannabis or cannabis product or products to a customer, and also includes the use by a cannabis retailer of any technology platform, as that term is defined by California Business and Professions Code Section 26001(p), or any successor statute thereto.

**Dispensary. See “Retailer.”** means a retail facility or location, fixed or mobile, where cannabis, cannabis products, or accessories for the use of cannabis products are offered, either individually or in any combination, for retail sale at that location, as well as an establishment that delivers medical cannabis and medical cannabis products as part of a retail sale.

**Distributor** means the cannabis business that involves the procurement, sale, and transport of cannabis and cannabis products between state licensees (business to business), as that term is defined by Business and Professions Code Section 26001(r), or any successor statute thereto.

**Indoor** means any location that is within a fully enclosed nonresidential building or structure, or private residence.

**Industrial hemp** means a crop that is limited to types of the plant Cannabis sativa L., having no more than three-tenths of 1 percent tetrahydrocannabinol (THC) contained in the dried flowering tops, whether growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin produced therefrom.

**Manufacture** means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product, as that term is defined by California Business and Professions Code Section 26001(ag), or any successor statute thereto.

**Manufacturer** means a cannabis business that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container, as that term is defined by California Business and Professions Code Section 26001(ah), or any successor statute thereto.

**MAUCRSA** means the Medicinal and Adult Use Cannabis Regulation and Safety Act (Business and Professions Code Section 26000 et seq.).

**MCRSA** means the Medical Cannabis Regulation and Safety Act.

**Medicinal cannabis or medical cannabis use** means the use of cannabis for the purposes set forth in the Compassionate Use Act and the Medical Marijuana Program Act, as defined in California Health and Safety Code Section 11362.5, or any successor statute thereto.

**Microbusiness** means a cannabis business that allowed to engage in the cultivation of cannabis on an area less than 10,000 square feet, and to act as a licensed distributor, Level 1 manufacturer (Type 6 license), and/or retailer activity, if duly licensed by the Bureau of Cannabis Control, as that term is defined by California Business and Professions Code Section 26070(a)(3)(A), or any successor statute thereto. A microbusiness shall engage in at least three (3) of these four (4) commercial cannabis activities: retail, distribution, manufacturing, or cultivation.

**Minor** means any person who is under 21 years of age.

**Non-storefront retailer** means a cannabis business or commercial activity that is closed to the public and only sells cannabis goods and cannabis accessories exclusively through delivery as defined by California Business and Professions Code Section 26001(p), or any successor statute thereto.

**Outdoor** means any location within the city that is not within a fully enclosed nonresidential building or structure, or within a private residence.

**Parcel** means any parcel of real property that may be separately sold in compliance with the Subdivision Map Act (California Government Code Section 66410 et seq.). A parcel may or may not be improved, including but not limited to: buildings, structures, and/or private residences.
Person includes any individual, firm, entity, co-partnership, joint venture, association, corporation, 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, as that term is defined by California Business and Professions Code Section 26001(an), or any successor statute thereto.

Primary caregiver, as defined by California Health and Safety Code Section 11362.7(d) or successor statute thereto, means an individual, designated by a qualified patient or by the person with an identification card, who has consistently assumed responsibility for the housing, health, or safety of that patient or person, including cases in which a qualified patient or person receives medical care or supportive services, or both, from: (1) a clinic licensed pursuant to Chapter 1 of Division 2 of the Health and Safety Code; (2) a health care facility licensed pursuant to Chapter 2 of Division 2 of the Health and Safety Code; (3) 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; (4) a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code; and (5) the delivery, administration or provision of medical cannabis by a designated primary caregiver to the qualified patient of the primary caregiver or the person with an identification card who has designated the individual as a primary caregiver at the primary residence of the qualified patient or person with an identification card who has designated the individual as a primary caregiver.

Private residence means a legally permitted house, an apartment unit, a mobile home, accessory dwelling unit, or other similar dwelling. To the extent allowed by law, a private residence must be currently, presently, and lawfully utilized as the primary dwelling of one or more natural persons.

Qualified patient means a patient, who has verified his or her identity and address to a delivering retailer, that uses or ingests cannabis marijuana for medical purposes as defined in California Health and Safety Code Section 11362.7, or any successor statutes thereto.

Regulatory approval means, collectively, any applicable state cannabis license, state or regional environmental permit, laws, rules, regulations, or other applicable entitlement or approval, and compliance with applicable state and local laws and regulations.

Retailer means a cannabis business, either “storefront retailer” or “non-storefront retailer”, which provides for the retail sale and/or delivery of cannabis and cannabis products to customers from a physical location from which commercial cannabis activities are conducted, as that term is used in California Business and Professions Code Section 26070 et seq., or any successor statute thereto.

Sensitive land use means a legally established business use within the city consisting of (1) a public or private school that provides instruction from kindergarten to grade 12; (2) a large family day care, home or child day care center, preschool, or nursery school; or (3) a youth community center, which is defined as a public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

State license means any license or permit issued by a state agency for a cannabis use, activity or type, as identified in California Business and Professions Code Section 26050(a), or any successor statute thereto.

Storefront retailer means a cannabis business or commercial activity that has premises with direct physical access for the public.

Testing laboratory means a laboratory, facility, or entity that offers or performs tests of cannabis and/or cannabis products and is accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity and is also licensed by the Bureau of Cannabis Control, as that term is defined by California Business and Professions Code Section 26001(at), or any successor statute thereto. Testing laboratory activity or uses may also include research and development of cannabis and cannabis products for scientific purposes.

THC means the compound 9-tetrahydrocannabinol, as that term is defined by the California Code of Regulations, Title 17, Division 1, Chapter 13, Section 40100, or any successor statute or regulation thereto.
Volatile solvent means any solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures. Examples of volatile solvents include, but are not limited to, butane, hexane, and propane.

(Ord. No. 18-3, § 7 (Exh. B))

5.80.030 City cannabis license required.

(a) City cannabis license required. No cannabis business shall be allowed to operate within the city unless the cannabis business first obtains a city cannabis license from the Chief of Police. The city cannabis license shall be specific to the location where the cannabis business will operate and shall specify the type of cannabis activity. Multiple operating locations for the same cannabis business will require separate city cannabis licenses. In addition, multiple cannabis activities shall require separate city cannabis licenses for each license type, as described in subsection (d) of this section.

(b) Conditional city cannabis license. A conditional city cannabis license consistent with subsection (a) may be issued by the Chief of Police to initiate the State licensing process as an interim step prior to issuance of the city cannabis license.

(c) Required approvals for operation. After issuance of the city cannabis license by the Chief of Police, no cannabis business licensee may operate in the city until the licensee provides to the Chief of Police satisfactory proof of the following:

1. The appropriate land use approval (use permit, minor use permit, administrative approval, or zoning clearance) from the city, including the appropriate environmental review under the California Environmental Quality Act (CEQA);
2. The corresponding state license or regulatory approval for the specific cannabis activity;
3. A business license from the City;
4. A fully executed development agreement or community benefit agreement, if required by the City.

(d) Revocable license. Any city cannabis license issued under this chapter is a revocable license; the issuance or granting of a license under this chapter expressly does not constitute or provide for a permanent right or vested land use right to conduct a cannabis business or cannabis commercial activity with the city.

(de) Types of licenses. A cannabis business may apply for any of the following city cannabis licenses for cannabis businesses operating within city limits (the designation of “license-A” shall mean adult use cannabis use and/or activities and “license-M” shall mean medicinal or medical cannabis use and/or activities). If no designation of “M” or “A” is listed for the license type, the city license includes both adult and medicinal uses:

1. City cannabis manufacturer license-M. A city cannabis manufacturer license-M is required for a cannabis business manufacturer that intends to sell or distribute cannabis for medicinal use. City cannabis manufacturer licenses-A are expressly prohibited.

2. City cannabis delivery license-A. A city cannabis delivery license-A is required for retailers (storefront or non-storefront), or microbusinesses which are licensed by the state and located outside of Concord city limits, to deliver adult use cannabis to customers located in the city.

3. City cannabis delivery license-M. A city cannabis delivery license-M is required for retailers (storefront or non-storefront), or microbusinesses which are licensed by the state and located outside of Concord city limits, to deliver medicinal cannabis to qualified patients located in the city.

4. City cannabis distributor license-A. A city cannabis distributor license-A is required for a cannabis business that intends to procure, sell and transport cannabis and cannabis products between state licensees for adult use. A city cannabis distributor license-A can only be issued in conjunction with a city cannabis testing laboratory license.
(24) City cannabis distributor license-M. A city cannabis distributor license-M is required for a cannabis business that intends to procure, sell and transport cannabis and cannabis products between state licensees for medicinal use. A city cannabis distributor license-M can only be issued in conjunction with a city cannabis testing laboratory license or a city cannabis manufacturer license-M.

(5) City cannabis manufacturer license-A. A city cannabis manufacturer license-A is required for a cannabis business that intends to compound, blend, extract, infuse, or otherwise make or prepare a cannabis products for adult use.

(6) City cannabis manufacturer license-M. A city cannabis manufacturer license-M is required for a cannabis business that intends to compound, blend, extract, infuse, or otherwise make or prepare a cannabis products for medicinal use.

(7) City cannabis microbusiness license-A. A city cannabis microbusiness license-A is required for a cannabis business that conducts three of the following activities: cultivation (indoor only) of cannabis in an area less than 10,000 square feet, distribution, manufacturing and/or retail (non-storefront only, storefront retail prohibited as part of a microbusiness in the city) activity (as defined earlier in this section) for adult use.

(8) City cannabis microbusiness license-M. A city cannabis microbusiness license-M is required for a cannabis business that conducts three of the following activities: cultivation (indoor only) of cannabis in an area less than 10,000 square feet, distribution, manufacturing and/or retail (non-storefront only, storefront retail prohibited as part of a microbusiness in the city) activity (as defined earlier in this section) for medicinal use.

(9) City cannabis retail non-storefront license-A. A city cannabis retail non-storefront license-A is required for a cannabis business or commercial activity which provides for the retail sale of adult-use cannabis and cannabis products to customers from a physical location via delivery and is closed to the public.

(10) City cannabis retail non-storefront license-M. A city cannabis retail non-storefront license-M is required for a cannabis business or commercial activity which provides for the retail sale of medicinal cannabis and cannabis products to customers from a physical location via delivery and is closed to the public.

(11) City cannabis retail storefront license-A. A city cannabis retail storefront license-A is required for a cannabis business or commercial activity which provides for the retail sale of adult-use cannabis and cannabis products to customers from a fixed location with direct physical access for the public.

(12) City cannabis retail storefront license-M. A city cannabis retail storefront license-M is required for a cannabis business or commercial activity which provides for the retail sale of medicinal cannabis and cannabis products to customers from a fixed location with direct physical access for the public.

(134) City cannabis testing laboratory license. A city cannabis testing laboratory license is required for a cannabis business or laboratory, facility, or entity that offers or performs tests of cannabis or cannabis products and is accredited and licensed by the appropriate state agencies. Cannabis testing laboratory licenses cannot be paired with other City Cannabis License types.

(5) City cannabis delivery license-M. A city cannabis delivery license-M is required for dispensaries, retailers, or microbusinesses which are licensed by the state and located outside city limits, to deliver medicinal cannabis to qualified patients located in the city.

(e) Determination of city cannabis license type. As the state or Bureau of Cannabis Control develops additional or amends existing state licenses for cannabis businesses or activities, the Chief of Police shall have the discretion to issue a city cannabis license to the extent the additional state license businesses or activities are similar to any of the city cannabis license types approved to be issued by the city.

(gf) Limitation on quantity of commercial cannabis licenses. The Chief of Police may approve up to the following number of city cannabis licenses in an amount not to exceed within the commercial cannabis overlay districts:

(1) Five city cannabis manufacturer licenses (A, M, or A/M);
(2) Two city cannabis microbusiness licenses (A, M, or A/M);

(3) Two city cannabis retail non-storefront licenses (A, M, or A/M);

(4) Two city cannabis retail storefront licenses (A, M, or A/M);

(1) Two city cannabis testing laboratory licenses;

(2) Two city cannabis manufacturer M licenses; and

(5) No standalone city cannabis distributor license (A, M, or A/M) shall be issued. A distributor license shall be issued with a corresponding cannabis license issued by the Chief of Police (such as manufacturing).

Therefore, Six the number of city cannabis distributor licenses shall not to exceed the amount of one licenses issued for each that are associated with either an approved city cannabis manufacturer M or city cannabis testing laboratory license listed above (except for cannabis testing laboratory). A city cannabis distributor license cannot be issued without a corresponding cannabis manufacturer or testing laboratory license issued by the Chief of Police.

(g) Exceptions to city cannabis license requirement. The following noncommercial activities are allowed and do not require a city cannabis license under this chapter, provided the activity does not constitute a commercial cannabis business or activity and complies with state and local laws:

(1) Possession of not more than 28.5 grams of cannabis not in the form of concentrated cannabis by persons 21 years of age or older for personal consumption.

(2) Possession of no more than eight grams of cannabis in the form of concentrated cannabis, including as contained in cannabis products, by persons 21 years of age or older for personal consumption.

(3) Possession, planting, cultivating, harvesting, drying or processing of not more than six living cannabis plants by persons 21 years of age or older in a private residence or inside an accessory building or structure on a parcel developed with a private residence, within a fully enclosed, secure, locked space, for noncommercial use/purposes consistent with state law.

(Ord. No. 18-3, § 7 (Exh. B))

5.80.040 City cannabis license application.
The form and content of the application for a permit shall be specified by the Chief of Police and shall include the following minimum information, as applicable to the city cannabis license type:

(1) Identifying information for ownership and management. The name and address for each owner and an explanation of the legal form of business ownership; for example, sole proprietor, partnership, California corporation, etc.

(2) Additional identifying information, owners and key employees. Each cannabis business owner, as well as each employee who makes or will make operational or management decisions that directly impact the business, shall submit electronic fingerprint images, proof of residency, and related information required by the Chief of Police for the purpose of obtaining information as to the existence and content of a record of state or federal convictions and arrests to be considered as set forth in this chapter. Any changes as to the owner(s), key employee(s) or manager(s) and their respective identifying information shall be promptly submitted to the Chief of Police for supplemental background checks of these individuals.

(3) Description of premises. The address and assessor’s parcel number(s) of the location for the proposed commercial cannabis activity, and the name and contact information for the property owner(s) where the proposed commercial cannabis activity will be located.

(4) State license type and compliance. A description of the specific state cannabis license(s) that the cannabis business either has obtained or plans to obtain. The cannabis business shall describe how it will meet the state licensing requirements, and provide supporting documentation as required by the Chief of Police.
(5) Other local licenses. A description of the specific cannabis license or permits that the applicant either has obtained or plans to obtain from other local jurisdictions, agencies, departments, or special districts.

(6) Description of operations. A written description of the nature of the proposed commercial cannabis activity, product type, average production amounts, including a description of each product produced by type, amount, process and rate, and source(s) of cannabis.

(7) Security plan. A description and documentation of how the applicant will secure the premises 24 hours per day, seven 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:

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

b. 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;

c. 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, or immediate sale, if applicable;

d. Including a minimum of a two-point security precaution that incorporates structures or physical barriers to regulate access to cannabis and money and prevents access of customers throughout the entire facility;

e. Providing tamper-proof and tamper-evident packaging for finished cannabis products;

f. Preventing off-site impacts to adjoining or near properties;

g. Limiting the amount of cash on the premises and providing a cash management plan for the safe handling and transferring of money;

h. Identifying the area(s) where distribution activities will occur on private property and outside of public view in a safe and secure environment;

i. Providing an adequate alarm system;

j. Provide an adequate security surveillance system. Security surveillance footage shall be retained for a minimum of 14 days and be subject to review and collection by the Police Department upon request. Such footage shall be provided within three days of request. Security surveillance shall include, but not be limited to, the coverage of all ingress and egress to building(s), adjoining parking lot(s), walkways, driveways, or other exterior property space;

k. Providing armed security guard(s) that are appropriately licensed by the California Bureau of Security and Investigative Services or approved equivalent. Quantity and location of guards shall be evaluated by the Chief of Police;

l. Providing a cannabis business contact who can respond to the city and neighbors regarding complaints;

m. Identifying measures to prevent unlawful loitering and excessive noise.

(8) Tracking system. A description of how the cannabis business will track inventory of cannabis product, consistent with state law.

(9) For cannabis businesses applying for a city cannabis delivery or distribution license, or a retail (storefront or non-storefront) or microbusiness conducting sales via delivery—M.
Concord Municipal Code
Chapter 5.80 CANNABIS

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a. Listing of all vehicles and devices to be used for delivery or transportation of cannabis or cannabis product within the city, which includes the vehicle’s make, model, year, license plate number and vehicle identification number.

b. Identifying all persons who will deliver cannabis or cannabis product in the city. Such individuals must be at least 21 years of age at the time of submittal of the application.

c. Copies of applicable authorizing state and local licenses and permits issued to cannabis business allowing it to engage in commercial cannabis activity.

(10) Insurance. Certificate of insurance and endorsement demonstrating ability to comply with the insurance requirements for the applicable license in a form acceptable to the City Attorney.

(11) Indemnification and release. An agreement, in a form approved by the City Attorney, whereby the applicant:

a. Releases the city, its officers, officials, agents, and employees from any and all claims, injuries, damages, or liabilities of any kind arising from (1) any repeal or amendment of this chapter or any provision of the city’s development code relating to the cannabis business or cannabis commercial activity; and (2) any arrest or prosecution of applicant or its managers, employees or staff for violation of state or federal laws; and

b. Indemnifies, defends and hold harmless to the fullest extent permitted by law the city, its officers, officials, agents and employees 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 active negligence, sole negligence or willful misconduct of the city, its officers, officials, agents and employees.

(12) Signature of applicant and property owner. The application shall be signed by each cannabis business owner under the penalty of perjury, certifying that the information submitted, including all supporting documents, is, to the best of the applicant’s knowledge and belief, true, accurate and complete, and by the property owner for purposes of certifying that s/he has reviewed the application, and approves the use of the property for the purposes stated in the application. The signature of both the cannabis business owner and the property owner shall constitute evidence of their express consent to allow any city official or employee to enter upon and inspect the premises upon reasonable notice.

(13) To the extent permitted by the state and federal law, the city shall endeavor to treat the information required by this section as confidential. Disclosure of such information shall not be deemed a waiver of confidentiality by the applicant or any individual named in the application. The city shall incur no liability for the inadvertent or negligent disclosure of such information.

(Ord. No. 18-3, § 7 (Exh. B))

5.80.050 Review of city cannabis license application and appeals.

(a) Review of application. The Chief of Police shall consider the application, and the results from any investigation into the application, as deemed necessary by the Chief of Police.

(b) Notification of decision. The Chief of Police’s notification of his or her decision on the application shall be made in writing and shall either include conditions of approval, if deemed necessary by the Chief, or the reasons for the denial of the application. Notification of denial shall be delivered by first class mail to the applicant. If denied, no license shall be issued unless a successful appeal of the denial is made within the requisite time frame.

(c) Appeal of decision.

(1) Within 10 calendar days after the date of the Chief of Police’s decision, an applicant may appeal the decision by notifying the City Clerk in writing of the appeal, the reasons for the appeal, and paying any applicable fees.
(2) The City Clerk shall set a hearing on the appeal and shall fix a date and time certain, within 45 calendar 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.

(3) The City Manager 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 Chief of Police 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.

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

(d) Grounds for denial, renewal denial, revocation or suspension of license. The granting of a license or a renewal thereof may be denied and an existing license revoked or suspended if:

   (1) The cannabis business owner has knowingly made a false statement in the application or in any reports or other documents furnished to the city.

   (2) 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 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.

       e. A felony conviction for drug trafficking with an enhancement pursuant to Health and Safety Code Section 11370.4 or 11379.8.

   (3) The cannabis business or a cannabis business owner has been sanctioned by a licensing authority or other city or county for unauthorized commercial cannabis activity.

   (4) The granting or renewing of the license would perpetuate or encourage any of the following:

       a. Distribution of cannabis or cannabis products to minors;

       b. Generation of revenue from the sale of cannabis or cannabis products to fund criminal enterprises, gangs, cartels, and similar persons;

       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 cultivation and distribution of cannabis and cannabis products;

       f. The use of public lands in the cultivation of cannabis; or

       g. The use of federal property for commercial cannabis activity.
(5) For any other reason that would allow the state to deny a license or permit under AUMA, MCRSA, and/or MAUCRSA, or any other state law.

(6) Fails to pay required city fees and taxes.

(7) Violates any provision of AUMA, MCRSA, MAUCRSA, state license, city cannabis license, or the Concord Municipal Code (including the development code).

(8) Except as provided in subsections (d)(2)(d) and (e) of this section, an application for a city cannabis license shall not be denied if the sole ground for denial is based upon a prior conviction of either Section 11350 or Section 11357 of the California Health and Safety Code. An application for a license 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 license issuance shall be grounds for revocation of a license or denial of the renewal of a license.

(9) Is in violation of the Concord Municipal Code (including development code).

(10) Is in violation of applicable state and local laws and regulations.

(11) Does not have current, valid state or regulatory approval or is in violation of a state or regulatory approval.

(12) Is in violation of any city approval, including conditions of approval imposed on the license for the cannabis activity or underlying land use.

(e) Suspension and revocation.

(1) If the Chief of Police deems continuation of the operation of delivery by a cannabis retailer business will cause a significant threat to the health, safety or welfare of the public, the Chief of Police may immediately suspend the city cannabis license and all rights and privileges thereunder until a Hearing Officer renders a written decision on the revocation of the city cannabis license.

(2) The Chief of Police shall give notice to the cannabis business of his or her intent to revoke a city cannabis license in the same manner as the notice of the application decision and provide the City Clerk with a copy of the notice.

(3) The hearing for the revocation of the city cannabis license shall be set and conducted in the same manner as an appeal of decision. The decision of the Hearing Officer shall be final.

(f) Prohibition of multiple licenses for same underlying activity at same location. No cannabis business owner or person may possess multiple licenses for the same license type or substantially same cannabis activity (e.g., a cannabis manufacturing license and a microbusiness manufacturing license) at the same location. Upon approval of a subsequent license at the same location for the substantially the same activity, the prior license shall be deemed to automatically have been surrendered, and will be null, void, and superseded by the new license. The Chief of Police shall determine whether the cannabis activities are at the same location or are substantially similar.

(Ord. No. 18-3, § 7 (Exh. B))

5.80.060 City cannabis license term.

(a) The city cannabis license shall be valid for one year from the date of issuance; provided, however, that the Chief of Police has the discretion to extend the term or renewal term of a city cannabis license for a period of up to two years from the date of issuance. The license term may also be extended by the City Council for a period of up to five years, pursuant to the terms of a community benefit agreement, development agreement, or as part of a competitive selection process.

(b) A license renewal application and any applicable fees must be submitted at least 60 days before the expiration of the license. Failure to submit a renewal application prior to the expiration date of the license will result in the
automatic expiration of the license on the expiration date. License renewal is subject to the laws and regulations effective at the time of renewal, which may be substantially different than the regulations currently in place 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 license under this chapter.

(c) Upon renewal of an existing city cannabis license, if it is determined that a sensitive use, as defined by this Chapter, has located within 600 feet of the existing cannabis business, the existing cannabis business may request an exception to the sensitive user buffer requirement of Section 5.80.080(b) of this Chapter, which may be granted or denied by the City Council, in its sole discretion.

(Ord. No. 18-3, § 7 (Exh. B))

5.80.070 City cannabis license transfer or modification.
(a) A city cannabis license is nontransferable to another location, and no transfer to another cannabis business owner or modifications to a permitted facility may be made unless the Chief of Police approves the transfer or modification.

(b) A request for change in license ownership or of key employees who make operational or management decisions shall be submitted to the Chief of Police on a city form at least 60 days prior to the anticipated transfer of ownership, or, in the case of change of management employees, within 15 calendar days, together with any applicable fee(s). Requests submitted later than these time periods will be processed only in the city’s discretion and may be subject to an expedited processing fee. A new owner(s) or key employees shall meet all requirements for applicants of an initial license. The request shall include the following information:

(1) Identifying information for the new cannabis business owner(s) and management as required in an initial city cannabis license application;

(2) A written certification by the new cannabis business owner as required in an initial license application;

(3) The specific date on which the transfer is to occur; and

(4) Acknowledgement of full responsibility for complying with the existing license.

(c) Change in security plan. A request to modify the security plan shall be submitted to the Chief of Police in writing at least 30 days prior to the anticipated change, together with the applicable fee.

(d) Change of contact information. A request for change in cannabis business contact information shall be submitted to the Chief of Police in writing at least 30 days prior to the anticipated change, together with the applicable fee.

(e) Change in trade name. A request for change in cannabis business trade or business name shall be submitted to the Chief of Police in writing at least 30 days prior to the anticipated change, together with the applicable fee.

(Ord. No. 18-3, § 7 (Exh. B))

5.80.080 General conditions for all city cannabis licenses.
(a) State license. Beginning at such time that the state has begun to issue licenses (temporary or permanent) and at all times thereafter, cannabis business shall hold a valid state license for the equivalent state license type for the entire duration of the city cannabis license.

(b) Buffer zone. Sensitive Uses. No cannabis business shall be located within 600 feet of a sensitive land use listed in Section 5.80.020, except as provided in Section 5.80.060(c). A 600-foot buffer zone shall be established from the boundary of the commercial cannabis overlay district, as described in the development code. As a result, no cannabis business or sensitive land use shall be permitted to be located in the buffer zone.

(c) Alcohol and tobacco products prohibited. No cannabis business may sell, store, distribute or consume any alcoholic beverages or tobacco products on or at any premises where cannabis is sold.
(d) **Cannabis consumption on site prohibited.** No cannabis business may allow, permit, or provide for the consumption of cannabis products on site where the cannabis business is located, with or without compensation.

(e) **Hours of operation.** All permitted facilities, with the exception of storefront retail, shall be closed to the general public. No direct sales of cannabis or cannabis product to the general public shall occur except via delivery from a licensed business to a private residence. The Chief of Police may limit the hours for transporter deliveries and pick-ups. No direct sales of cannabis or cannabis product to the general public may occur. Storefront retail cannabis businesses shall not be open to customers outside of 7:00 a.m. to 10:00 p.m. daily without authorization from the Chief of Police.

(f) **Odor control.** Odors shall be contained on the property within the licensed tenant space on which the commercial cannabis activity is located. Cannabis licensees shall prevent all odors generated from the cannabis use from escaping buildings to the extent that odor cannot be detected by a reasonable person of normal sensitivity outside the buildings, on adjacent properties or public rights-of-way, or within any other unit located within the same building as the cannabis licensee, if the use only occupies a portion of a building. If the city receives any odor complaints that rise to the level of a public nuisance, the cannabis business shall work with the city staff to correct odor concerns. Unresolved or repeated odor complaints may be the basis for suspension or revocation of the city cannabis license or denial of city cannabis license renewal.

(g) **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, except as authorized by the Chief of Police.

(h) **Protection of minors.** No cannabis business shall employ anyone who is younger than 21 years of age. No cannabis business shall sell or advertise to sell any cannabis, cannabis product or cannabis accessory to minors, except in circumstances where the minor is over 18 years of age and is permitted or allowed by state law to purchase or possess medicinal cannabis, as set forth in California Business and Professions Code Section 26140, or any successor statute thereto.

(i) **Security.** All cannabis businesses shall maintain a commercial burglar alarm monitoring system, install a video surveillance system, and comply with the security plan approved by the Chief of Police. A cannabis business shall notify the Police Department immediately, and within no more than 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 licensee.
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.

(j) **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 Chief of Police may impose labeling and packaging requirements to protect the public safety, health and welfare.

(k) **Inspections.** City representatives may enter and inspect the property of every cannabis business to ensure compliance and enforcement of the provisions of this chapter, except that the inspection and copying of private medical records shall be made available to the Police Department only pursuant to a properly executed search warrant, subpoena, or court order. Such inspections shall occur during normal regular business hours unless the city has provided prior written notice to the cannabis business for an after-hours inspection. Upon request, the cannabis business shall timely provide the city official with records related to the business, including, but not limited to, utility bills from the commercial energy provider for the premises, inventory, financial records, and inventory tracking records. This section shall not limit any inspection authorized under any other provision of law or regulation.
(l)  *Business license.* Obtain and maintain a business license from the city.

(m)  *Insurance.* Maintain at all times commercial general liability providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury with limits of not less than $2,000,000 per occurrence and comprehensive automobile liability (owned, nonowned, hired) providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than $2,000,000. The commercial general liability policy shall provide contractual liability, shall include a severability of interest or equivalent wording, shall include an endorsement that specifies the insurance coverage afforded to the city shall be primary and noncontributory, and shall name the city, its officials and employees as additional insured. Failure to maintain insurance as required herein at all times shall be grounds for suspension of the city cannabis license immediately and, ultimately, revocation.

(n)  *Indemnification.* By accepting the city cannabis license and executing the application form, each licensee agrees to indemnify, defend and hold harmless to the fullest extent permitted by law the city, its officers, officials, agents and employees 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 active negligence, sole negligence or willful misconduct of city, its officers, agents and employees.

(o)  *Recordkeeping.* Maintain for a minimum of seven years a written accounting or ledger of all cash, receipts, credit card 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 during business hours for inspection upon reasonable notice by the Chief of Police.

(p)  *Notice of violations.* Notify the Chief of Police within three calendar 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.

(q)  *Building permits.* The cannabis business must obtain all building permits required pursuant to Title 15 for any electrical, plumbing, or other construction activities.

(r)  *Sewer discharge.* No cannabis, cannabis byproducts, or associated hazardous materials may be discharged into the sanitary sewer system (including, but not limited to, sinks, toilets, or storm drains).

(s)  *Secure trash receptacles.* All indoor and outdoor trash receptacles shall be locked and secured in manner to prevent tampering, theft, and/or removal of any cannabis refuse or the trash receptacle.

(t)  *Waste disposal.* Disposal of cannabis, cannabis products, and cannabis waste shall occur in accordance with State Law.

(u)  *Temporary cannabis events.* Temporary cannabis events shall be prohibited.

(v)  *Other agency approvals.* The cannabis business shall be required to obtain approval from the Fire District, Health Department, and Central Contra Costa Sanitary District.

(Ord. No. 18-3, § 7 (Exh. B))

**5.80.090  Conditions for specific city cannabis licenses.**

In addition to the general conditions included in Section 5.80.080, the following city cannabis licenses approved or issued by the Chief of Police shall also be subject to the following conditions as deemed appropriate to the proposed cannabis activity and underlying use:

1.  *City cannabis manufacturer license - *A and -M-M.* City cannabis licenses shall only be issued for manufacturing products for medicinal uses, otherwise known as a manufacturer license M. No adult use manufacturing (city cannabis manufacturer license - A) shall be allowed or permitted within the city. All city cannabis manufacturer licenses -M shall be subject to the following conditions:
a. A manufacturer\textsuperscript{M} licensee shall employ at least one full-time quality control personnel.

b. A manufacturer\textsuperscript{M} licensee must establish standard operating procedures and batch records that comply with good manufacturing practices and any applicable state law.

c. All finished cannabis products produced by a manufacturer\textsuperscript{M} licensee must be labeled and packaged in child-resistant packaging prior to leaving the manufacturing premises in accordance with state law.

d. A manufacturer\textsuperscript{M} licensee using volatile solvents must comply with state law, procure approval from the Contra Costa County Fire Protection District, and operate in a manner to reduce the risk of explosion or danger to public health.

(2) City cannabis distributor license\textsuperscript{A} and \textsuperscript{M}. A city cannabis distributor license shall be subject to the following conditions:

a. A city cannabis distributor license cannot be issued without a corresponding city cannabis manufacturer\textsuperscript{M} or testing laboratory license (e.g. manufacturing) issued by the Chief of Police.

b. A city cannabis distributor licensee shall only transport cannabis or cannabis products between duly licensed cannabis businesses.

c. Vehicles used for distribution of cannabis or cannabis products shall not advertise any activity related to cannabis nor shall they advertise the name of the licensee.

d. A city cannabis distributor licensee shall register with and provide the Chief of Police each location within the city where cannabis or cannabis products are stored within the city for the purposes of distribution activities.

(3) City cannabis delivery licenses\textsuperscript{M}. A city cannabis delivery license\textsuperscript{M} (or a retail [storefront or non-storefront] or microbusiness license conducting sales via delivery) shall comply with all state regulations on cannabis delivery and shall be subject to the following conditions:

a. Maintain at all times all licenses and permits as required by the State of California State law and the laws of the local jurisdiction in which the licensee is located, and provide immediate notification to the Chief of Police if any state license or permit is suspended or revoked.

b. Delivery licensee\textsuperscript{M} may only deliver cannabis or cannabis products to customers for medicinal purposes. Delivery of cannabis to a customer for adult use is expressly prohibited.

c. Any person who delivers cannabis to a customer must have in possession a copy of the city cannabis delivery\textsuperscript{M} license, which shall be made available upon request to law enforcement.

d. Delivery vehicles shall not advertise any activity related to cannabis nor shall it advertise the name of the licensee.

e. Delivery of the cannabis shall be directly to the private physical residence or business address of the customer or secure exchange location at the Concord Police Department; deliveries to any other location are prohibited.

f. Deliveries of cannabis shall occur only between the hours of 8:00 a.m. and 8:00 p.m.

g. No licensee shall transport nor cause to be transported cannabis in excess of the limits established by state law during the course of delivering cannabis.

h. All orders to be delivered shall be packaged by the names of the customer.

(4) City cannabis testing laboratory license. A city cannabis testing laboratory license is subject to the following conditions:
a. Testing laboratory licensee shall employ at least one full-time quality control personnel.

b. Testing laboratory licensee shall operate and test all cannabis or cannabis products in accordance with state law.

c. All testing devices used by testing laboratory licensee must be Underwriters Laboratories (UL) listed or otherwise approved by the city’s Building Official and Fire Department.

d. Testing laboratory licensee must notify the Chief of Police within one business day after the receipt of any notice that its accreditation has been denied, suspended or revoked.

(5) City cannabis microbusiness license A and M. A city cannabis microbusiness license is subject to the following conditions:

a. A retail storefront component shall be prohibited.

b. Submittal of a dimensioned floor plan showing location of separate components of microbusiness (type of cannabis uses) and their square footage.

c. If non-storefront retail is proposed the business shall comply with all conditions included in number (6)

d. If cultivation is proposed:
   i. Outdoor cultivation shall be prohibited.
   ii. Cultivation of cannabis shall be conducted in accordance with all applicable federal, state, and local laws and regulations governing the use of pesticides. Any fumigation or insecticidal fogging shall comply with the California Fire Code Chapter 26 (Fumigation and Insecticidal Fogging).
   iii. All cultivation operations shall submit an odor control and mitigation plan with detailed information about the proposed ventilation system, including technical specifications indicating that the system is capable of preventing the release of cannabis odors from the cultivation operation.
   iv. All cultivation operations shall submit a wastewater and water conservation plan.

(6) City cannabis retail non-storefront license A and M. A city cannabis retail non-storefront license is subject to the following conditions:

a. An applicant shall not apply for a retail non-storefront license without being selected through a competitive Request for Proposal process.

b. All cannabis products shall be loaded and unloaded inside a building.

c. The number, location, and hours of security guards shall be included in the application submittal.

d. A theft prevention plan shall be reviewed and approved by the Chief of Police or designee.

(7) City cannabis retail storefront license A and M. A city cannabis retail storefront license is subject to the following conditions:

a. The location where a cannabis retail storefront license is issued shall be consistent with Chapter 18.110 of the Development Code.

b. An applicant shall not apply for a retail storefront license without being selected through a competitive Request for Proposal process.

c. A security plan must include procedures for verifying identification of customers both before entering the retail establishment and again before receiving cannabis or cannabis products.
d. The number, location, and hours of security guards shall be included in the application submittal.

e. A theft prevention plan shall be reviewed and approved by the Chief of Police or designee.

f. On site security guard(s) shall monitor activity within 150 feet of building entrance to ensure no cannabis consumption is occurring in the vicinity of the business including parking areas.

g. A neighborhood responsibility plan that demonstrates how the business will reduce adverse impacts to the surrounding neighborhood, including neighborhood outreach, methods for future communication, and dispute resolution, shall be submitted and approved by the city.

h. Cannabis and cannabis products that are not used for display purposes or immediate sale shall be stored in a secured and locked room, safe, or vault, and in a manner reasonably designed to prevent diversion, theft, and loss.

i. The business owner shall take reasonable steps to discourage and correct objectionable conditions that constitute a nuisance in parking areas, sidewalks, alleys and areas surrounding the premises during business hours if directly related to the patrons of the subject retailer. For purposes of this subsection, “Reasonable steps” shall include calling the police in a timely manner; and requesting those engaging in nuisance activities to cease those activities, unless personal safety would be threatened in making the request.

j. The public entrance shall be ADA accessible.

k. A storefront retail licensee shall not conduct sales exclusively by delivery.

l. The business owner shall remove litter on and in front of the premises and, if necessary, on public sidewalks within one hundred feet (100’) of the facility two (2) times, with a minimum of four (4) hour intervals, each operating day.

(Ord. No. 18-3, § 7 (Exh. B))

5.80.100 Prohibited cannabis uses.
The following cannabis businesses, uses and activities are expressly prohibited in the city:

(1) Cannabis commercial activity. No person shall engage in, conduct, operate, manage, or carry on, or permit to be engaged in, conducted or carried on, any cannabis commercial activity, other than as expressly permitted by city licensing under this chapter.

(2) Dispensaries/retailers. No person shall engage in, conduct, operate, manage, or carry on, or permit to be engaged in, conducted or carried on, the operation of a dispensary or retail establishment (storefront or non-storefront) in the city.

(3) Microbusiness. No person shall be permitted to engage in, conduct, operate, manage, or to carry on, or to permit to be engaged in, conducted or carried on, any cannabis microbusiness activity within the city.

(4) Manufacturing. No person shall be permitted to engage in, conduct, operate, manage, or to carry on, or to permit to be engaged in, conducted or carried on, any manufacturing of adult use cannabis within the city.

(52) Outdoor cultivation. No person owning, renting, leasing, occupying or having charge or possession of any parcel shall cause or allow such parcel to be used for the outdoor cultivation of cannabis for personal, commercial, or any other purposes.

(63) Indoor personal cultivation. No person owning, renting, leasing, occupying, or having charge or possession of any parcel, building, or structure shall cause or allow indoor cultivation of cannabis on such parcel, or within any building or structure thereon, except within a private residence or inside an accessory building or structure on a parcel developed with a private residence, within a fully enclosed, secure, locked space, and may possess up to six plants for noncommercial use/purposes consistent with state law.
a. No person owning, renting, leasing, occupying, or having charge or possession of any parcel, building, or structure shall cause or allow indoor cultivation of cannabis on such parcel or within any building or structure thereon to be visible by normal unaided vision from any public place including any street, sidewalk, or other place freely accessible by the public.

b. Indoor cannabis cultivation for any purpose other than personal use as specified above is expressly prohibited.

(4) **Industrial Hemp Cultivation.** No person owning, renting leasing, occupying or having charge or possession of any parcel shall cause or allow such parcel to be used for the outdoor cultivation of industrial hemp for personal, commercial, or any other purpose.

(25) **Special events, festivals, and/or fairs.** The sale or consumption of cannabis is prohibited at special events, festivals, and/or fairs.

(Ord. No. 18-3, § 7 (Exh. B))

5.80.110 **Fees.**
Applicants and city cannabis licensees shall pay all applicable fees as set forth in the City Council adopted resolution establishing fees and charges for municipal services. Applicants and city cannabis licensees shall also pay the amount as prescribed by the Department of Justice of the state of California for the processing of applicant’s fingerprints. Fees shall not be prorated or refunded in the event of a denial, suspension or revocation of the license.

(Ord. No. 18-3, § 7 (Exh. B))

5.80.120 **Taxation. (Reserved)**
(Ord. No. 18-3, § 7 (Exh. B))

5.80.130 **Penalties.**
(a) As set forth in Section 1.05.200, any violation of this chapter or regulation promulgated under this chapter is a misdemeanor punishable pursuant to Section 1.05.230. In the discretion of the City Attorney, misdemeanor violations may be chargeable as infractions pursuant to Penal Code Section 19.6. An infraction is not punishable by imprisonment. A person charged with an infraction shall not be entitled to a trial by jury. A person charged with an infraction shall not be entitled to have the public defender or other counsel appointed at public expense to represent him unless he is arrested and not released on his or her written promise to appear, his or her own recognizance, or a deposit of bail.

(b) In addition to the penalties herein provided, any violation of this chapter or regulation promulgated under this chapter is hereby declared to be a public nuisance under Section 8.25.020, and subject to the remedies enumerated in Section 1.05.210 and/or 1.05.230.

(c) Any person who willfully or knowingly engages in a violation of this chapter or who owns, possesses, controls, or has charge of any parcel of real property in the city upon which a violation of this chapter is maintained and who has actual knowledge of such violation (or would have actual knowledge of such violation after reasonable inquiry) shall be subject to the penalties and remedies provided by this chapter.

(d) Any violation of this chapter shall constitute a separate offense for each day the violation occurs or persists and may be subject to an administrative citation and fine, as provided for in Section 8.25.070.

(e) These penalties and remedies are cumulative, and are in addition to any other penalties and remedies available to the city.

(Ord. No. 18-3, § 7 (Exh. B))

5.80.140 **Severability – Miscellaneous provisions.**
(a) **Severability.** If any section, subsection, clause, phrase, or portion of this chapter is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this chapter. The City Council hereby declares that it would have adopted the
ordinance codified in this chapter and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, clauses, phrases or portions be declared invalid or unconstitutional.

(b) *Conflicts.* In the event of any conflict with other provisions of the Concord Municipal Code or Development Code, the more restrictive standards shall apply.

(Ord. No. 18-3, § 7 (Exh. B))
Chapter 18.20
GENERAL TERMS

Sections:

Article I. Use Classifications

18.20.020 Use classifications.

Cannabis Uses. The designation of “license-A” means adult use cannabis use and/or activities and “license-M” shall mean medicinal or medical cannabis use and/or activities.

Cannabis Cultivation—A. See CMC 5.80.020.
Cannabis Cultivation—M. See CMC 5.80.020.
Cannabis Delivery—A. See CMC 5.80.020.
Cannabis Delivery—M. See CMC 5.80.020.
Cannabis Distributor—A. See CMC 5.80.020.
Cannabis Distributor—M. See CMC 5.80.020.
Cannabis Manufacturer—A. See CMC 5.80.020.
Cannabis Manufacturer—M. See CMC 5.80.020.
Cannabis Microbusiness—A. See CMC 5.80.020.
Cannabis Microbusiness—M. See CMC 5.80.020.
Cannabis Retailer Non-storefront—A. See CMC 5.80.020.
Cannabis Retailer Non-storefront—M. See CMC 5.80.020.
Cannabis Retailer Storefront—A. See CMC 5.80.020.
Cannabis Retailer Storefront—M. See CMC 5.80.020.
Cannabis Retailer—A. See CMC 5.80.020.
Cannabis Retailer—M. See CMC 5.80.020.
Cannabis Testing Laboratory. See CMC 5.80.020.
Commercial Cannabis Cultivation—A. See CMC 5.80.020.
Commercial Cannabis Cultivation—M. See CMC 5.80.020.
Indoor Personal Cannabis Cultivation. See CMC 5.80.020.
Industrial Hemp Cultivation. See CMC 5.80.020.
18.30.020  Table 18.30.020 – Residential districts – Allowed uses and permit requirements.
Table 18.30.020 identifies the uses allowed by the development code in each residential zoning district and the type of permit required to establish each use. See CDC 18.25.030(B) or Division VII of this title (Permits and Permit Procedures). Additional requirements may apply pursuant to Division IV (Development Standards) and Division V (Standards for Specific Uses) of this title.

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<td>Cannabis Delivery – M</td>
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<td>ZC</td>
</tr>
<tr>
<td>Cannabis Distributor – A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Distributor – M</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Manufacturer – A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Manufacturer – M</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Microbusiness – A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Microbusiness – M</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Retailer Non-storefront – A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Retailer Non-storefront – M</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Retailer Storefront – A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Retailer Storefront – M</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Testing Laboratory</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>
### Table 18.30.020*

#### Residential Districts

<table>
<thead>
<tr>
<th>Land Use Classifications</th>
<th>Permit Required by District</th>
<th>Additional Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>RR</td>
<td>RS</td>
</tr>
<tr>
<td>Indoor Personal Cannabis Cultivation</td>
<td>ZC</td>
<td>ZC</td>
</tr>
<tr>
<td>Industrial Hemp Cultivation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Permitted where a legal detached single-family dwelling exists.

(2) The designation of “license-A” shall mean adult use cannabis use and/or activities and “license-M” shall mean medicinal or medical cannabis use and/or activities. No cannabis business or sensitive land use shall be located in the buffer zone, pursuant to CMC 5.80.080, unless superseded by state or federal law.

(3) No cannabis business or sensitive land use shall be located in the buffer zone, pursuant to CMC 5.80.080.

[Ord. 18-3 § 7 (Exh. A); Ord. 17-13 § 3 (Exh. A); Ord. 17-11 § 3 (Exh. 10); Ord. 17-5 § 2 (Exh. I); Ord. 17-2 § 2 (Exh. D); Ord. 14-6 § 1; Ord. 13-5; Ord. 12-5; Ord. 12-4. DC 2012 § 122-78].
Chapter 18.35
NORTH TODOS SANTOS DISTRICT (NTS)

18.35.020 Table 18.35.020 – North Todos Santos district – Allowed uses and permit requirements.
A. Applicability. Table 18.35.020 identifies the uses allowed in the NTS zoning district and the type of permit required to establish each use. See CDC 18.25.030(B) or Division VII of this title (Permits and Permit Procedures). Additional requirements may apply pursuant to Division IV (Development Standards) and Division V (Standards for Specific Uses) of this title.

<table>
<thead>
<tr>
<th>Public/Quasi-Public and Recreational Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cannabis Uses(2)</td>
</tr>
<tr>
<td><strong>Cannabis Cultivation</strong></td>
</tr>
<tr>
<td>Commercial Cannabis Cultivation – A</td>
</tr>
<tr>
<td>Commercial Cannabis Cultivation – M</td>
</tr>
<tr>
<td>Cannabis Delivery – A</td>
</tr>
<tr>
<td>Cannabis Delivery – M</td>
</tr>
<tr>
<td>Cannabis Distributor – A</td>
</tr>
<tr>
<td>Cannabis Distributor – M</td>
</tr>
<tr>
<td>Cannabis Manufacturer – A</td>
</tr>
<tr>
<td>Cannabis Manufacturer – M</td>
</tr>
<tr>
<td>Cannabis Microbusiness – A</td>
</tr>
<tr>
<td>Cannabis Microbusiness – M</td>
</tr>
<tr>
<td>Cannabis Retailer Non-storefront – A</td>
</tr>
<tr>
<td>Cannabis Retailer Non-storefront – M</td>
</tr>
<tr>
<td>Cannabis Retailer Storefront – A</td>
</tr>
<tr>
<td>Cannabis Retailer Storefront – M</td>
</tr>
<tr>
<td>Cannabis Testing Laboratory</td>
</tr>
<tr>
<td>Indoor Personal Cannabis Cultivation</td>
</tr>
<tr>
<td>Industrial Hemp Cultivation</td>
</tr>
</tbody>
</table>

| ZC = Permitted Use, Zoning Clearance Required |
| AP = Administrative Permit Required          |
| MP = Minor Use Permit Required               |
| UP = Use Permit Required                     |
| ADU = Accessory Dwelling Unit Application    |
| 6409 = Section 6409 Application              |
| - = Use Not Allowed                          |

<table>
<thead>
<tr>
<th>Land Use Classifications</th>
<th>Permit Required by District</th>
<th>Additional Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public/Quasi-Public and Recreational Uses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Uses(2)</td>
<td>ZC</td>
<td>Only permitted from licensed dispensary, subject to the restrictions in CMC 5.80.030</td>
</tr>
</tbody>
</table>

(1) Permitted where a legal detached single-family dwelling exists.
(2) The designation of “license-A” shall mean adult use cannabis use and/or activities and “license-M” shall mean medicinal or medical cannabis use and/or activities. No cannabis business or sensitive land use shall be located in the buffer area, pursuant to CMC 5.80.080, unless superseded by state or federal law.

(3) No cannabis business or sensitive land use shall be located in the buffer area, pursuant to CMC 5.80.080.

[Ord. 18-3 § 7 (Exh. A); Ord. 17-13 § 3 (Exh. A); Ord. 17-11 § 3 (Exh. 4); Ord. 17-5 § 2 (Exh. I); Ord. 17-2 § 2 (Exh. E); Ord. 14-6 § 2; Ord. 12-4; DC 2012 § 122-103].
**18.40.020  Table 18.40.020 – Office and commercial districts – Allowed uses and permit requirements.**

A. Applicability. Table 18.40.020 identifies the uses allowed by the development code in each office and commercial zoning district and the type of permit required to establish each use. See CDC 18.25.030(B) or Division VII of this title (Permits and Permit Procedures). Additional requirements may apply pursuant to Division IV (Development Standards) and Division V (Standards for Specific Uses) of this title.

<table>
<thead>
<tr>
<th>Land Use Classifications</th>
<th>Permit Required by District</th>
<th>Additional Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CO</td>
<td>CMX</td>
</tr>
<tr>
<td>Cannabis Uses(^{(3)})</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Cultivation Commercial</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Cultivation Commercial</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Delivery – A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Delivery – M</td>
<td>ZC</td>
<td>ZC</td>
</tr>
<tr>
<td>Cannabis Distributor – A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Distributor – M</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Manufacturer – A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Manufacturer – M</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Microbusiness – A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Microbusiness – M</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Retailer Non-storefront – A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Retailer Non-storefront – M</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Retailer Storefront – A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Retailer Storefront – M</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

\(^{(3)}\) ZC = Permitted Use, Zoning Clearance
\(^{(3)}\) AP = Administrative Permit Required
\(^{(3)}\) MP = Minor Use Permit Required
\(^{(3)}\) UP = Use Permit Required
\(^{(3)}\) ADU = Accessory Dwelling Unit Application
\(^{(3)}\) 6409 = Section 6409 Application
– = Use Not Allowed
### Table 18.40.020(9)
**Office and Commercial Districts**
Allowed Uses and Permit Requirements

<table>
<thead>
<tr>
<th>Land Use Classifications</th>
<th>Permit Required by District</th>
<th>Additional Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CO</td>
<td>CMX</td>
</tr>
<tr>
<td>Cannabis Testing Laboratory</td>
<td>ZC</td>
<td>ZC</td>
</tr>
<tr>
<td>Indoor Personal Cannabis Cultivation</td>
<td>ZC</td>
<td>ZC</td>
</tr>
<tr>
<td>Industrial Hemp Cultivation</td>
<td>ZC</td>
<td>ZC</td>
</tr>
</tbody>
</table>

1. Not allowed on ground floor.
2. Allowed to occupy up to 20 percent gross area of shopping center or multi-tenant building or 20 percent street frontage of one building.
3. No outdoor facilities, storage, or activities are allowed.
4. Requires a minimum lot size of 10,000 square feet.
5. Allowed with residential use only.
6. A facility which exceeds 3,000 square feet.
7. Permitted where a legal detached single-family dwelling exists.
8. The designation of “license-A” shall mean adult use cannabis use and/or activities and “license-M” shall mean medicinal or medical cannabis use and/or activities. No cannabis business or sensitive land use shall be located in the buffer area, pursuant to CMC 5.80.080, unless superseded by state or federal law.
9. No cannabis business or sensitive land use shall be located in the buffer area, pursuant to CMC 5.80.080.
10. Subject to the limitations on the quantity of city cannabis licenses issued by the chief of police, pursuant to CMC 5.80.030.

[Ord. 18-3 § 7 (Exh. A); Ord. 17-13 § 3 (Exh. A); Ord. 17-11 § 3 (Exh. 8); Ord. 17-5 § 2 (Exh. I); Ord. 17-2 § 2 (Exh. F); Ord. 15-8 § 3 (Exh. B); Ord. 14-6 §§ 3, 4; Ord. 13-5; Ord. 12-5; Ord. 12-4. DC 2012 § 122-131].

---

ZC = Permitted Use, Zoning Clearance
AP = Administrative Permit Required
MP = Minor Use Permit Required
UP = Use Permit Required
ADU = Accessory Dwelling Unit Application
6409 = Section 6409 Application
– = Use Not Allowed
### Table 18.45.020 – Downtown districts – Allowed uses and permit requirements.

A. Applicability. Table 18.45.020 identifies the uses allowed by the development code in each downtown zoning district and the type of permit required to establish each use. See CDC 18.25.030(B) or Division VII of this title (Permits and Permit Procedures). Additional requirements may apply pursuant to Division IV (Development Standards) and Division V (Standards for Specific Uses) of this title.

<table>
<thead>
<tr>
<th>Land Use Classifications</th>
<th>Permit Required by District</th>
<th>Additional Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DP</td>
<td>DMX</td>
</tr>
<tr>
<td>Cannabis Uses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Cultivation Commercial</td>
<td>A</td>
<td></td>
</tr>
<tr>
<td>Cannabis Cultivation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Cultivation Commercial A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Cultivation Commercial M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Delivery</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>Cannabis Delivery A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Delivery M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Distributor</td>
<td>A</td>
<td></td>
</tr>
<tr>
<td>Cannabis Distributor M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Manufacturer</td>
<td>A</td>
<td></td>
</tr>
<tr>
<td>Cannabis Manufacturer M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Microbusiness</td>
<td>A</td>
<td></td>
</tr>
<tr>
<td>Cannabis Microbusiness M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Retailer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Retailer A</td>
<td>A</td>
<td></td>
</tr>
<tr>
<td>Cannabis Retailer M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Testing Laboratory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indoor Personal Cannabis Cultivation</td>
<td>ZC</td>
<td>ZC</td>
</tr>
</tbody>
</table>

Notes:
- ZC = Permitted Use, Zoning Clearance
- AP = Administrative Permit Required
- MP = Minor Use Permit Required
- UP = Use Permit Required
- ADU = Accessory Dwelling Unit Application
- 6409 = Section 6409 Application
- = Use Not Allowed
### Table 18.45.020 (10)
#### Downtown Districts
Allowed Uses and Permit Requirements

<table>
<thead>
<tr>
<th>Land Use Classifications</th>
<th>Permit Required by District</th>
<th>Additional Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DP</td>
<td>DMX</td>
</tr>
<tr>
<td>Industrial Hemp Cultivation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Not allowed on ground floor.
2. Allowed on upper floors subject to use permit approval.
3. Allowed to occupy up to 20 percent gross area of shopping center or multi-tenant building, or 20 percent street frontage of one building.
4. Allowed on ground floor subject to a minor use permit approval.
5. Allowed on upper floors subject to an administrative permit approval.
6. Allowed with residential use only.
7. A facility which exceeds 3,000 square feet.
8. Permitted where a legal detached single-family dwelling exists.
9. The designation of “license-A” shall mean adult use cannabis use and/or activities and “license-M” shall mean medicinal or medical cannabis use and/or activities. No cannabis business or sensitive land use shall be located in the buffer zone, pursuant to CMC 5.80.080, unless superseded by state or federal law.
10. No cannabis business or sensitive land use shall be located in the buffer zone, pursuant to CMC 5.80.080.
11. No outdoor facilities, storage, or activities are allowed.
12. Subject to the limitations on the quantity of city cannabis licenses issued by the chief of police, pursuant to CMC 5.80.030.
13. Requires a community benefit agreement consistent with CMC 5.80 approved by the City.

[Ord. 18-3 § 7 (Exh. A); Ord. 17-13 § 3 (Exh. A); Ord. 17-11 § 3 (Exh. 6); Ord. 17-5 § 2 (Exh. I); Ord. 17-2 § 2 (Exh. G); Ord. 14-6 §§ 5, 6; Ord. 14-3 § 2; Ord. 12-5; Ord. 12-4. DC 2012 § 122-154].
### Chapter 18.50

**BUSINESS PARK AND INDUSTRIAL DISTRICTS (OBP, IBP, IMX, AND HI)**

18.50.020 Table 18.50.020 – Business park and industrial districts – Allowed uses and permit requirements.

A. Applicability. Table 18.50.020 identifies the uses allowed by the development code in each business park and industrial district and the type of permit required to establish each use. See CDC 18.25.030(B) or Division VII of this title (Permits and Permit Procedures). Additional requirements may apply pursuant to Division IV (Development Standards) and Division V (Standards for Specific Uses) of this title.

<table>
<thead>
<tr>
<th>Land Use Classifications</th>
<th>Permit Required by District</th>
<th>Additional Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>OBP</td>
<td>IBP</td>
</tr>
<tr>
<td>Cannabis Uses[^9]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cannabis Cultivation Commercial</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Cultivation Commercial</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Delivery – A</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cannabis Delivery – M</td>
<td>ZC</td>
<td>ZC</td>
</tr>
<tr>
<td>Cannabis Distributor – A</td>
<td>ZC[^9][1][11][12]</td>
<td>ZC[^9][1][11][13]</td>
</tr>
<tr>
<td>Cannabis Distributor – M</td>
<td>ZC[^9][1][11][13]</td>
<td>ZC[^9][1][11][13]</td>
</tr>
<tr>
<td>Cannabis Manufacturer – A</td>
<td>ZC[^9][1][11][13]</td>
<td>ZC[^9][1][11][13]</td>
</tr>
<tr>
<td>Cannabis Manufacturer – M</td>
<td>ZC[^9][1][11][13]</td>
<td>ZC[^9][1][11][13]</td>
</tr>
<tr>
<td>Cannabis Microbusiness – A</td>
<td>ZC[^9][1][11][13]</td>
<td>ZC[^9][1][11][13]</td>
</tr>
<tr>
<td>Cannabis Microbusiness – M</td>
<td>ZC[^9][1][13]</td>
<td>ZC[^9][1][11][13]</td>
</tr>
<tr>
<td>Cannabis Retailer Non-storefront – A</td>
<td>ZC[^9][1][11][13]</td>
<td>ZC[^9][1][11][13]</td>
</tr>
<tr>
<td>Cannabis Retailer</td>
<td>ZC[^9][1][11][13]</td>
<td>ZC[^9][1][11][13]</td>
</tr>
</tbody>
</table>

[^9]: Section 6409 Application = Use Not Allowed
[^1]: ZC = Permitted Use, Zoning Clearance Required
[^11]: MP = Minor Use Permit Required
[^12]: ADU = Accessory Dwelling Unit Application
[^13]: Only permitted from licensed dispensaries, subject to the restrictions in CMC 5.80.030

Only permitted from licensed dispensaries, subject to the restrictions in CMC 5.80.030

Pursuant to requirements outlined in Chapter 5.80 CMC and Chapter 18.110 CDC

Pursuant to requirements outlined in Chapter 5.80 CMC and Chapter 18.110 CDC

Pursuant to requirements outlined in Chapter 5.80 CMC and Chapter 18.110 CDC

Pursuant to requirements outlined in Chapter 5.80 CMC and Chapter 18.110 CDC

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Pursuant to requirements outlined in Chapter 5.80 CMC and Chapter 18.110 CDC

Pursuant to requirements outlined in Chapter 5.80 CMC and Chapter 18.110 CDC

Pursuant to requirements outlined in Chapter 5.80 CMC and Chapter 18.110 CDC
Table 18.50.020 – Business Park and Industrial Districts

<table>
<thead>
<tr>
<th>Land Use Classifications</th>
<th>Non-storefront – M</th>
<th>Cannabis Retailer Storefront – M</th>
<th>Cannabis Testing Laboratory</th>
<th>Indoor Personal Cannabis Cultivation</th>
<th>Industrial Hemp Cultivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permit Required by District</td>
<td>ZC = Permitted Use, Zoning Clearance Required</td>
<td>AP = Administrative Permit Required</td>
<td>MP = Minor Use Permit Required</td>
<td>UP = Use Permit Required</td>
<td>ADU = Accessory Dwelling Unit Application</td>
</tr>
<tr>
<td>OBP</td>
<td>IBP</td>
<td>IMX(7)</td>
<td>HI</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chapter 5.80 CMC and Chapter 18.110 CDC</td>
<td>Pursuant to requirements outlined in Chapter 5.80 CMC and Chapter 18.110 CDC</td>
<td>Up to six plants per residence, pursuant to state law</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Allowed to occupy up to 20 percent of: gross area of shopping center, multi-tenant building, or 20 percent street frontage of one building. 

(2) Outdoor sales, activities, or storage allowed in side or rear yards when enclosed by an eight-foot-tall masonry wall and materials do not exceed wall height.

(3) No outdoor facilities, storage, or activities are allowed.

(4) Allowed if occupying less than 80,000 square feet of gross floor area.

(5) Allowed with residential use only.

(6) A facility which exceeds 3,000 square feet.

(7) Notwithstanding anything in this table to the contrary (including ZC, AP, or MP notations), outdoor facilities, storage, or activities may only be allowed in the IMX district if a use permit (UP) is reviewed and approved pursuant to Chapter 18.435 CDC (Minor Use Permits and Use Permits).

(8) Permitted where a legal detached single-family dwelling exists.

(9) Subject to the limitations on the quantity of city cannabis licenses issued by the chief of police, pursuant to CMC 5.80.030. The designation of “license-A” shall mean adult use cannabis use and/or activities and “license-M” shall mean medicinal or medical cannabis use and/or activities. No cannabis business or sensitive land use shall be located in the buffer area, pursuant to CMC 5.80.080, unless superseded by state or federal law.

(10) No cannabis business or sensitive land use shall be located in the buffer area, pursuant to CMC 5.80.080.

(11) Subject to the limitations on the quantity of city cannabis licenses issued by the chief of police, pursuant to CMC 5.80.030.

(12) Requires a community benefit agreement consistent with CMC 5.80 approved by the City.

(13) Requires a Development Agreement consistent with CMC Chapter 18.460 approved by the City.

[Ord. 18-3 § 7 (Exh. A); Ord. 17-13 § 3 (Exh. A); Ord. 17-11 § 3 (Exh. 5); Ord. 17-5 § 2 (Exh. I); Ord. 17-2 § 2 (Exh. H); Ord. 15-5 § 1; amended during 2014 recodification; Ord. 14-6 § 7; Ord. 13-5; Ord. 12-5; Ord. 12-4. DC 2012 § 122-177].
Chapter 18.55

PUBLIC/QUASI-PUBLIC DISTRICT (PQP)

18.55.020  Table 18.55.020 – Public/quasi-public district – Allowed uses and permit requirements.
Table 18.55.020 identifies the uses allowed by the development code in each public/quasi-public zoning district and the type of permit required to establish each use. See CDC 18.25.030(B) or Division VII of this title (Permits and Permit Procedures). Additional requirements may apply pursuant to Division IV (Development Standards) and Division V (Standards for Specific Uses) of this title.

<table>
<thead>
<tr>
<th>Land Use Classifications</th>
<th>Permit Required by District</th>
<th>Additional Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public/Quasi-Public and Recreational Uses</td>
<td>ZC = Permitted Use, Zoning Clearance Required</td>
<td>Only permitted from licensed dispensaries, subject to the restrictions in CMC 5.80.030</td>
</tr>
<tr>
<td>Cannabis Uses(2)</td>
<td>AP = Administrative Permit Required</td>
<td></td>
</tr>
<tr>
<td>Cannabis Cultivation Commercial Cannabis Cultivation – A</td>
<td>MP = Minor Use Permit Required</td>
<td></td>
</tr>
<tr>
<td>Cannabis Cultivation Commercial Cannabis Cultivation – M</td>
<td>UP = Use Permit Required</td>
<td></td>
</tr>
<tr>
<td>Cannabis Delivery – A</td>
<td>ADU = Accessory Dwelling Unit Application</td>
<td></td>
</tr>
<tr>
<td>Cannabis Delivery – M</td>
<td>6409 = Section 6409 Application</td>
<td></td>
</tr>
<tr>
<td>Cannabis Delivery</td>
<td>–</td>
<td>= Use Not Allowed</td>
</tr>
<tr>
<td>Cannabis Distributor – A</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Cannabis Distributor – M</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Cannabis Manufacturer – A</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Cannabis Manufacturer – M</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Cannabis Microbusiness – A</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Cannabis Microbusiness – M</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Cannabis Retailer Non-storefront – A</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Cannabis Retailer Non-storefront – M</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Cannabis Retailer Storefront – A</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Cannabis Retailer Storefront – M</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Cannabis Testing Laboratory</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Indoor Personal Cannabis Cultivation</td>
<td>ZC</td>
<td>Up to six plants per residence, pursuant to state law</td>
</tr>
<tr>
<td>Industrial Hemp Cultivation</td>
<td>–</td>
<td></td>
</tr>
</tbody>
</table>

(1) Permitted where a legal detached single-family dwelling exists.
(2) The designation of “license-A” shall mean adult use cannabis use and/or activities and “license-M” shall mean medicinal or medical cannabis use and/or activities. No cannabis business or sensitive land use shall be located in the buffer area, pursuant to CMC 5.80.080, unless superseded by state or federal law.

(3) No cannabis business or sensitive land use shall be located in the buffer area, pursuant to CMC 5.80.080.

[Ord. 18-3 § 7 (Exh. A); Ord. 17-13 § 3 (Exh. A); Ord. 17-11 § 3 (Exh. 9); Ord. 17-5 § 2 (Exh. I); Ord. 17-2 § 2 (Exh. I); Ord. 14-6 § 8; Ord. 12-4. DC 2012 § 122-200].
Chapter 18.60

COMMUNITY LAND DISTRICTS (OS, PR, RLC, WRC, AND CRP-GF)

18.60.020 Community land districts – Allowed uses and permit requirements.
Table 18.60.020 identifies the uses allowed by the development code in each community land zoning district and the type of permit required to establish each use. See CDC 18.25.030(B) or Division VII of this title (Permits and Permit Procedures). Additional requirements may apply pursuant to Division IV (Development Standards) and Division V (Standards for Specific Uses) of this title.

<table>
<thead>
<tr>
<th>Land Use Classifications</th>
<th>Permit Required by District</th>
<th>Additional Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>OS</td>
<td>PR</td>
</tr>
<tr>
<td>Cannabis Uses</td>
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<tr>
<td>Cannabis Cultivation</td>
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<tr>
<td>Commercial</td>
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<tr>
<td>ZC = Permitted Use, Zoning Clearance Required</td>
<td></td>
<td></td>
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<tr>
<td>Administrative Permit Required</td>
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<td>Minor Use Permit Required</td>
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<td>Accessory Dwelling Unit Application</td>
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<td>Section 6409 Application</td>
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<td>Use Not Allowed</td>
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<tr>
<td>Cannabis Delivery</td>
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<td>ZC = Permitted Use, Zoning Clearance Required</td>
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<td>Section 6409 Application</td>
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<td>Use Not Allowed</td>
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<td>Cannabis Distributor</td>
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<tr>
<td>Use Not Allowed</td>
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<tr>
<td>Cannabis Manufacturer</td>
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<td>ZC = Permitted Use, Zoning Clearance Required</td>
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<td>Use Not Allowed</td>
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<tr>
<td>Cannabis Microbusiness</td>
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<td>ZC = Permitted Use, Zoning Clearance Required</td>
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<td>Cannabis Retailer</td>
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<td>Non-storefront</td>
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<td>A = Permitted Use, Zoning Clearance Required</td>
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<td>Use Not Allowed</td>
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<td>Cannabis Retailer</td>
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<td>Non-storefront</td>
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<td>M = Permitted Use, Zoning Clearance Required</td>
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<td>Cannabis Retailer</td>
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<td>Storefront</td>
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<tr>
<td>Use Not Allowed</td>
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</tbody>
</table>
### Table 18.60.020 Community Land Districts Allowed Uses and Permit Requirements

<table>
<thead>
<tr>
<th>Land Use Classifications</th>
<th>Permit Required by District</th>
<th>Additional Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>OS</td>
<td>PR</td>
</tr>
<tr>
<td>Cannabis Retailer Storefront - M</td>
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<tr>
<td>Cannabis Testing Laboratory</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Indoor Personal Cannabis Cultivation</td>
<td>ZC</td>
<td>ZC</td>
</tr>
<tr>
<td>Industrial Hemp Cultivation</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

1. Permitted where a legal detached single-family dwelling exists.
2. The designation of “license-A” shall mean adult use cannabis use and/or activities and “license-M” shall mean medicinal or medical cannabis use and/or activities. No cannabis business or sensitive land use shall be located in the buffer areas pursuant to CMC 5.80.080, unless superseded by state or federal law.
3. No cannabis business or sensitive land use shall be located in the buffer areas pursuant to CMC 5.80.080.

[Ord. 19-2 § 6 (Exh. A); Ord. 18-3 § 7 (Exh. A); Ord. 17-13 § 3 (Exh. A); Ord. 17-11 § 3 (Exh. 7); Ord. 17-5 § 2 (Exh. I); Ord. 17-2 § 2 (Exh. J); Ord. 14-6 § 9; Ord. 12-4. DC 2012 § 122-223].
Sections:
18.110.010 Purpose. 
18.110.020 Definitions. 
18.110.030 Commercial cannabis overlay districts created. 
18.110.040 Use classifications. 
18.110.050 Development standards. 
18.110.060 Other discretionary permits. 
18.110.070 Conflict between regulations. 
18.110.080 Severability. 

18.110.010 Purpose.
The purpose of each commercial cannabis overlay district is to allow the city to retain the greatest amount of regulatory control over the location and number of certain cannabis businesses and commercial activities. Without proper regulation, these cannabis businesses and commercial activities have the potential to adversely impact residents, employees, businesses, and properties in the areas surrounding them. Therefore, to protect public health, safety, and welfare, the city has established overlay zoning in order to efficiently implement specific standards for the establishment and operation of certain cannabis businesses and related activities. [Ord. 18-3 § 7 (Exh. A)].

18.110.020 Definitions.
Refer to CMC 5.80.020 for definitions. [Ord. 18-3 § 7 (Exh. A)].

18.110.030 Commercial cannabis overlay districts created.
The following districts are hereby created, which shall overlay any underlying zoning district or districts, as further depicted in Figure 18.110.030(A):

A. Commercial cannabis overlay District North: manufacturing, testing laboratories, and distribution (associated with manufacturing).

B. Commercial Cannabis Overlay District West: manufacturing, testing laboratory, retail non-storefront, microbusiness, distribution (associated with the preceding uses, except for testing laboratories). [Reserved]

18.110.040 Retail storefront cannabis. Retail storefront cannabis licenses, and distribution licenses issued in conjunction with a retail storefront cannabis license, shall be allowable in locations outside of the commercial cannabis overlay districts; refer to CMC 18.45 and CMC 5.80.
Use classifications.
The use classifications permitted or prohibited in the commercial cannabis overlay district shall be those use classifications allowed in the underlying base zoning district. A cannabis business or commercial activity shall obtain a city cannabis license, in conformance with CMC Chapter 5.80, a permit from the planning division as specified in the zoning district use classification tables, a Bureau of Cannabis Control or other appropriate state regulatory license, and a business license prior to operating said business. [Ord. 18-3 § 7 (Exh. A)].

Development standards.
The development standards within any commercial cannabis overlay district shall be those development standards in effect in the underlying zoning district or districts. [Ord. 18-3 § 7 (Exh. A)].

Other discretionary permits.
Nothing in this chapter shall be construed to supersede or in any way alter or lessen the effect or application of any requirement to obtain a city cannabis license land use approval (use permit, minor use permit, administrative approval, or zoning clearance), state cannabis license, or business license, or the standards of any zoning district or districts underlying a commercial cannabis overlay district. [Ord. 18-3 § 7 (Exh. A)].

Conflict between regulations.
Where a conflict occurs between the commercial cannabis overlay district and any other section of the development code or any provision of the Concord Municipal Code, the more restrictive regulations shall prevail. [Ord. 18-3 § 7 (Exh. A)].

Severability.
If any part of this chapter is for any reason held to be invalid, unlawful, or unconstitutional, such invalidity, unlawfulness or unconstitutionality shall not affect the validity, lawfulness, or constitutionality of any other part of this chapter. [Ord. 18-3 § 7 (Exh. A)].
Chapter 18.180

SIGNS

18.180.080 Prohibited signs.
The following types and locations of signs or advertising devices are prohibited, except where exempted by CDC 18.180.120, Temporary signs, or allowed by Table 18.180.110:

P._–All on-site or off-site commercial signs are prohibited for cannabis businesses and activities; with the exception of storefront retail cannabis businesses, which are allowed one sign for identification purposes that may only contain the name of the business. On-site or off-site signage, advertising, or depicting any paraphernalia, prohibited substances, cannabis products, cannabis uses (including but not limited to personal and commercial cultivation, manufacturer, testing laboratory, retailer, distributor, microbusiness, delivery), and/or any other uses or activities for which the state of California issues cannabis licenses with the exception of storefront retail, are prohibited; and
Cannabis Business Overlay & Sensitive Use Areas
600' Buffer

Legend
- Child Care/Daycare Facilities
- Youth Community Center/Recreation
- Schools
- Sensitive Use Areas 600ft Buffer
- Existing Cannabis Business Overlay
- Existing Cannabis Overlay 600ft Buffer
- Downtown Districts (DP, DMX, WMX)
- CNWS
- Concord City Limit

Map Created: 10/8/2019
By GIS Division of Information Technology
0 0.25 0.5 Miles

Attachment 4

North Overlay District
West Overlay District
Concord Naval Weapons Station

La Mirada Dr
Rollingwood Wy
Landon Rd
Elvira Rd
West St
E Bonifacio St
Grant St
Bankroft Rd
Diamond Blvd
Galindo St
Babele Ln
Burdeau Rd
Alberta Wy
Olivea Rd
Salvito St
Meadow Ln
Dekker Rd
West St
Detroit Ave
Concord Ave
Markett St
Rollingwood Wy
Landana Rd
Bates Av
Ygnacio Valley Rd
Solano Wy
Monument Blvd
Oliver Dr
Turtle Creek Rd
Crystal Ranch Rd
Myrtle Dr
Kirk Pass Rd
Pine Hollow Rd
Ayers Rd
Olivena Rd
Arnold Industrial Wy
Treat Blvd
Port Chicago Hwy
Clayton Rd
Concord Blvd
Oak Grove Rd
Contra Costa Blvd
Bailie Rd
Cowell Rd
Willow Pass Rd
Cannabis Business Overlay & Storefront Retail Areas

Legend:
- Child Care/Daycare Facilities
- Youth Community Center/Recreation
- Schools
- Existing Cannabis Business Overlay
- Existing Cannabis Business Overlay 600ft Buffer
- Downtown Districts (DP, DMX, WMX)
- Concord City Limit
- CNWS

NORTH Overlay District

WEST Overlay District

Map Created: 10/9/2019
By GIS Division of Information Technology
Cannabis Retail & Microbusinesses

July 25, 2019, 10:41 AM

Contents

i. Introduction 2
ii. Summary of registered responses 3
iii. Outcome 8

Topic Registration Type: Registration required
Introduction

In 2016, California voters approved Proposition 64, the Control, Regulate, and Tax Adult-Use of Marijuana Act, which legalized adult-use (recreational) cannabis in the State. Under this ballot measure, each California city and county may choose to regulate or prohibit cannabis. In 2018, the City of Concord developed regulations applying to medicinal and adult-use cannabis testing laboratories, as well as medicinal cannabis manufacturing and distribution businesses. The City of Concord is now exploring additional updates to the Municipal Code to allow both medicinal and adult-use retail cannabis businesses in Concord.

The following questions will ask your opinion on possible regulations regarding commercial cannabis retail (storefront and non-storefront) and microbusinesses (small-scale cultivation with distribution, manufacturing and/or retail). The survey should take no more than 5 minutes to complete.

For additional background information on this topic, please visit: www.cityofconcord.org/cannabis.

To participate in the survey, please register on the Concord Community Town Hall website. Registration is required to ensure the validity of participants. Upon responding, you may complete the survey anonymously.
Cannabis Retail & Microbusinesses
What possible regulations regarding commercial cannabis retail (storefront and non-storefront) and microbusinesses should the City consider developing?

Summary Of Registered Responses

Topic Registration Type: Registration required

As of July 25, 2019, 10:41 AM, this forum had:

| Attendees | 938 |
| Registered Responses | 474 |
| Hours of Public Comment | 25.6 |

Topic Start | June 19, 2019, 9:56 AM
Topic End | July 22, 2019, 11:31 AM

QUESTION 1

1. If storefront retail cannabis businesses (dispensary) are allowed, where should they be located in Concord? (Choose all that apply)

<table>
<thead>
<tr>
<th>Location</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downtown</td>
<td>56.3%</td>
<td>267</td>
</tr>
<tr>
<td>Shopping Centers</td>
<td>54.4%</td>
<td>258</td>
</tr>
<tr>
<td>Near Police Station</td>
<td>63.7%</td>
<td>302</td>
</tr>
<tr>
<td>Industrial Areas</td>
<td>62.2%</td>
<td>295</td>
</tr>
<tr>
<td>Office Buildings</td>
<td>36.3%</td>
<td>172</td>
</tr>
</tbody>
</table>

QUESTION 2

2. What is the maximum number of storefront retail cannabis businesses (dispensary) that should be permitted in Concord?

<table>
<thead>
<tr>
<th>Number</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>18.1%</td>
<td>86</td>
</tr>
</tbody>
</table>
Cannabis Retail & Microbusinesses
What possible regulations regarding commercial cannabis retail (storefront and non-storefront) and microbusinesses should the City consider developing?

1-2

<table>
<thead>
<tr>
<th>%</th>
<th>Count</th>
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</thead>
<tbody>
<tr>
<td>12.2%</td>
<td>58</td>
</tr>
</tbody>
</table>

3-5

<table>
<thead>
<tr>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>16.9%</td>
<td>80</td>
</tr>
</tbody>
</table>

No limit. The City should allow the market and other regulations to limit the number of businesses.

<table>
<thead>
<tr>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>52.7%</td>
<td>250</td>
</tr>
</tbody>
</table>

QUESTION 3

3. Non-storefront cannabis retail businesses sell cannabis goods to customers exclusively through delivery, must have a State-licensed facility to store the cannabis goods, and shall not be open to the public. If allowed, where should non-storefront retail cannabis businesses be located in Concord?

<table>
<thead>
<tr>
<th>Location</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downtown</td>
<td>34.2%</td>
<td>162</td>
</tr>
<tr>
<td>Shopping Centers</td>
<td>31.0%</td>
<td>147</td>
</tr>
<tr>
<td>Near Police Station</td>
<td>56.1%</td>
<td>266</td>
</tr>
<tr>
<td>Industrial Areas</td>
<td>84.8%</td>
<td>402</td>
</tr>
<tr>
<td>Office Buildings</td>
<td>52.5%</td>
<td>249</td>
</tr>
</tbody>
</table>

QUESTION 4

4. What is the maximum number of non-storefront retail cannabis (delivery facility) businesses that should be permitted in Concord?

<table>
<thead>
<tr>
<th>Number</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>15.4%</td>
<td>73</td>
</tr>
<tr>
<td>1-2</td>
<td>13.5%</td>
<td>64</td>
</tr>
</tbody>
</table>
Cannabis Retail & Microbusinesses

What possible regulations regarding commercial cannabis retail (storefront and non-storefront) and microbusinesses should the City consider developing?

- 3-5: 8.0% (38)
- No limit. The City should allow the market and other regulations to limit the number of businesses: 63.1% (299)

QUESTION 5

5. A microbusiness license allows a licensee to engage in 3+ of the following activities at the same location: cultivate cannabis on an area up to 10,000 square feet, distribute, manufacture, and retail.

If cannabis microbusinesses are allowed, where should they be located in Concord?

- Downtown: 28.3% (134)
- Shopping Centers: 27.2% (129)
- Near Police Station: 47.3% (224)
- Industrial Areas: 86.3% (409)
- Office Buildings: 29.7% (141)

QUESTION 6

6. What is the maximum number of cannabis microbusinesses that should be permitted in Concord?

- 0: 19.6% (93)
- 1-2: 13.9% (66)
- 3-5: 12.7% (60)
**Cannabis Retail & Microbusinesses**

What possible regulations regarding commercial cannabis retail (storefront and non-storefront) and microbusinesses should the City consider developing?

**QUESTION 7**

7. State law requires a 600-foot buffer between a licensed cannabis business and “sensitive uses,” such as schools, day care centers, and youth community centers, in existence when the initial license is issued. Should the City maintain the State's list of “sensitive uses” or add additional uses?

<table>
<thead>
<tr>
<th>Option</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>37.8%</td>
<td>179</td>
</tr>
<tr>
<td>Public Parks</td>
<td>36.1%</td>
<td>171</td>
</tr>
<tr>
<td>Bars &amp; Night Clubs</td>
<td>5.9%</td>
<td>28</td>
</tr>
<tr>
<td>Breweries &amp; Distilleries</td>
<td>2.3%</td>
<td>11</td>
</tr>
<tr>
<td>Residential Zoning Districts</td>
<td>34.4%</td>
<td>163</td>
</tr>
<tr>
<td>Drug Treatment Centers</td>
<td>38.4%</td>
<td>182</td>
</tr>
<tr>
<td>Firearm Stores</td>
<td>13.9%</td>
<td>66</td>
</tr>
<tr>
<td>Pawn Shops</td>
<td>3.4%</td>
<td>16</td>
</tr>
<tr>
<td>Tobacco &amp; Smoke Shops</td>
<td>2.7%</td>
<td>13</td>
</tr>
<tr>
<td>Other</td>
<td>7.8%</td>
<td>37</td>
</tr>
</tbody>
</table>

**QUESTION 8**

8. Cities are able to increase the distance from sensitive uses. In your opinion, the City should:
Cannabis Retail & Microbusinesses
What possible regulations regarding commercial cannabis retail (storefront and non-storefront) and microbusinesses should the City consider developing?

<table>
<thead>
<tr>
<th>Maintain a minimum of a 600-foot buffer from “sensitive uses”</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>57.2%</td>
<td>271</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increase the buffer to 1,000-feet from “sensitive uses”</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>42.8%</td>
<td>203</td>
</tr>
</tbody>
</table>

**QUESTION 9**

9. If cannabis retail and microbusinesses are allowed in Concord, should they be concentrated in close proximity to other commercial cannabis businesses OR should they be dispersed throughout the community?

<table>
<thead>
<tr>
<th>Additional types of cannabis businesses should not be allowed.</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>15.8%</td>
<td>75</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Concentrated near each other (e.g., within ¼ mile).</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9.1%</td>
<td>43</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Separate business locations from each other.</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>18.4%</td>
<td>87</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Do not regulate separation between commercial cannabis businesses.</th>
<th>%</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>56.8%</td>
<td>269</td>
</tr>
</tbody>
</table>

**QUESTION 10**

10. Please provide any additional comments, questions, or concerns regarding regulating cannabis retail and microbusinesses in Concord. Please also elaborate on reasoning for any of the answers to the previous questions.

Answered 251
Skipped 223
Thank you for participating in this survey. We received more than 450 verified responses. City staff is evaluating the results and will consider your input as we develop draft regulations that will be presented to the Concord Planning Commission and City Council this year. If you are interested in attending future meetings on this topic, please subscribe on the City's website at www.cityofconcord.org/list.aspx by entering your email address and selecting "Marijuana Regulations" under "Agenda Center." Questions can be directed to Associate Planner Coleman Frick at cannabis@cityofconcord.org.
From: Beirne, Trish <Trish.Beirne@cityofconcord.org>
Sent: Thursday, August 15, 2019 4:46 PM
To: Beirne, Trish <Trish.Beirne@cityofconcord.org>
Cc: Barone, Valerie <Valerie.Barone@cityofconcord.org>; Ouse, Andrea <Andrea.Ouse@cityofconcord.org>; Frick, Coleman <Coleman.Frick@cityofconcord.org>; Kotzebue, Margaret <Margaret.Kotzebue@cityofconcord.org>; Brown, Susanne <Susanne.Brown@cityofconcord.org>
Subject: Resident against cannabis

**This email is being shared with all Councilmembers**

Council,

Stephen Driscoll (40 year resident at Gemini Court, Tel: 925.689.1780) telephoned the Mayor’s line today to let Council know that he disapproves of the sale of Cannabis in the City. He said that he knows that Cannabis is a gateway drug and that the City will be unable to guarantee that Cannabis will not sold to persons under the age of 21 years as he knows that minors under 21 years are able to purchase alcohol in the City.

Mr. Driscoll does not have an email address.

Kind regards,

Trish

Trish Beirne | Executive Assistant
City of Concord | Website: www.cityofconcord.org
☎ (925) 671-3038 | ✉️ trish.beirne@cityofconcord.org
No to marijuana in or around Concord.

Thank you,
Greg Brown
925-998-0099
Today's sacramento Bee report illustrates how quickly the legal marijuana industry is drawing shady characters, foreign interference, basking in promoting a harmful substance, and growing political influence, who rapidly consolidate control over an area. A cautionary tale.

Sacramento cannabis king linked to Ukrainian who was indicted with Giuliani associates

BY THERESA CLIFT, DALE KASLER, AND RYAN SABALOW

OCTOBER 13, 2019 04:52 PM, UPDATED 2 HOURS 38 MINUTES AGO


* [mailto:?subject=Sacramento%20cannabis%20king%20linked%20to%20Ukrainian%20who%20was%20indicted%20with%20Giuliani%20associates&body=https://www.sacbee.com/news/california/article236118253.html](mailto:?subject=Sacramento%20cannabis%20king%20linked%20to%20Ukrainian%20who%20was%20indicted%20with%20Giuliani%20associates&body=https://www.sacbee.com/news/california/article236118253.html)

Play Video

Duration 0:43
This Sacramento pot dispensary is linked to Ukrainian indicted with Giuliani associates

Drone video shows THC, a retail pot dispensary on Fruitridge Road in Sacramento, on Sunday, Oct. 13, 2019. Andrey Kukushkin, indicted last week with two associates of Rudy Giuliani, holds its city permit with partner Garib Karapetyan. BY DANIEL KIM

A Ukrainian-born man indicted in a campaign-finance scheme along with two associates of Rudy Giuliani, President Trump’s personal attorney, is an officer in a Sacramento cannabis dispensary controlled by a local businessman with a considerable share of the city’s pot business, records show.

Andrey Kukushkin was among four men indicted last week in an intricate plan to funnel foreign campaign donations to U.S. politicians and enter the legal pot business in Nevada and other states. Two of the defendants, Lev Parnas and Igor Fruman, are associates of Giuliani and were reportedly helping him investigate former Vice President Joe Biden, one of the leading candidates for the Democratic presidential nomination, and his son.

Now, that international scandal has unraveled a considerable subplot in Sacramento.

City and state records show Kukushkin’s partner in Sacramento is Garib Karapetyan, a permit holder for a total of eight dispensaries in the city. Karapetyan and his associates have become the de facto pot kings of Sacramento, controlling far more licenses than anyone else and papering the city with billboards and ads for their dispensaries.

Karapetyan, 35, has for years quietly and systematically expanded his pot-selling business throughout the city with the consent of Sacramento regulators, controlling nearly a third of the industry here. He has donated to local elected officials, including Mayor Darrell Steinberg, and purchased a $1.1 million condo in the luxury Sawyer Hotel near the Golden 1 Center.

There is no evidence that any of the money cited in last week’s indictment has been used to invest in the pot business in Sacramento.
However, the arrests draw a direct line from the alleged plan to funnel foreign donations to U.S. politicians, and the impeachment investigation in Congress, to the doorstep of Sacramento’s burgeoning legal pot industry. Several California politicians, including House Minority Leader Kevin McCarthy, accepted donations from Parnas and Fruman, and their work for Giuliani has become part of the impeachment investigation against Trump.

Kukushkin, who was arrested Thursday in San Francisco, is listed as chief financial officer of a corporation called Sharp Source, which operates the Twelve Hour Care retail pot dispensary in a nondescript strip mall on Fruitridge Road in Sacramento, according to records reviewed by The Bee.

Kukushkin, 46, also is listed as one of two permit holders for THC Sacramento, the alternate name for Twelve Hour Care, in documents filed with the city. Kukushkin has been among those holding the permit for the THC dispensary since 2017.

Kukushkin and Karapetyan also were listed as officers in a Sacramento “management and consulting” business called Legacy Botanical Company LLC, according to records filed with the Secretary of State’s Office in 2016. The state agency’s website says the company’s business license has been suspended. The Legacy Botanical connection between Kukushkin and Karapetyan was first reported by Mother Jones magazine.

Ukrainian-born businessman Andrey Kukushkin and three others were indicted Thursday, Oct. 10, 2019 in an intricate scheme to funnel foreign campaign donations to American politicians. Kukushkin is an officer in a Sacramento cannabis dispensary operated by a local businessman who controls a considerable share of the region’s pot business, records show. OK.RU

For years, the city of Sacramento and its pot regulators have allowed business owners such as Karapetyan to gain control of a large segment of the storefront pot market in the city, as Karapetyan has added a variety of investors along the way. Kukushkin was one of those investors.

The tangled business interests associated with Karapetyan’s pot dispensaries illustrate how some owners have been allowed to expand despite relatively tight rules about ownership. Under city regulations, dispensary owners who want to get out of the business must surrender their licenses to the city; the city is then supposed to hold a lottery to determine the new owner.

The regulatory process was designed to prevent a consolidation of ownership in an industry in which the city has capped the number of licensed storefronts at 30.

Now, Sacramento’s mayor has called for an investigation into how owners have been allowed to accumulate so many licenses.

“If this story is true, then our cannabis licensing process, which was designed to protect consumers and reward local law-abiding businesses, is being improperly exploited,” Mayor Darrell Steinberg’s spokeswoman Mary Lynne Vellinga said in a statement Sunday. “The mayor is calling for an immediate investigation and will lead an effort to add additional safeguards to the licensing process.”

City Manager Howard Chan echoed the call. “The City of Sacramento is committed to transparency and integrity and will examine any reports of wrongdoing,” city spokesman Tim Swanson said Sunday.
Garib Karapetyan could not be reached for comment. A Bee reporter called Joe Karapetyan, listed as Garib Karapetyan’s business partner on city documents, earlier this month. In response to questions, he replied: “Oh boy, am I not going to like this?” He referred the reporter to his attorney, Brad Hirsch, who didn’t return messages Sunday.

FEDERAL INDICTMENT

It wasn’t immediately clear how Kukushkin became connected with the Sacramento marijuana business. His attorney, Alan Dressler, couldn’t be reached for comment. But the federal indictment says the four men were trying to get into the cannabis business and planned to funnel foreign cash to influential politicians in Nevada, New York and other states.

Mother Jones quoted an unidentified pot consultant as saying Kukushkin has been scouting pot investment opportunities in California and Oregon and was representing “a large agricultural and materials businessman from Russia” named Andrey Muraviev.

Muraviev is listed as an investor, along with Kukushkin and Karapetyan, in the now-defunct Legacy Botanical business in Sacramento.

The indictment against the four men, coming as the House impeachment inquiry against President Donald Trump gains momentum, made worldwide headlines. The two men identified as Giuliani associates, Parnas and Fruman, were arrested at Dulles International Airport outside of Washington carrying one-way tickets on an international flight.

Kukushkin made a brief appearance in U.S. District Court in San Francisco on Friday. Although prosecutors said he was a threat to flee, the San Francisco Chronicle said Kukushkin was released after family members posted a $1 million bond. The Chronicle also reported that Kukushkin was an investor in several Bay Area pot dispensaries and was attempting to turn a ranch in Livermore into a cannabis farm.

Issued by a federal grand jury in New York, the indictment says Kukushkin, Parnas, Fruman and businessman David Correia made plans to form a recreational marijuana business that would be funded by a foreigner (identified only as “Foreign National-1”).

The plan was to get retail cannabis licenses approved in several states including Nevada by funneling the foreign money to politicians’ campaigns, the indictment alleges. It’s illegal for foreigners to donate to U.S. election campaigns.

Kukushkin is quoted in the indictment as saying the scheme had to be kept secret because of the unnamed financier’s “Russian roots and current political paranoia about it.”
The men developed a plan to give up to $2 million of Foreign National-1’s money to state and federal campaigns to get the marijuana licenses approved though a “multi-state license strategy.” They hid the source of the money so that Foreign National-1 wouldn’t be linked to the funds, the indictment alleges.

At one point in November 2018, Fruman made a $10,000 donation to an unidentified Nevada candidate’s campaign after the group had missed the deadline to apply for a recreational marijuana business license. The group needed the candidate to give the “green light to implement this,” the indictment says.

Kukushkin told his co-defendants they were “two months too late to the game unless we change the rules,” the indictment says.

McClatchy has reported that Fruman and Parnas, who are both U.S. citizens, made campaign donations to four Republican congressman from California: House Minority Leader Kevin McCarthy and three who lost their re-election bids last November: Jeff Denham, Steve Knight and David Valadao.

Fruman gave Valadao, who is challenging the Democrat who unseated him, a donation of $2,444. Valadao’s spokesman said the candidate will donate the funds to charity. Parnas gave $2,700 to McCarthy, who has promised to donate the money to charity.

POT KING OF SACRAMENTO

Besides Kukushkin, four other men are listed as partners with Karapetyan in the Sacramento pot business: Joe Karapetyan, Gevorg Kadzhikyan, Gayk Serobyan and Grach Serobyan. It’s unknown whether Joe and Garib Karapetyan are related.

Their names turn up on city and state records linked to the various retail dispensaries, although not every investor is listed on every location. The one constant thread is Garib Karapetyan, who is a permit holder of eight dispensaries.

Despite the involvement of other investors, city and state records suggest Garib Karapetyan has been involved in Sacramento’s pot business since the early years of legalized recreational marijuana use in California. Karapetyan is chief executive of Capitol Compliance Management LLC, a Sacramento company that describes itself on its website as a pot marketing consultant and is affiliated with a company called Kolas.

Kolas is a brand name used by Twelve Hour Care and other dispensaries controlled by Karapetyan and his fellow investors. Store employees wear purple polo shirts with the Kolas logo, and Paul Clemons, the deputy director of licensing at Capitol Compliance, told the Sacramento News & Review in June that all of the dispensaries will be rebranded as Kolas.

When a Sacramento Bee reporter visited Twelve Hour Care on Sunday, a manager referred inquiries to the Capitol Compliance office in downtown Sacramento. Efforts to reach Karapetyan were unsuccessful last week.
In addition to Twelve Hour Care, Garib Karapetyan is listed a permit holder for seven storefront pot dispensaries in the city, according to documents obtained by The Sacramento Bee through a Public Records Act request.

They are: Alternative Medical Center at 1220 Blumenfeld Drive, Doctors Orders at 1704 Main Ave., Golden Health & Wellness at 1115 Fee Drive, CC101 at 6435 Florin Perkins Road, House of Organics at 8848 Fruitridge Road, Cloud 9 at 5711 Florin Perkins Road and Safe Accessible Solutions at 8125 36th Ave. Safe Accessible is planning to relocate to the midtown location once occupied by the Bread Store.<https://www.sacbee.com/news/business/article223059395.html>

A year ago, Karapetyan purchased a $1.1 million condominium in the Sawyer Hotel adjacent to Golden 1 Center, both of which were developed by the Sacramento Kings, according to Sacramento County real estate records. His condo is on the same floor as Vivek Ranadive, chairman of the Kings.

But Karapetyan has also faced setbacks. In 2014 the World Intellectual Property Organization, ruling in a case brought by tobacco giant Philip Morris, ordered him to surrender an internet domain name he had registered: marijuanamarlboros.com.

Earlier this year he was sued in Sacramento Superior Court by Matthew Davies, the former owner of the THC dispensary on Fruitridge. The lawsuit says two former owners of THC sold the business to Karapetyan even though they’d transferred control to Davies. Davies said he was in jail at the time on an unrelated matter and didn’t learn of the arrangement until later.

The suit is pending. In court filings, Karapetyan’s attorney tried and failed to get the case tossed out of court.

THC is the same dispensary in which Karapetyan is a permit holder with Kukushkin, the man indicted last week.

In addition, Karapetyan and several of the dispensaries he controls have been hit with major tax problems. In April 2018 he personally was slapped with a federal income tax lien of $1.2 million for the 2015 tax year. Records show he paid off the lien a few months later.

Karapetyan has been politically active as well. Records show he has donated to various candidates in the Sacramento area, including Sacramento County Sheriff Scott Jones, Steinberg, City Councilman Jay Schenirer and state Assemblyman Kevin McCarty, D-Sacramento.

Garib Karapetyan gave $2,000 to the Steinberg for Sacramento Mayor 2016 campaign in early 2016, according to city campaign finance records. In addition, there was a $1,000 donation to Steinberg from Club Culture Enterprise on the same day that year. Garib Karapetyan listed himself as the owner of Club Culture Enterprise in campaign filings that year.

“Out of an abundance of caution, the Mayor is immediately returning these 2016 political contributions by donating them to the Boys and Girls Clubs of Greater Sacramento,” Vellinga said.

Steinberg does not know the man, and would never accept money from someone who asked for something in exchange, Vellinga said.
Several of the Kolas-affiliated men also gave to City Councilman Jay Schenirer’s reelection campaign last year, filings show. Garib Karapetyan gave $250; Joe Karapetyan gave $750; Gevorg Kadzhikyan gave $250; Grach Serobyan gave $1,500.

Those names are listed on city applications or permits for several Kolas dispensaries.

Schenirer said he did not know the men.

“I don’t have relationships with them,” Schenirer said Sunday. “I receive campaign donations from a lot of folks.”

Asked if Schenirer had ever been approached by anyone offering to donate to his campaign in exchange for help getting cannabis businesses in the city, he said, “absolutely not.”

“If anyone approached me in that manner, I’d never take a donation from them,” he said.

The Bee’s Phillip Reese contributed to this report.

SACRAMENTO CA POT DISPENSARY LINKED TO GIULIANI ASSOCIATE RELATED STORIES FROM SACRAMENTO BEE ELECTION<https://www.sacbee.com/news/politics-government/election>

Giuliani associates charged with campaign crimes gave money to California Republicans<https://www.sacbee.com/news/politics-government/election/article236032058.html#storylink=related_inline>

OCTOBER 11, 2019 12:35 PM

[Ukrainian-born businessman Andrey Kukushkin and three others were indicted Thursday, Oct. 10, 2019 in an intricate scheme to funnel foreign campaign donations to American politicians. Kukushkin is an officer in a Sacramento cannabis dispensary operated by a local businessman who controls a considerable share of the region’s pot business, records show.] [A security guard checks the ID of a potential customer at THC, a retail pot dispensary on Fruitridge Road in south Sacramento, on Sunday, Oct. 13, 2019. Andrey Kukushkin, who was indicted last week along with two associates of Rudy Giuliani in a scheme to funnel foreign campaign donations to U.S. politicians, is one of two permit holders for the dispensary, and is listed as the chief financial officer of the corporation which operates it.] [Ukrainian-born businessman Andrey Kukushkin and three others were indicted Thursday, Oct. 10, 2019 in an intricate scheme to funnel foreign campaign donations to American politicians. Kukushkin is an officer in a Sacramento cannabis dispensary operated by a local businessman who controls a considerable share of the region’s pot business, records show.] [A billboard in south Sacramento advertises six of the pot dispensaries controlled by businessman Garib Karapetyan. A man indicted in the campaign finance case linked to attorney Rudy Giuliani case is an officer of the THC dispensary.] [Former New York City mayor Rudy Giuliani, left, welcomes then-Republican presidential candidate Donald Trump on stage during a campaign rally on August 18, 2016, at the Charlotte Convention Center in Charlotte, N.C. (Jeff Siner/Charlotte Observer/TNS)] [Ukrainian-born businessman Andrey Kukushkin and three others were indicted Thursday, Oct. 10, 2019 in an intricate scheme to funnel foreign campaign donations to American politicians. Kukushkin is an officer in a Sacramento cannabis dispensary operated by a local businessman who controls a considerable share of the region’s pot business, records show.] [Ukrainian-born businessman Andrey Kukushkin and three others were indicted Thursday, Oct. 10, 2019 in an intricate scheme to funnel foreign campaign donations to American politicians. Kukushkin is an officer in a Sacramento cannabis dispensary operated by a local businessman who controls a considerable share...
of the region’s pot business, records show.] [A security guard checks the ID of a potential customer at THC, a retail pot dispensary on Fruitridge Road in south Sacramento, on Sunday, Oct. 13, 2019. Andrey Kukushkin, who was indicted last week along with two associates of Rudy Giuliani in a scheme to funnel foreign campaign donations to U.S. politicians, is one of two permit holders for the dispensary, and is listed as the chief financial officer of the corporation which operates it.]

1 of 6
A security guard checks the ID of a potential customer at THC, a retail pot dispensary on Fruitridge Road in south Sacramento, on Sunday, Oct. 13, 2019. Andrey Kukushkin, who was indicted last week along with two associates of Rudy Giuliani in a scheme to funnel foreign campaign donations to U.S. politicians, is one of two permit holders for the dispensary, and is listed as the chief financial officer of the corporation which operates it. DANIEL KIM DKIM@SACBEE.COM

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Thank you for sending, Lynn.
Tucked into this ballot initiative is also a provision to weaken local control which is especially troubling:
"This measure requires that sufficient adult-use and medical retailers be allowed to provide people with “reasonable” access to cannabis. Also, as discussed above, it requires that cannabis regulations be no more onerous than those in place for beer and wine. In so doing, the measure would limit the ability of cities and counties to ban or place restrictions on the establishment of cannabis businesses."

Isn't this in direct violation of what the voters agreed to in Proposition 64?

Best,
Jane Steinberg

Jane Steinberg, PhD, MPH
Assistant Professor of Clinical Preventive Medicine
Practicum Director, Master of Public Health Program
University of Southern California
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Email: janestei@usc.edu
Office: 323-442-8242
Web: http://mph.usc.edu/faculty.php
Dear Colleagues,

This is to alert you to a new proposed ballot initiative that represents a major public health threat if passed. It would significantly weaken regulation of cannabis products; the measure requires that the production of cannabis products for adult use be regulated and enforced in a manner analogous to, and not more onerous than, the regulation of California’s beer and wine industries. It also weakens taxation and kneecaps regulatory capacity by disallowing the collection of adequate fees.

The alcohol industry, tobacco industry and Coke have already begun to invest in the hemp and cannabis industries in North America. As tobacco is increasingly regulated a measure like this would assure them decades of freedom to harm people with weakly regulated new and addictive cannabis products.

Even as the vaping epidemic scourges the country, companies continue to market more and more jacked up potent products, more and more evidence emerges of increased risks of psychosis and serious mental illness, cardiovascular risks, risks to cognition and in pregnancy and other harms, the industry is trying to pave the way for an unfettered future drugging new generations.

I would guess they will have little problem raising the needed money to get signatures and get this on the ballot. I hope all of your organizations will act decisively to educate the public and stop it.

Thank you to Jim Keddy from Youth Forward for sharing.

Lynn

The State Legislative Analyst Office has released an analysis of a ballot measure that proposes to make significant changes to Prop 64, and would result in reductions in revenue of “mid-to-high hundreds of millions annually.” I’ve copied relevant sections from the LAO’s analysis below:

Changes Regulation of Adult Use Cannabis and Limits Its Taxation. The measure requires that the production of cannabis products for adult use be regulated and enforced in a manner analogous to, and not more onerous than, the regulation of California’s beer and wine industries. Additionally, the measure limits the excise tax on the sale of adult use cannabis products to no more than 10 percent of the retail price of the products. Under the terms of the measure, half of the excise tax revenues collected would be provided for research, development, and promotion of cannabis industries in the state. The initiative also places a limit of no more than $1,000 on licensing or permit fees the state can impose on adult use cannabis businesses.

Summary of Major Fiscal Effects. We estimate that this measure would have the following major fiscal effects, which could vary considerably depending on future actions by the federal government to enforce federal cannabis laws and how the measure is interpreted and implemented:

* Reduced state and local tax revenues related to the production and sale of cannabis, likely in the mid-to-high hundreds of millions of dollars annually.
* Reduced state and local license fee revenue—likely in excess of $100 million annually—which could
result in some of the regulatory costs being supported from other fund sources (such as the state General Fund).

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