

Recommended Language from the Golden Gate University Cannabis Law Clinic to Include in Chapter 9.30 of the Municipal Code

9.30.040 CANNABIS BUSINESS PERMIT.

C. Limitations On Permitting. Due to the size and nature of the City and its community, at no time will more than six (6) Cannabis Business permits of any type be active, issued, or approved. Should six (6) Cannabis Businesses be in operation in any given year, the Community Development Department must place a hold on any new applications for Cannabis Businesses or any type until such time as one extant Cannabis Business ceases operations or otherwise declines to renew its permit. The Community Development Department in such a case will maintain a waitlist of applications, and upon request, must notify each affected Applicant of its place on such waitlist, and any changes to the waitlist as such information becomes available.

9.30.130 OPERATING REQUIREMENTS

H. Electricity Usage. All electricity sources utilized by Commercial Cannabis Cultivation, Cannabis Manufacturing, or Retail activities must conform to one or more of the following standards:

1. Electricity must be exclusively provided by a renewable energy source, including but not limited to:
  - a. Grid power supplied from a 100% renewable source, or
  - b. An on-site renewable energy system
2. Generator use shall only be used during a power shutoff, commonly known as a "PSP," and comply with the City's nuisance ordinance.

9.30.150 COMMERCIAL CANNABIS CULTIVATION.

B. Cultivation Structure Requirements. All FESSs or Greenhouses where Cannabis is cultivated must comply with the following requirements:

1. Said Cultivation Structures must be properly secured to prevent unauthorized entry;
2. Said Cultivation Structure must not create public or private nuisances, as defined by this Chapter or as provided by applicable local, county, state or federal law;
3. All light emanating from the Cultivation Structure must be shielded so that no light escapes between sunset and sunrise;
4. If pursuant to City code, any building, mechanical, electrical, plumbing, or like permit is required for such use, then each must be obtained prior to commencement of any work for which such permit is required;

D. Water Usage. Commercial Cannabis Cultivation may not connect to the City water system. Commercial Cannabis Cultivation Permittees must install and maintain a water well as their primary and only source of water. Water usage under this Subsection must comply with applicable local, county, and state laws and regulations. The use of a water well for Cannabis-related irrigation may be prohibited, limited or subject to provisional approval and monitoring as deemed necessary by the City.

E. **Water Usage Recording and Reporting.** Commercial Cannabis Cultivation Permittees must maintain monthly water metering records and provide them to the Community Development Department or its agents upon request within a reasonable time period.

F. **Water Conservation and Recycling.** Commercial Cannabis Cultivation Permittees must utilize on-site water recycling practices. Commercial Cannabis Cultivation Permittee must, upon request, provide the Community Development Department or its agents with a description of on-site water conservation measures including but not limited to:

1. stormwater catchment systems, the installation of such system which must comply with Section 14.04.220 of this Code;
2. drip irrigation;
3. timers; or
4. irrigation water recycling, including a system for hydroponically-grown Cannabis plants where applicable.

G. **Illegal Water Usage.** Commercial Cannabis Cultivation Permittees must not utilize water that has been or is illegally diverted from any spring, wetland, stream, creak, river, or the Pacific Ocean. Violation of this provision may result in the immediate revocation of Permittees license to cultivate Cannabis, or such other penalty as the Community Development Department or Chief of Police may deem appropriate.

#### 9.30.160 EQUITY PROGRAM.

A. The City, in consultation with the residents and stakeholders of the Fort Bragg community, will implement an Equity Program designed to foster equitable access to participation in the cannabis industry, including equitable access to promotional, ownership and employment opportunities in the industry.

B. The Equity Program will provide support to individuals who have experienced social indicators that exacerbate inequities, and will create strategies to uplift communities where such inequities have been concentrated.

C. **Permitting for Equity Applicants.** For each one (1) regular dispensary permit issued by the Community Development Director, the Community Development Director will reserve the right to offer priority permit processing, an application fee waiver, and where all other criteria of the Chapter are met, issue one (1) dispensary permit to an individual who meets the below Equity Criteria:

1. Is a natural person and is the sole Owner or Operator of the proposed Cannabis Business;
2. Is the Chief Executive Officer of a corporate Applicant and holds at least a 40% ownership interest in said corporate Applicant; or
3. Holds at least a 51% ownership interest in a corporate Applicant; and
4. For at least five years, is a member of a household that earns no more than 80% of the most current Fort Bragg Average Median Income (AMI) threshold, adjusted for household size;

5. After 1995, either lost housing in Fort Bragg, as evidenced by eviction, foreclosure, or revocation of housing subsidy; resided in permanent supportive housing, stayed overnight at a Shelter, in Fort Bragg, for 90 non-consecutive days; or resided in a City-funded Single Room Occupancy building; or
6. During 1971-2016 attended a school under the jurisdiction of the Fort Bragg Unified School District with a minimum 80% reduced or free lunch rate for five years, either consecutively or in total; and
7. Provides an operating plan that commits to complying with the following additional operating requirements:
  - a. Ensure that at least 30% of all Business Work Hours are performed by local residents of Fort Bragg;
  - b. Ensure that at least 50% of the Equity Incubator's employees satisfy the requirements of subsection (b)(4) of this Section; and
  - c. Provide a community investment plan demonstrating engagement with businesses and residents located within 500 feet of the site of the proposed Cannabis Business.

D. **Renewal of Equity Program Permit.** Upon the expiration of their initial permit, Equity Operators must submit a renewal application as pursuant to Section 9.30.070 of this Chapter, and provide additional documentation showing substantial compliance with the operating plan provided with the initial Equity Application as described in the above subsection (c)(7). The renewal fee as described in Section 9.30.080 will be waived.

E. Equity Operators accepted into the Equity Program and granted a Cannabis Business permit are subject to and must comply with all other requirements of this Chapter, with the exception of Section 9.30.080 regarding fees.