

ORDINANCE NO. 16-19 N.S.

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RICHMOND
REPEALING SECTION 15.04.610.270 (MEDICAL MARIJUANA USES) AND
ADOPTING REVISED SECTION 15.04.610.270 (MARIJUANA/CANNABIS:
COMMERCIAL USES) AND NEW SECTION 15.04.610.275 (MARIJUANA/CANNABIS:
PERSONAL USE) OF THE RICHMOND MUNICIPAL CODE**

WHEREAS, pursuant to Article XI, section 7 of the California Constitution and sections 36931 et seq. of the California Government Code, the City may make and enforce within its limits all local, police, sanitary and other ordinances and regulations not in conflict with general laws; and

WHEREAS, the general plan is the City's constitution for future development and any decision by a City affecting land use and development must be consistent with the general plan; and

WHEREAS, Chapter 15.04 of the Richmond Municipal Code provides that "the zoning ordinance whose purpose is to regulate existing uses and uses contemplated in the future shall be made consistent with the general plan as required by State Law; and

WHEREAS, on April 24, 2012, the City Council certified the Final Environmental Impact Report for the General Plan and adopted a Mitigation Monitoring and Reporting Program; and

WHEREAS, on April 24, 2012, the City Council adopted the Richmond General Plan 2030 but had not yet adopted the comprehensive update to the City's Zoning and Subdivision regulations reflecting the General Plan's goals, policies, standards; and

WHEREAS, on November 15, 2016, the City Council adopted the Zoning and Subdivision regulations which were updated under comprehensive review and revision in order to ensure that such regulations are consistent with the General Plan and state and federal laws; and

WHEREAS, for the past year, staff has been working with various community stakeholders to update the City's Medical Marijuana Uses ordinance to address recent changes in State permitting requirements for cannabis uses and to allow for adult-use activities; and

WHEREAS, on June 6, 2019, the Planning Commission held a duly and properly noticed public hearing to consider a recommendation to the City Council on the revised Section 15.04.610.270 Marijuana/Cannabis: Commercial Uses and new Section 15.04.610.275 Marijuana/Cannabis: Personal Use, incorporated herein by reference; and

WHEREAS, the Planning Commission considered the agenda report, all public comments, and the amendments set forth in Exhibit A and voted to recommend adoption of the amendments to the City Council with minor suggestions; and

WHEREAS, on October 22, 2019, the City Council held a duly and properly noticed public hearing to consider introducing an Ordinance adopting revised Section 15.04.610.270 Marijuana/Cannabis: Commercial Uses and new Section 15.04.610.275 Marijuana/Cannabis: Personal Use, of the Richmond Municipal Code, and

WHEREAS, the City Council considered the agenda report, all public comments, and the amendments adopting revised Section 15.04.610.270 Marijuana/Cannabis: Commercial Uses and new Section 15.04.610.275 Marijuana/Cannabis: Personal Use,, as set forth in this Ordinance and the applicable provisions of the Richmond Municipal Code ("the Record"); and

WHEREAS, the City Council finds and determines:

1) Pursuant to California Environmental Quality Act ("CEQA") Guidelines § 15378 and California Public Resources Code § 21065, revised Section 15.04.610.270 and new Section 15.04.610.275 are not a "project" because its adoption is not an activity that has the potential for

a direct physical change or reasonably foreseeable indirect physical change in the environment; and

2) Even if the amendments revising Section 15.04.610.270 and new Section 15.04.610.275 qualified as a “project” subject to CEQA, and pursuant to CEQA Guidelines § 15061(b)(3), there is no possibility that this project will have a significant impact on the physical environment. The proposed ordinance merely amends the Richmond Municipal Code to regulate the future establishment of commercial cannabis uses and does not directly or indirectly authorize or approve any actual changes in the physical environment. Applications for any new cannabis business or change to an existing facility would be subject to additional environmental review on a case-by-case basis; and

3) The facts set forth in the recitals in this Resolution are true and correct and incorporated by reference. The recitals constitute findings in this matter and, together with the agenda report, other written reports, public testimony and other information contained in the record, are an adequate and appropriate evidentiary basis for the actions taken in this Resolution; and

4) Revised Section 15.04.610.270 and new Section 15.04.610.275 are consistent with the General Plan, Richmond Municipal Code, and applicable State law; and

5) Revised Section 15.04.610.270 and new Section 15.04.610.275 will not be detrimental to the public interest, health, safety, convenience or welfare.

SECTION I. Municipal Code Amendments.

The City Council of the City of Richmond does ordain as follows:

Repeal Section 15.04.610.270 and adopt revised Section 15.04.610.270 and add new Section 15.04.610.275 to the Richmond Municipal Code, attached to this Resolution as Exhibit A, incorporated herein by reference, to address recent changes in State permitting requirements for cannabis uses and to allow for adult-use activities.

SECTION II. Severability.

If any section, subsection, paragraph, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid, the remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed each section, subsection, paragraph, sentence, clause or phrase of this Ordinance irrespective of the unconstitutionality or invalidity of any section, subsection, paragraph, sentence, clause or phrase.

SECTION III. Effective Date.

All applications filed after or pending upon the date of final passage and adoption of this Ordinance shall be subject to this Ordinance. This Ordinance becomes effective thirty (30) days after its final passage and adoption.

First introduced at a regular meeting of the City Council of the City of Richmond held October 22, 2019, and finally passed and adopted at a regular meeting held November 5, 2019, by the following vote:

AYES: Councilmembers Bates, Johnson III, Martinez, Myrick, Willis, Vice Mayor Choi, and Mayor Butt.
NOES: None.
ABSTENTIONS: None.
ABSENT: None.

PAMELA CHRISTIAN
CLERK OF THE CITY OF RICHMOND
(SEAL)

Approved:
TOM BUTT
Mayor

Approved as to form:
BRUCE GOODMILLER
City Attorney

State of California }
County of Contra Costa : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Ordinance No. 16-19 N.S.** passed and adopted by the City Council of the City of Richmond at a regular meeting held on November 5, 2019.

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Pamela Christian, City Clerk of the City of Richmond

15.04.610.270 Marijuana/Cannabis Commercial Uses

Commercial Cannabis activities, including but not limited to cultivation, manufacturing, testing, distribution, and retail are subject to the standards and procedures of the Municipal Code, State Law, and the regulations set forth in these Zoning Regulations.

- A. **Applicability.** These standards apply to all establishments that are involved in any commercial cannabis activity.
- B. **Definitions**¹. The following words or phrases, whenever used in this Section, have the following definitions:
1. ***A-license.*** A state license issued for cannabis or cannabis products that are intended for adults 21 years of age and over and who do not possess physician's recommendations.
 2. ***Attending Physician.*** An individual who possesses a license in good standing to practice medicine or osteopathy issued by the Medical Board of California or the Osteopathic Medical Board of California and who has taken responsibility for an aspect of the medical care, treatment, diagnosis, counseling, or referral of a patient and who has conducted a medical examination of that patient before recording in the patient's medical record the physician's assessment of whether the patient has a serious medical condition and whether the medical use of cannabis is appropriate.
 3. ***Bureau of Cannabis Control ("the Bureau").*** The bureau within the California Department of Consumer Affairs created to develop, administer and enforce comprehensive rules for medicinal and adult-use cannabis in California. The Bureau is responsible for the regulation and licensing of all commercial cannabis retail, distribution, testing, microbusinesses and temporary cannabis events in California.
 4. ***California Department of Food and Agriculture - CalCannabis Cultivation Licensing ("the CDFA").*** A division of the California Department of Food and Agriculture, responsible for the regulation and licensing of commercial cannabis cultivation in California.
 5. ***California Department of Public Health – Manufactured Cannabis Safety Branch ("the DPH").*** A division of the California Department of Public Health, responsible for the regulation and licensing of all commercial cannabis manufacturing in California.
 6. ***Cannabis.*** All parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the crude or purified resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. It 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,

¹ Additional terms, such as "applicant" and "person", "permit" and "use", are defined in Zoning and Subdivision Regulations, Series 100, General Provisions, and are not repeated here.

manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purposes of these zoning regulations, "cannabis" does not include "industrial hemp" as defined by Section 81000 of the California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.

7. ***Cannabis Business.*** Establishments, properties, parcels, and/or structures involved in any commercial cannabis activity, including retailers, non-storefront retailers, cultivators, manufacturers, transporters, testers, and distributors.
8. ***Cannabis Plant.*** Any immature, flowering, or dried flower in accordance with State Law. Immature cannabis plant means a cannabis plant that has a first true leaf measuring greater than one half inch long from base to tip (if started from seed) or a mass of roots measuring greater than one half inch wide at its widest point (if vegetatively propagated), but which is not flowering. Flowering cannabis plant means that a cannabis plant has formed a mass of pistils measuring greater than one half inch wide at its widest point. Dried flower means all dead cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and stems.
9. ***Cannabis Products.*** Cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.
10. ***Collective.*** See Retail Facility.
11. ***Commercial Cannabis Activity.*** The cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of adult-use or medicinal cannabis or cannabis products, as provided for in this Ordinance and in accordance to State Law.
12. ***Cultivation.*** Any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis within an enclosed structure.
13. ***Cultivation Site.*** An in-door location, including greenhouses, where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a location where any combination of those activities occurs.
14. ***Customer.*** A natural person 21 years of age or older, a natural person 18 years of age or older who possesses a physician's recommendation, or a qualified patient or a primary caregiver.
15. ***Delivery.*** The commercial transfer of cannabis or cannabis products from a retail or non-storefront retail facility to a customer.
16. ***Dispensary.*** See Retail Facility.
17. ***Distributor.*** A person or licensed entity engaged in the business of procuring, selling, storing, packaging, labeling, rolling and transporting cannabis or cannabis products from a licensed cultivator, manufacturer, or

from any other State cannabis licensees for sale to any State Cannabis licensee, in accordance with State Law A distributor shall distribute only cannabis goods, cannabis accessories, and licensees' branded merchandise or promotional materials.

18. ***Distribution.*** Means the procurement, sale, and transport of cannabis and cannabis products between licensees pursuant to Section 26000 of the California Business and Professions Code.
19. ***Edible Cannabis Products.*** Manufactured cannabis that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Division 15 (commencing with Section 32501) of the California Food and Agricultural Code.
20. ***Enclosure.*** An area fully surrounded by a fence, wall, or other solid barrier that prevents access to cannabis. Enclosures must be equipped with a locked gate or door.
21. ***Greenhouse.*** A building, room, or structure, usually chiefly of transparent material, used for cultivation of cannabis which meets State requirements for mixed-light cultivation.
22. ***Indoor cultivation.*** The cultivation of cannabis within a permanent structure using exclusively artificial light or within any type of structure using artificial light.
23. ***License.*** A state issued cannabis license, which includes both an A-license and an M-license, as well as a testing laboratory license.
24. ***Licensee.*** Any person or entity holding a state issued commercial cannabis A-license or an M-license, and includes the holder of a cannabis testing laboratory license.
25. ***M-license.*** A state license issued for commercial cannabis activity involving medicinal cannabis.
26. ***Manager.*** A person with responsibility for the establishment, organization, registration, supervision, or oversight of the operation of a cannabis business, including but not limited to persons who perform the functions of president, vice president, director, operating officer, financial officer, secretary, treasurer, or manager of the business.
27. ***Manufacturer.*** A State-licensee that manufactures cannabis by compounding, blending, extracting, infusing, or otherwise making or preparing cannabis products. "Manufacture" includes extraction, infusion, packaging or repackaging, and labeling or relabeling packages of cannabis products, in accordance with State Law.
28. ***Marijuana.*** See Cannabis.
29. ***Mixed-Light Cultivation.*** The cultivation of mature cannabis in a greenhouse, glasshouse, conservatory, or other similar structure using light deprivation and/or one of the artificial lighting models described below:

- a. Mixed-light Tier 1. the use of artificial light at a rate of six watts per square foot or less;
 - b. Mixed-light Tier 2. the use of artificial light at a rate above six and below or equal to twenty-five watts per square foot.
30. ***Non-Storefront Retail Facility.*** A facility that is closed to the public where cannabis, cannabis products, edible cannabis products, or devices for the use of cannabis or cannabis products are offered for retail sale exclusively by delivery, in accordance with State Law.
 31. ***Owner or Ownership interest.*** An interest held by a person who is an owner as defined by State of California commercial cannabis regulations or who has a financial interest in the commercial cannabis business of 5% or more.
 32. ***Personal Cultivation.*** The cultivation of no more than six (6) cannabis plants conducted by an individual strictly for that individual's personal use, possession, processing, transporting, or giving away without any compensation whatsoever in accordance with State law, including but not limited to Health and Safety Code sections 11362.1 and 11362.2, as may be amended. Personal cultivation also means and includes cultivation of medicinal cannabis conducted by a qualified patient exclusively for his or her personal medicinal use, and cultivation conducted by a primary caregiver for the personal medicinal purposes of no more than five specified qualified patients for whom he or she is the primary caregiver, in accordance with State law, including Health and Safety Code sections 11362.7 and 11362.765, as may be amended. Except as herein defined, personal cultivation does not include, and shall not authorize, any cultivation conducted as part of a business or commercial activity, including cultivation for compensation or retail or wholesale sales of cannabis.
 33. ***Primary Caregiver.*** The individual, designated by a qualified patient or by a person with an identification card issued pursuant to California Health and Safety Code Section 11362.7, who has consistently assumed responsibility for the housing, health, or safety of that patient or person. The primary caregiver may be a licensed clinic, residential care facility, hospice, or home health agency.
 34. ***Private Residence.*** A house, apartment unit, mobile home, or any other similar dwelling.
 35. ***Qualified Patient.*** A person who is entitled to the protections of California Health and Safety Code Section 11362.5, for patients who obtain and use cannabis for medicinal purposes upon the recommendation of an attending physician, whether or not that person applied for and received a valid identification card issued pursuant to State Law.
 36. ***Retail Facility.*** A facility where cannabis, cannabis products, edible cannabis products, or devices for the use of cannabis or cannabis products are offered for retail sale, including an establishment that delivers cannabis and cannabis products as part of a retail sale.

37. **State.** The State of California.
38. **Testing Laboratory.** The facility where tests are performed on cannabis or cannabis products and that holds a valid certificate of accreditation and license from the Bureau, if required.
39. **Volatile Solvent.** Is the same as defined by the California Department of Health in §40100 of the California Code of Regulations, as may be amended, and 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.
- C. **Permits Required.** A Conditional Use Permit (CUP) and a Cannabis Business Permit (CBP) are both required for all commercial cannabis activities prior to operation. Cannabis businesses shall first obtain a CUP by submitting an application pursuant to Section 15.04.610.270 (H) of this Article and any application forms and fees required in accordance with Article 15.04.803 as a requisite for obtaining a CBP. The provisions of Article 15.04.806 Use Permits apply, including but not limited to procedures for appeals, modifications, and approval. Once building permits are obtained and finalized, if required, the required State licenses are obtained, and Police Regulatory fees paid, a CBP will be granted. CUPs and CBPs will only be granted to entities operating legally according to the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), other applicable State Law, and the State regulations. Reasonable conditions of approval may be imposed, including but not limited to requirements for permits from the County for retail sales of edible cannabis products and from the State for food product manufacturing.
- D. **Operating Without Permits.** It shall be unlawful for any person as defined by this Article to engage in, conduct or carry on, in or upon any premises within the City any commercial cannabis business without a CUP and CBP. Persons operating in violation of this Article shall be given an amnesty period to come into compliance by submitting a complete CUP application within one hundred twenty (120) days of the effective date of this Article and securing both the required CUP and CBP within one hundred eighty (180) days of application submittal. Failure to submit a complete CUP application within the amnesty period will result in further enforcement. Any persons in violation of this subsection shall be prohibited from applying for a CUP for one year anywhere in the City of Richmond. In addition, commercial cannabis uses shall be prohibited on the subject property for one year.
- E. **Existing Medicinal Cannabis Businesses.** Existing permitted medicinal cannabis businesses, including those temporarily authorized for A-license activities, operating within the City are required to submit an application for an AUP within ninety (90) days of this Article taking effect to continue to conduct A-license activities for authorized medicinal uses and/or to conduct distribution activities. Any expansion of use beyond an A-license addition or addition of distribution activities requires a CUP modification. Applications for a CBP shall be required within 30 days of final approval of an AUP or CUP modification. If a complete application is not made within the required time, A-license activities temporarily authorized shall cease. All other authorized medicinal cannabis businesses shall submit a CBP application within 30 days of this Article taking into effect.

F. **Locations Where Allowed and Number Allowed.**

1. ***Cultivators, Manufacturers, Mixed-light Cultivators, Testing Laboratories, and Distributors.*** All commercial cannabis cultivation, manufacturing, mixed-light cultivation, testing, and distributor operations shall be conditionally permitted as provided for in the City's Land Use Regulations Tables in Chapter 15.04.
2. ***Retail Facilities.***
 - a. **Existing Retail Facilities.** Existing retail facilities may expand at their current location subject to Planning Commission approval of a modified CUP, upon making the following findings:
 - i. The retail facility has operated in compliance with all local and state regulations; and
 - ii. The expanded use will not negatively impact the surrounding community.
 - b. **New Retail Facilities.** Any new commercial cannabis retail and non-storefront retail facilities are only allowed to locate in a CR, Regional Commercial Zoning District with a conditional use permit unless, following a public hearing, the Planning Commission makes all of the following findings to authorize a retail facility to locate on a site in the CG General Commercial Zoning District:
 - i. The retail facility has demonstrated that it considered locations within the CR District and found no location meeting the requirements of this section that serves the needs of its customers; and
 - ii. The proposed location within the CG District would complement the surrounding community while providing necessary services to its customers; and
 - iii. The proposed location is not abutting a residential use.
3. ***Distance from Schools, Parks, Community Centers, Youth Center, Child-Care Center, or Nursery School.***
 - a. All commercial cannabis activity must be located a minimum of 1,500 feet from any public or private high school and a minimum of 600 feet from any public or private kindergarten, elementary, middle or junior high school that is in existence at the time the permit is issued.
 - b. All commercial cannabis activity shall be located a minimum of 600 feet from any park, community center, youth center, and public or private child-care center that is in existence at the time the permit is issued.
 - c. Following a public hearing, the Planning Commission may make exceptions to the distance requirements for all commercial activities if all of the following findings are made based on specific facts:

- i. The location, design and proposed operating characteristics of the cannabis business is such that it is highly improbable that persons on, in or travelling to or from nearby parks, community centers, youth centers, or child-care centers would be able to view persons in, entering, or leaving the cannabis facility; and
- ii. Allowing the cannabis business to locate within 1,500 feet of a public or private high school or within 600 feet of a park, community center, youth center, and public or private child-care center, will not grant the cannabis business a special privilege not available to other commercial cannabis businesses within the City; and
- iii. The cannabis business has demonstrated that it considered other locations and selected the location that would have the least negative impact on the surrounding community while providing necessary services to its customers.

4. ***Number of Commercial Cannabis Businesses.***

- a. No more than three (3) commercial cannabis retail facilities shall be permitted or allowed to operate in the City. The City has established a competitive selection process in Section 15.04.601.010 (I) of this Article to objectively award permits for which there are a limited number of permits available, such as for retail facilities. All competitive-based considerations shall be included with the application forms.
- b. There shall be no limit on the number of commercial cannabis cultivators, distributors, testing laboratories, or manufacturing businesses in the City as long as they obtain valid State and local permits and licenses, including CUP and CBP from the City of Richmond for each location.

G. **Delivery of Commercial Cannabis and Cannabis Products.**

- a. The delivery of commercial cannabis or cannabis products from a State licensed retail facility or non-storefront retail facility to a customer is permitted, provided such deliveries are conducted in accordance with this Article and State law, including obtaining a Richmond Business license. All other unpermitted and unlicensed delivery services within the City are prohibited.
- b. Existing permitted retail cannabis businesses operating within the City are not required to obtain a CUP modification before conducting delivery activities. Notice of intent to commence delivery activities shall be provided prior to conducting such activities.

H. **Conditional Use Permit Application Process.**

1. ***Conditional Use Permit Applications.*** In addition to any application forms and fees required in accordance with Article 15.04.803, an application for a commercial cannabis business must provide specific information, as determined by the Zoning Director, based on this Section, State law and regulations, and County input relative to edible cannabis products. This information includes, but is not limited to, the following:
 - a. *Requirements for All Commercial Cannabis Businesses.* A commercial cannabis business is required to provide the following information in support of its permit application.
 - i. Information Regarding the Proposed Property.
 - (1) The address of the property where the proposed commercial cannabis business will operate.
 - (2) A site plan with fully dimensioned interior and exterior floor plans, including electrical, mechanical, plumbing, parking, and disabled access compliance pursuant to Title 24 of the State of California Code of Regulations and the federal Americans with Disabilities Act. For a retail facility, the site plan must show that there are separate rooms or partitioned areas within the retail facility for the receipt of supplies and for the delivery of cannabis to customers.
 - (3) Exterior photographs of the entrance(s), exit(s), street frontage(s), parking, front, rear and side(s) of the site.
 - (4) Photographs depicting the entire existing interior of buildings on the site.
 - (5) If the site is being rented or leased or is being purchased under contract, a copy of such lease or contract.
 - (6) If the site is being rented or leased, written proof that the property owner, and landlord if applicable, were given notice that the property will be used as a commercial cannabis business, and that the property owner, and landlord if applicable, agree(s) to said operations. If the retail facility is to be a subtenant, then "landlord" shall mean the primary tenant.
 - ii. Information Regarding Each Business Owner and Manager. For each owner and manager, the following information must be provided, to the extent applicable:
 - (1) The name, address, telephone number, title and function(s);
 - (2) A fully legible copy of one valid government-issued form of photo identification, such as a driver's license; and

- (3) A summary criminal history ("LiveScan") prepared by the Richmond Police Department not more than thirty (30) days prior to the date of application.
- iii. Information Regarding the Commercial Cannabis Business.
 - (1) Written confirmation as to whether the commercial cannabis business, or a commercial cannabis business with one or more owner or managers in common with the applicant, previously operated in the City or any other county, city or state under a similar license/permit, and whether the business applicant ever had such a license/permit revoked or suspended and the reason(s) therefore.
 - (2) The name and address of the commercial cannabis business' current Agent for Service of Process.
 - (3) Information pertaining to a Notice of Violation for unpermitted cannabis operations or any cannabis related enforcement violations or within the City.
 - iv. Plan for Unsold Cannabis. A plan for the disposal of any unsold cannabis or cannabis product must be submitted that renders or prevents any portion thereof from being recognizable and useable by any person or animal.
 - v. Neighborhood Responsibility Plan. A neighborhood responsibility plan that demonstrates how the business will fulfill its responsibilities to the neighborhood, including neighborhood outreach, methods for future communication, and dispute resolution.
 - vi. Security Plan. A security plan indicating how the applicant will comply with the requirements of this Section and any other applicable law, rule, or regulation.
 - vii. Affirmation that the Application is True. A statement dated and signed by each management member, under penalty of perjury, that the management member has personal knowledge of the information contained in the application, that the information contained therein is true and correct, and that the application has been completed under the supervision of the management member(s).
- b. *Supplemental Application Requirements for Retail Facilities.* In addition to the application requirements applicable to all commercial cannabis businesses, the following apply to commercial cannabis retail facilities.
 - i. Security Plan. A retail facility's security plan must include procedures for verifying identification of customers and primary caregivers both before entering the retail facility and again before receiving cannabis; the number, location and

hours of security guards; and a theft prevention plan including a detailed description of all surveillance and video equipment, location and coverage of cameras and how law enforcement or their representatives will be given real-time and stored access.

- ii. Daily Customer Limits. A retail facility or non-storefront facility shall adhere to daily limits on adult-use and medicinal cannabis and cannabis products by its customers in accordance to State law.
- c. *Supplemental Application Requirements for Manufacturers.* In addition to the standards applicable to all commercial cannabis businesses, the following apply to commercial cannabis manufacturing operations.
 - i. Safety of Manufacturing Process. A commercial cannabis manufacturer must demonstrate one or both of the following:
 - (1) The only manufacturing processes used are either solventless or employ only nonflammable, nontoxic solvents that are generally recognized as safe pursuant to the federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 301 et seq.).
 - (2) The manufacturing processes only uses solvents exclusively within a closed-loop system that meets all of the following requirements:
 - (a) The system uses only solvents that are generally recognized as safe pursuant to the federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 301 et seq.).
 - (b) The system is designed to recapture and contain solvents during the manufacturing process and otherwise prevent the off-gassing of solvents into the atmosphere to mitigate the risks of ignition and explosion during the manufacturing process.
 - (c) A licensed engineer certifies that the system was commercially manufactured, is safe for its intended use, and was built to codes of recognized and generally accepted good engineering practices, including, but not limited to, the American Society of Mechanical Engineers, the American National Standards Institute, Underwriters Laboratories, the American Society for Testing and Materials, or OSHA Nationally Recognized Testing Laboratories.
 - (d) The system has a certification document that contains the signature and stamp of a

professional engineer and the serial number of the extraction unit being certified and that the certification is renewed either annually or according to the manufacturer's recommendations.

- ii. Fire, Safety, and Building Code Requirements. The manufacturer must meet all State, county and locally required fire, safety, and building code requirements.
 - iii. Approval from Richmond Fire Prevention Services Division or designee. The commercial cannabis manufacturer must receive and maintain approval from the Richmond Fire Prevention Services Division for the closed-loop system and for other equipment used for manufacturing and extraction operations, per guidelines adopted by the Richmond Fire Prevention Services Division.
 - iv. Edible Cannabis Products. Commercial cannabis manufacturers that prepare edible cannabis products must demonstrate compliance with State, County and local requirements regarding the preparation, distribution, labeling, and sale of food.
- d. *Supplemental Application Requirements for Cultivators and Manufacturers.* In addition to the application requirements applicable to all commercial cannabis businesses, the following apply to commercial cannabis cultivation and manufacturing operations.
- i. Plans for Use of Renewable Electricity. All cultivation and manufacturing operations must submit detailed plans demonstrating that the electricity used in the cultivation and manufacturing operations is from a renewable energy source or arrangements have been made to offset use of nonrenewable electrical energy with renewable energy from another source. If written evidence of enrollment in the Deep Green 100 percent renewable energy program administered by Marin Clean Energy (MCE) is provided, no further details need to be submitted with the application. Enrollment shall be maintained, and evidence provided annually in order to renew CBP.
 - ii. Plans for Water Conservation. All cultivation and manufacturing operations must submit detailed plans demonstrating strict water conservation methods will be instituted and maintained at all times, and such plans must include records of monthly water consumption. These plans also must show that the cultivation facility will be equipped with water collection and filtration systems to reduce irrigation water to the maximum extent possible as

determined by the Zoning Director or the State, if its regulations are more restrictive.

- iii. Plans for Wastewater. All cultivation and manufacturing operations must demonstrate compliance with the limitations on discharge into the City's wastewater system, as set forth in Richmond Municipal Code Chapter 12.18. This shall include the submittal of an Industrial User Permit Application (Baseline Monitoring Report) to the Water Resource Recovery Department.
 - iv. Plans for Stormwater. All cultivation and manufacturing operations must demonstrate compliance with the limitations on discharge into the City's municipal separate storm sewer system (MS4), as set forth in Richmond Municipal Code Chapter 12.22. This shall include any and all provisions required under the Municipal Regional Permit (NPDES Permit No. CAS612008).
 - v. Plans to Prevent Mold. All cultivation and manufacturing operations must submit a plan that specifies the methods to be used to prevent the growth of harmful mold.
 - vi. Ventilation Plan. All cultivation and manufacturing operations must submit detailed information about the proposed ventilation system, including technical specifications indicating that the system is capable of preventing the release into the atmosphere of cannabis odors from the cultivation or manufacturing operation.
2. ***Duration of Conditional Use Permit.*** Permits issued under this Section will be subject to time limits, renewal, and reporting requirements as specified in conditions of approval. These conditions shall include resubmittal requirements for any change in circumstances, including substantive changes in ownership, management, sources of electricity, or operations, from those described in the original application.
 3. ***Expiration and Extension.*** A commercial cannabis CUP is subject to the expiration and extension procedures in RMC Section 15.04.803.110.
 4. ***Modification of Permit Conditions.*** Modifications to the permit or the conditions of approval may be requested in accordance with Section 15.04.803.110 and with prior notification and approval from the appropriate State cannabis regulatory agency.
 5. ***Revocation or Suspension of Conditional Use Permit.***
 - a. The CUP for a commercial cannabis business may be revoked if the State denies or revokes a State license for the operation of commercial cannabis business.

- b. A CUP for commercial cannabis business may be revoked after the business is operational, if the business ceases to be in regular and continuous operation for ninety (90) days.
- c. Whenever a CUP for a commercial cannabis business has been revoked or suspended, no permit application by any of the owners or managers of that commercial cannabis business shall be considered for a period of three years from the date that the notice of the revocation or suspension was mailed to the business owner.
- d. The procedures provided in RMC Section 15.04.803.130 Revocation apply.

I. Cannabis Business Permit Application Process.

- 1. ***Cannabis Business Permit Applications.*** Following the issuance of a CUP, a cannabis business is required to submit an application for a CBP specific to the business activity defined by the State pertaining to that activity for any medicinal or adult-use or any other commercial cannabis activity the State may license. It shall be unlawful for any person to engage in, conduct or carry on, in or upon any premises within the City any commercial cannabis business without a CBP.
 - a. ***Requirements for All Commercial Cannabis Businesses.*** A commercial cannabis business is required to provide the following information in support of its permit application.
 - i. A copy of its CUP, containing a statement dated and signed by each business owner, under penalty of perjury, that they have read, understand and shall ensure compliance with the conditions of the CUP.
 - ii. A copy of its State license (for renewals).
 - iii. A copy of its Certificate of Occupancy Permit, if applicable.
 - iv. A copy of its Permit to Operate from the Richmond Fire Prevention Services Division, if applicable.
 - v. A copy of its City of Richmond Business License.
 - vi. A copy of the cannabis business operating conditions, containing a statement dated and signed by each owner and manager, under penalty of perjury, that they have read, understand and shall ensure compliance with all Operating Standards set forth in this Article.
 - vii. A statement dated and signed by each owner and manager, under the penalty of perjury, that the information regarding each business owner and manager submitted with the CUP application is current and accurate, or proof that Zoning Administrator approval has been obtained for any changes in management or ownership.

- viii. A valid seller's permit from the California Department of Tax and Fee Administration or successor agency.
 - ix. Proof that payment of all City of Richmond fees and taxes is current.
2. ***Issuance of Cannabis Business Permit.*** The Zoning Administrator or designee after receiving the completed application and aforementioned information will grant the permit where the above-listed requirements are met.
 3. ***Duration of Cannabis Business Permit.*** A CBP shall be valid for one (1) year or until December 31 each year, unless sooner revoked. No permit granted herein shall confer any vested right to any person or business for more than the above-referenced period.
 4. ***Cannabis Permit Annual Renewal.*** Applications for the renewal of a permit shall be filed with the Zoning Administrator or designee at least sixty (60) calendar days before the expiration of the current permit. Any cannabis business allowing their permit to lapse, or which permit expired during a suspension shall be required to submit a new application, pay the corresponding application fees.
 5. ***Transfer of Cannabis Business Permit/Business Modifications.*** A CBP does not run with the land or business. A CBP is not transferable or assignable to another person or owner, except as approved by the Zoning Administrator. Notwithstanding the foregoing, the Zoning Administrator may administratively approve any changes in management or ownership or change in business name or structure and may require additional background check(s) or additional information for such approvals.
 6. ***Revocation or Suspension of Cannabis Business Permit.*** Any CBP issued under this section may be immediately suspended or not renewed for any of the reasons listed below. Any CBP issued under this ordinance may be revoked by the City following notice and opportunity for a hearing before the Zoning Administrator or designee for any of the following reasons:
 - a. A cannabis business fails to comply with the requirements of this article or any conditions of approval of CUP.
 - b. A cannabis business's State license for commercial cannabis operations is revoked, terminated or not renewed.
 - c. The cannabis business's State license for commercial cannabis operations is suspended. The City shall not reinstate the CBP until documentation is received showing that the State license has been reinstated or reissued. It shall be up to the City's discretion whether the City reinstates any permit
 - d. The cannabis business fails to become operative within one year of obtaining its CBP.

- e. Once operational, the business ceases to be in regular and continuous operation for ninety (90) days unless given prior approval by the City for extenuating and unusual circumstances.
- f. State law permitting the use for which the license was issued is amended or repealed resulting in the prohibition of such use, or the City receives credible information that the federal government will commence enforcement measures against such businesses and/or local governments that permit them.
- g. Circumstances under which the CBP was granted have significantly changed and the public health, safety and welfare require the suspension, revocation, or modification.
- h. The CBP was granted, in whole or part, on the basis of a misrepresentation or omission of a material statement in the permit application.
- i. The cannabis business is not current on City taxes or Fees.
- j. The owner was found to operate another cannabis facility illegally within the City.

J. **Competitive Selection Process.** The City has established a competitive selection process to objectively award permits for which there are a limited number of permits available, such as for retail facilities.

1. ***Competitive Application Period.*** In the event that a permit for a commercial cannabis activity with a limited permit number becomes available, the Director shall open the competitive application period and make permit applications available.
 - a. Notice of the competitive selection period shall be published by means determined necessary by the Director to provide public notice of the opportunity to apply.
 - b. The competitive application period shall be a minimum thirty (30) calendar days from the date the applications are released. Should the last day fall on a day when City Hall is closed, the application period shall be extended to the next open day.
 - c. Following the application period, the Director or designee shall stop accepting applications and review all applications received.
2. ***Initial Application Review.*** The Director or designee shall determine whether each application demonstrates compliance with minimum requirements required in the permit application and be entered into a pool of applicants for the Final Application Review and Scoring. These requirements include but are not limited to:
 - a. Application was submitted during the application period.
 - b. Application forms are filled out completely and demonstrate compliance with minimum requirements required in the permit application.

- c. Any application forms required in accordance with Article 15.04.803 are completed and required fees per master fee schedule are paid.
 - d. A signed statement that the proposed location of the commercial cannabis business on the application meets the zoning criteria established in this Article including, but not limited to, any and all sensitive use separation criteria required by this Article.
3. ***Final Application Review and Scoring.*** The Director or designee, after reviewing the applications approved in the Initial Application Review shall convene a Selection Panel composed of the Fire, Police, Finance and Planning, or their designees, to make the final decision, based on the priority point system to objectively award the top applicant(s). A complete description of the priority point system and all priority point considerations shall be included with the application forms.
- K. **Minimum Standards Related to the Operation of Commercial Cannabis Businesses.** Any permits issued, renewed, or modified pursuant to this Section includes the following conditions of operation. Each permittee is required to comply with the following conditions. The Planning Commission may impose additional conditions as necessary to preserve the public health, safety and welfare.
- 1. ***Standards Applicable to All Commercial Cannabis Businesses.*** The following standards are applicable to all commercial cannabis businesses.
 - a. ***Compliance with State and Local Law Required.*** The applicant shall fully comply with all State laws and local laws for commercial cannabis businesses.
 - b. ***Maintain Licenses and Permits.*** All commercial cannabis businesses must maintain all licenses and permits required by the State, the County and the City.
 - c. ***Compliance with Laws Regarding Edible Cannabis Products.*** Commercial cannabis businesses that manufacture, prepare, dispense, and/or sell food, including cannabis-infused foods and/or edible cannabis products, must comply with and are subject to the provisions of all relevant State and local laws and County regulations regarding the preparation, distribution, labeling and sale of such items.
 - d. ***Job Opportunities for Richmond Residents.*** All commercial cannabis business shall provide maximum feasible opportunities for Richmond residents to apply for jobs through outreach, advertising, and contacts with local job centers. The City encourages “local hires” whenever possible, consistent with General Plan policies and State and federal employment law. Commercial cannabis businesses shall coordinate hiring opportunities with the City’s Employment and Training Department.
 - e. ***Exterior Lighting.*** Exterior building and parking area lighting at the commercial cannabis businesses must be in compliance with all applicable provisions of Article 15.04.604.

- f. *Roof Hatches.* The commercial cannabis business' windows and roof hatches shall be secured so as to prevent unauthorized entry; equipped with latches that may be released quickly from the inside to allow exit in the event of emergency; and comply with all applicable Building and Fire Code provisions.
- g. *Ventilation.* The commercial cannabis business must provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the property is not detected outside the property, anywhere on adjacent property or public rights-of-way, or within any other unit located within the same building as the cannabis retail facility, cultivation site, cannabis product manufacturer or any other subsequently approved cannabis business.
- h. *Video Surveillance System.* The commercial cannabis business must be monitored at all times by digital surveillance system for security purposes. The digital surveillance system must be of adequate quality, color rendition and resolution in accordance to State Law. The cameras shall record continuously 24 hours per day at a minimum of 15 frames per second and shall be maintained at the property for a minimum of 90 calendar days. Failure to maintain the cameras in good working condition at all times is a violation of this Section and cause for permit revocation or suspension.
- i. *Alarm System.* A permittee shall maintain an alarm system as defined in Business and Professions Code section 7590.1(n) at the licensed premises in accordance with California Code of Regulations Title 16, Division 42.
- j. *Consent to Inspection.* Authorized City, County, and State representatives may enter and inspect the property of every commercial cannabis business between the hours of 9:00 a.m. and 5:00 p.m. during the week (Monday through Friday), or at any reasonable time to ensure compliance and enforcement of the provisions of this Section, 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. It is unlawful and cause for immediate suspension or revocation of the CBP for any property owner, landlord, lessee, commercial cannabis business, and/or its owner, agent, employee to refuse to allow, impede, obstruct or interfere with an inspection.
- k. *Restrictions on Access and Sale.* No commercial cannabis retail facility shall cause or permit the access, sale, or exchange of cannabis to any person who is not 21 years of age or a qualified patient who is 18 years of age or older. No commercial cannabis manufacturer, distributor, testing laboratory, or cultivator shall cause, permit or allow any sale, distribution or exchange of cannabis to any person at the manufacturing, testing, distribution, or cultivation location, nor shall the manufacturer, testing laboratory, distributor, or cultivator

permit any walk-ins or allow any person into the site, unless such person is authorized to engage in commercial cannabis business under State and local law.

- l. *Visibility of Cannabis.* No cannabis or cannabis products on the site of a commercial cannabis business shall be visible with the naked eye from any adjacent public or private property, nor shall commercial cannabis or commercial cannabis products be visible from the building exterior. No cultivation shall occur at the retail facility's location unless the business owner has the appropriate local and State permits, and the area devoted to the cultivation is secured from public access by means of a locked gate and any other security measures necessary to prevent unauthorized entry, and has been inspected and approved by the Richmond Fire Prevention Services Division and Richmond Building Departments.
- m. *Age Restriction.* Employees or persons retained by a permittee to work within or on a permitted premise or to handle cannabis goods shall be at least 21 years of age. No customer under the age of 21 shall be allowed at an adult-use cannabis business and no person under the age of 18 shall be allowed at a medicinal cannabis business.
- n. *No Alcoholic Beverages or Tobacco Products.* No commercial cannabis business and/or commercial cannabis permittee shall cause or permit the sale, dispensing, or consumption of alcoholic beverages or tobacco products at a commercial cannabis business or its parking area, except that employees of the commercial cannabis business and/or commercial cannabis permittee may consume tobacco products in outdoor areas designated in accordance with applicable provisions of the Richmond Municipal Code and State law.
- o. *No Cannabis Consumption.* No commercial cannabis business and/or commercial cannabis permittee shall cause or permit the smoking, ingesting, or otherwise consuming cannabis on the premises of a commercial cannabis business or in its parking area.
- p. *Secure Storage.* All cannabis and cannabis products shall be stored on-site in structures that are completely enclosed, in a locked vault or safe that is not bolted to the floor, or in any other secured storage structure. No off-site storage is allowed.
- q. *No Retail Sales in Cultivation, Distribution, Testing or Manufacturing Facilities.* No commercial cannabis cultivator, distributor, manufacturer or tester shall allow or permit retail sale of its product at the facility location.
- r. *Maintenance of Records.* Records of commercial cannabis activity must be maintained in accordance with State and local law, be maintained in order to show compliance with this Section and be made available to the City upon request electronically as well as in hard copy if requested. Failure to provide such records is grounds for revocation

of the conditional use permit and Cannabis Business Permit. Records maintained must include but are not limited to the following.

- i. All commercial cannabis businesses must maintain:
 - (1) Proof of a valid conditional use permit issued by the Planning Commission in conformance with this Section. A copy of the CUP shall be displayed at all times in a place visible to the public.
 - (2) Proof of a valid CBP issued by the Planning Department in conformance with this Section. A copy of the CBP shall be displayed at all times in a place visible to the public.
 - (3) The full name, address, and telephone number(s) of the owner, landlord and/or lessee of the property.
 - (4) The full name, address, and telephone number(s) of each person engaged in the management of the business and the exact nature of the participation in the management of the business, and for cultivators, the full name, address, and telephone number(s) of each employee engaged in the cultivation of cannabis at the property.
 - (5) A written accounting of all cash and in-kind contributions, revenues received, reimbursements, and compensation to the business and all expenditures and costs incurred by the business.
- ii. A retail facility shall maintain the following records on the property:
 - (1) An inventory record documenting the dates and the daily amounts of cannabis and cannabis products stored on the property and an inventory record of all cannabis shipments distributed to the facility, as required by the State's track and trace system.
 - (2) Copies of the prohibited activity checklist, available from the Richmond Police Department, containing a statement dated and signed by each manager, under penalty of perjury, that they read, understand and shall not engage in any prohibited activity.
 - (3) Evidence of: (a) verification that all manufactured products are manufactured, packaged, and labeled in compliance with all applicable State and local laws; and (b) laboratory testing as required by State and local laws.
- iii. A manufacturer shall maintain the following records on the property:

- (1) Evidence of: (a) verification that all cannabis products manufactured and packaged at the location are manufactured, packaged, and labeled in compliance with all applicable state and local laws; and (b) laboratory testing as required by State and local laws.
 - (2) A list of any commercial cannabis distributor that the manufacturer has provided or intends to provide its product to. The list shall include the name of the distributor, its address, the date the cannabis product was sold or transferred to the distributor, and the type and amount of the product that was distributed as required by the State's track and trace program.
- iv. A cultivator shall maintain the following records on the property:
- (1) The current address of all sites at which cannabis is cultivated.
 - (2) An inventory record documenting the dates and amounts of cannabis cultivated at the property, the daily amounts of cannabis stored on the property, and an inventory record of all cannabis transferred to a commercial cannabis distributor. The inventory records shall include total plants grown and total weight of cannabis cultivated by the cultivator, the total weight of all cannabis sold or transferred to a distributor, and receipts and documents detailing the sale or transfer of cannabis as required by the State's track and trace program.
 - (3) Copies of the prohibited activity checklist, available from the Richmond Police Department, containing a statement dated and signed by the permittee(s) for the cultivation site, under penalty of perjury, that they read, understand and shall not engage in any prohibited activity.
 - (4) Evidence to verify that all cannabis is cultivated in compliance with all applicable state and local laws.
- v. A distributor shall maintain the following records on the property:
- (1) A list of any commercial cannabis businesses that the distributor has provided or intends to provide its product to. The list shall include the name of the cannabis business, its address, the date the cannabis product was sold or transferred to the business, and the type and amount of the product that was distributed as required by the State's track and trace program.

- vi. A commercial cannabis business that produces edible cannabis products shall maintain the following records on the property:
 - (1) Proof of inspections and approvals by Contra Costa Environmental Health Department and the County Health Officer for food manufacturers, packagers and/or distributors, when such inspections or approvals become required.
 - (2) Producers of edible cannabis products shall maintain a written or computerized log documenting:
 - (a) The source of the cannabis used in each batch of product;
 - (b) The contaminant testing date; and
 - (c) The testing facility for the cannabis.
- s. *Use of Pesticides.* No pesticides or insecticides that are prohibited by applicable law for fertilization or production of edible produce may be used on any cannabis cultivated, produced, or distributed by a commercial cannabis business. A commercial cannabis business shall comply with all applicable laws regarding use of pesticides.
- t. *Disposal of Cannabis and Cannabis Byproducts.* All cannabis and any product containing a usable form of cannabis must be made unusable and unrecognizable prior to removal from the business in compliance with all applicable State laws.
- u. *On-site Community Relations Contact.* Commercial cannabis businesses must provide the Police Department and all residents, businesses and property owners within 100 feet with the current name, phone number, secondary phone number and e-mail address of an on-site community relations contact person to whom notice of any operating problems associated with the commercial cannabis business may be reported.
- v. *On-Site Manager.* All commercial cannabis businesses must have an on-site manager, at each commercial cannabis business, who is responsible for overall operation at all times that employees are conducting operations, and provide the Police Department with contact information for such person, including a telephone number and e-mail address.
- w. *Discouraging Nuisance.* Commercial cannabis businesses must take all reasonable steps to discourage and correct objectionable conditions that constitute a public or private nuisance in parking areas, sidewalks, alleys and areas surrounding the commercial cannabis business and adjacent properties. Such conditions include but are not limited to smoking, creating a noise disturbance, loitering, littering, and graffiti.

- x. *State Licenses.* Any commercial cannabis business that fails to obtain or qualify for the required State license, or is refused such license, shall immediately cease all operations in the City.
 - y. *Testing and Labeling.* All cannabis, cannabis products, and edible cannabis products, must be tested and labeled as follows and as required by State law.
 - i. Baked goods, such as cookies and brownies, shall be exempt from testing for contaminants. These products are still subject to testing for potency, as required for the label information, and must use cannabis or cannabis products that have been tested for contaminants. All baked products must contain a list and warning of any known food allergens, like nuts, etc. and comply with CCR Title 17, Division 1, Chapter 13, §40254 and any other food safety requirement of local or State regulations.
2. ***Supplemental Standards for Retail Facilities.*** In addition to the standards applicable to all commercial cannabis businesses, the following apply to commercial cannabis retail; facilities.
- a. *Signage.* A sign must be posted in a conspicuous location inside the commercial cannabis business and advise that:
 - i. You must be at least 21 years old or at least 18 years old with a valid physician's recommendation to purchase, possess, or consume cannabis or cannabis products.
 - ii. The use of cannabis may impair a person's ability to drive a motor vehicle or operate heavy machinery;
 - iii. Loitering at the location of a cannabis retail facility for an illegal purpose is prohibited by California Penal Code Section 647(h); and
 - iv. This retail facility is permitted in accordance with the Municipal Code, and State law, including the MAUCRSA, and Bureau regulations.
 - b. *Hours of Operation.* A licensed cannabis retail facility or non-storefront retail facility may sell and deliver cannabis between the hours of 8:00 a.m. and 9:00 p.m.
 - c. *Safety of Products.* The retail facility must ensure that the cannabis, cannabis products, and edible cannabis it offers for sale are manufactured, packaged, tested, and labeled in compliance with all applicable state and local laws. No retail facility may obtain or distribute cannabis products from any commercial cannabis business unless such business has a valid permit or license issued by the Bureau and a California city or county.
 - d. *Onsite Consumption.* On-site consumption of cannabis or cannabis products is specifically prohibited on the premises at all times.

3. ***Supplemental Standards for Cultivators.*** In addition to the standards applicable to all commercial cannabis businesses, the following apply to commercial cannabis cultivators.
 - a. *Outdoor Cultivation Prohibited.* All cultivation must be done inside a fully enclosed structure, which may be a greenhouse, and the cultivation operation shall not be visible from the exterior of the structure. Outdoor cultivation of cannabis is not permitted in any zoning district.
4. ***Supplemental Standards for Retail Facilities Engaged in Deliveries.***
 - a. Commercial cannabis deliveries may be made only from a commercial cannabis retail facility permitted by the City or from a State licensed retail facility outside of the City limits in compliance with this section, and in compliance with all State regulations.
 - b. All deliveries of cannabis goods shall be performed by a delivery employee of a retailer.
 - c. While carrying cannabis goods for delivery, a retailer's delivery employee shall ensure the cannabis goods are not visible to the public.
 - d. Persons engaged in delivery of cannabis or cannabis products on behalf of a licensed retailer, shall adhere to the delivery vehicle requirements and restrictions on the amount of cannabis and cannabis goods stored in the vehicle during delivery as set forth under State law.
 - e. No cannabis delivery vehicle shall display signs, decals or any other form of advertisement.
5. ***Supplemental Standards for Distributors.***
 - a. A distributor shall not store or distribute non-cannabis goods on or from the premises permitted for distribution of cannabis goods.
 - b. A distributor shall ensure a label with the following information is physically attached to each container of each batch:
 - i. The manufacturer or cultivator's name and license number;
 - ii. The date of entry into the distributor's storage area;
 - iii. The unique identifiers and batch number associated with the batch;
 - iv. A description of the cannabis goods with enough detail to easily identify the batch; and
 - v. The weight of or quantity of units in the batch.
 - c. Employee breakrooms, eating areas, changing facilities, and bathrooms shall be completely separated from the storage areas.

- d. A distributor shall adhere to all requirements for transportation of cannabis goods as set forth in State law.

6. ***Supplemental Standards for Testing Laboratory Businesses.***

- a. A permitted cannabis testing facility shall comply with all State regulations contained in California Code of Regulations Title 16, Division 42 and as it may be amended from time to time.
- b. Any cannabis testing facility must maintain all certifications required by the State.
- c. A permitted cannabis testing facility business, its owners and its employees may not hold an interest in any other cannabis business except another testing business.

7. ***Supplemental Standards for Commercial Cannabis Businesses Producing Edible Cannabis Products.***

- a. The manufacturer and seller of edible cannabis products must ensure that all cannabis products and edible cannabis products it manufactures and/or sells complies with the any applicable provisions of all State and local laws, including regulations of the Contra Costa County Environmental Health Officer regarding the testing, preparation, distribution, labeling and sale of food.
- b. *Preparation of Edibles.*
 - i. Individuals involved in the production or distribution of edible cannabis products must thoroughly wash their hands before commencing production and before handling the finished product.
 - ii. Gloves must be worn when packaging edible products containing cannabis.
 - iii. In order to reduce the likelihood of foodborne disease transmission, individuals who are suffering from symptoms associated with acute gastrointestinal illness or are known to be infected with a communicable disease that is transmissible through foodstuffs are prohibited from preparing edible products containing cannabis until they are free of that illness or disease, or are incapable of transmitting the illness or disease through foodstuffs. Individuals who have sores or cuts on their hands must use gloves when preparing and handling edible products containing cannabis.
 - iv. Edibles that are sold at a retail facility may only be prepared by a locally-permitted, and State-licensed manufacturing facility.
 - v. Any and all persons who produce edible cannabis products must be a State-certified food handler. The valid certificate number of such persons must be on record at each manufacturing facility where the edible product is

distributed, and a copy of the certificate kept either on-site, or made available during inspections if kept off-site.

- vi. Hand-washing facilities shall be adequate and convenient and be furnished with running water at a suitable temperature. Hand-washing facilities shall be located in the facility in edible cannabis product preparation areas and where good sanitary practices require employees to wash and/or sanitize their hands and provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices.

c. *Packaging of Edibles.*

- d. Edible cannabis products shall comply with State packaging requirements contained in California Code of Regulations Title 17, Division 1, as it may be amended.

e. *Labeling.*

- i. Edible cannabis products shall comply with State labeling requirements contained in California Code of Regulations Title 17, Division 1, as it may be amended.:

- 8. ***Prohibited Activity.*** On-site consumption of cannabis or cannabis products is specifically prohibited on all commercial cannabis premises at all times. Cannabis may not be inhaled, smoked, eaten, ingested, or otherwise consumed anywhere on the property of a commercial cannabis business, in the parking areas of the business, or in those areas restricted under the provisions of California Health and Safety Code Section 11362.3.

L. **Fees and Taxes.** All commercial cannabis businesses shall pay applicable fees and taxes, which may include one or more of the following:

- 1. **Application Fees.** The applicant shall pay all fees required by the master fee schedule to cover the costs of processing commercial cannabis business permits, including but not limited to use, design review, building, fire, and CBP permits.
- 2. **Business License Fee.** The business owner shall at all times maintain a current and valid business license and pay all business taxes required by the City of Richmond Municipal Code, including but not limited to those due under Richmond Municipal Code Section 7.04.139.
- 3. **Commercial Cannabis Regulatory Fee.** The business owner shall pay an annual regulatory fee to cover the costs of anticipated enforcement and inspections relating to the cannabis operation. The amount of the fee shall be set by Resolution of the City Council and be supported by the estimated additional costs of enforcement and monitoring associated with the cannabis operation. The regulatory fee shall be due upon issuance of the CBP. The Regulatory Fee may be amended from time to time based upon actual costs.
- 4. All required taxes including sales and use taxes, business, payroll etc.

5. Additional cannabis-specific taxes approved by the voters of the City of Richmond.

M. **Liability and Indemnification.**

1. To the fullest extent permitted by law, any actions taken by a public officer or employee under the provisions of this Section shall not become a personal liability of any public officer or employee of the City.
2. To the maximum extent permitted by law, the permittee(s) under this Section shall defend (with counsel acceptable to the City), indemnify and hold harmless the City, the City Council, and its respective officials, officers, employees, representatives, agents and volunteers (hereafter collectively called "City") from any liability, damages, actions, claims, demands, litigation, loss (direct or indirect), causes of action, proceedings, or judgment (including legal costs, attorneys' fees, expert witness or consultant fees, City Attorney or staff time, expenses or costs) (collectively called "action") against the City to attack, set aside, void or annul, any cannabis-related approvals and actions and strictly comply with the conditions under which such permit is granted, if any. The City may elect, in its sole discretion, to participate in the defense of said action and the permittee shall reimburse the City for its reasonable legal costs and attorneys' fees.
3. Within ten calendar days of the service of the pleadings upon the City of any action as specified in paragraph (H)(2) above, the permittee shall execute a letter of agreement with the City, acceptable to the Office of the City Attorney, which memorializes the above obligations. These obligations and the letter of agreement shall survive termination, extinguishment or invalidation of the cannabis-related approval. Failure to timely execute the letter of agreement does not relieve the applicant of any of the obligations contained in this section or any other requirements or performance or operating standards that may be imposed by the City.

N. **Violations and Enforcement.** In addition to Article 15.04.815 (Enforcement Provisions):

1. Any person violating any provision of this Section, including engaging in a commercial cannabis business without a CUP and CBP or knowingly or intentionally misrepresenting any material fact in procuring a CUP and CBP, shall be deemed guilty of a misdemeanor punishable by a fine of not more than \$1,000.00 for each day or portion thereof of the violation or by imprisonment for not more than 12 months, or by both such fine and imprisonment;
2. Any violation of this Section shall be subject to injunctive relief, revocation of the certificate of occupancy for the property, disgorgement and payment to the City of any and all monies unlawfully obtained, costs of abatement, costs of investigation, attorney fees, and any other relief or remedy available at law or equity; and
3. Any violation of any condition of a CUP or CBP for a commercial cannabis business, including failure to remit any fees required to maintain the permits

and/or failure to remit the quarterly gross receipt taxes, shall be grounds for permit suspension or revocation.

15.04.610.275 Marijuana/Cannabis: Personal Use

- A. **Purpose.** The purpose of this Section is to provide, pursuant to California Health and Safety Code section 11362.2, rules to regulate the non-commercial cultivation or consumption for medicinal or adult-use of the six living cannabis plants authorized to be grown under California Health and Safety Code Section 11362.1 to mitigate the negative impacts and secondary effects associated with the cultivation of cannabis.
- B. **Prohibited Activities.** It is unlawful and shall constitute a public nuisance for any person to cultivate cannabis for their personal, non-commercial use in violation of the provisions of this Section or State law.
- C. **Restrictions Related to Personal Cultivation of Cannabis for Non-Commercial Uses.** The following restrictions apply to any person who cultivates cannabis for their personal, non-commercial use within the city limits of the City of Richmond. Any person who complies with these restrictions does not require a CUP or CBP.
 - 1. No more than six cannabis plants may be cultivated at any one time at a single private residence or on a single parcel of property within the approved zones.
 - 2. Indoor personal cultivation of cannabis shall not interfere with the primary occupancy of the building or structure, including regular use of kitchen(s) or bathroom(s).
 - 3. The private residence containing the cannabis plants must be occupied by, and the cannabis plants must be cultivated by, persons 21 years of age or older, or by persons 18 years or older with a valid physician's recommendation for cannabis.
 - 4. Cannabis plants must not be visible with normal unaided vision from a public right-of-way.
 - 5. Cultivation of cannabis for personal use is limited to parcels with a residence and a full-time resident on the premises where the cultivation is occurring.
 - 6. The use of CO2 or any volatile solvents as defined by the State and this Section to manufacture cannabis products is prohibited.
 - 7. All structures and equipment used for personal indoor cultivation, such as indoor grow lights, shall comply with all applicable building, electrical, mechanical, plumbing and fire code regulations by the City, County or State.
 - 8. No cannabis odors shall be detectable from offsite, and the use of odor prevention devices, such as a ventilation system with a carbon filter, shall be utilized if necessary.
 - 9. Grow lights shall not exceed 1,200 watts per light and are prohibited from producing a glare that interferes with other residents' reasonable enjoyment of life or property.

10. Cannabis plants cultivated indoors must remain at least 12 inches below the ceiling.
 11. The use of generators other than as back-up for emergency purposes is prohibited.
 12. Nothing in this Section is intended, nor shall it be construed to preclude any landlord from limiting or prohibiting cannabis cultivation by tenants.
 13. Nothing in this Section is intended, nor shall it be construed, to authorize any public or private nuisance as specified in the Richmond City Municipal Code and any violation of this Section is declared to be a nuisance and may be abated by the City pursuant to this ordinance or any applicable City code.
 14. Nothing in this Section is intended, nor shall it be construed, to authorize any cannabis activity in violation of State law. All personal cannabis consumption, cultivation, or any other personal cannabis activity must comply with all current State laws and regulations.
- D. **Consumption.** All regulations regarding smoking contained in the City of Richmond Municipal Code are applicable to smoking of cannabis or smoking of any cannabis products. Cannabis may not be inhaled, smoked, eaten, ingested, or otherwise consumed in areas restricted under the provisions of California Health and Safety Code Section 11362.3
- E. **Enforcement and Penalties.** The City may pursue one or more of those alternatives set forth in the City of Richmond Municipal Code to enforce this Section. It shall be a separate offense for each and every day during any portion of which any violation of, or failure to comply with, any provision of this Section is committed, continued or permitted. In the event of any conflict between the penalties set forth in this Section and any penalties set forth in State law, the maximum penalties allowable under State law shall govern.
1. The City may issue administrative citations and fines as set forth in Chapter 2.62 of this Code.
 2. Whenever the City determines that a violation of this Section exists at any location within the City of Richmond, the City is authorized to issue a Notice of Violation and demand to abate. Any failure to comply with said notice shall constitute a violation subject to the penalties and legal actions as set forth in Chapter 1.04 of this code.
 3. Nothing in this Section shall be construed as imposing on the City of Richmond any duty to issue a notice of violation, nor to abate any unlawful cannabis activity, nor to take any other action with regard to any unlawful cannabis activity, and the City shall not be held liable for failure to issue an order to abate any unlawful cannabis activity, nor for failure to abate any unlawful cannabis activity, nor for failure to take any other action with regard to any unlawful cannabis activity.