

**CHAPTER 9.30:**  
**CANNABIS BUSINESSES**

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**9.30.010 PURPOSE AND INTENT.**

It is the purpose and intent of this chapter to regulate cannabis businesses in order to promote the health, safety, morals, and general welfare of the residents and businesses within the City.

**9.30.020 DEFINITIONS.**

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning. Words or phrases not specifically defined in this code shall have the meaning ascribed to them as defined in the following sources: Control, Regulate and Tax Adult Use of Marijuana Act (“Proposition 64” or “AUMA”), Senate Bill 94, the Medicinal and Adult Use of Cannabis Regulation and Safety Act (“MAUCRSA”), and all regulations adopted by the state to implement the provisions of Proposition 64 and MAUCRSA.

**APPLICANT.** A person who is required to file an application for a permit under this chapter, including an individual owner, managing partner, officer of a corporation, or any other operator, manager, employee, or agent of a cannabis business.

**CANNABIS.** Shall have the same definition as defined by state law.

**CANNABIS BUSINESS.** Any business or enterprise engaged in commercial cannabis activity.

**CHIEF OF POLICE.** The Chief of Police of the City of Fort Bragg or the authorized representatives thereof.

**CHURCH.** A structure or leased portion of a structure which is used primarily for religious worship and related religious activities.

**CONTROLLED SUBSTANCES.** A drug, substance, or immediate precursor which is listed in any schedule in California Health and Safety Code §§ 11054, 11055, 11056, 11057, or 11058.

**DRUG PARAPHERNALIA.** Shall have the same definition as California Health and Safety Code § 11364.5, and as may be amended.

**PERMITTEE.** The person to whom a cannabis business permit is issued.

**SCHOOL.** An institution of learning for minors, whether public or private, offering a regular course of instruction required by the California Education Code. This definition includes a kindergarten, elementary school, middle or junior high school, senior high school, or any special institution of education, but it does not include a vocational or professional institution of higher education, including a community or junior college, college, or university.

**YOUTH ORIENTED CENTER.** A “youth center” as defined by state law, which includes any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

#### **9.30.030 PERMIT REQUIRED.**

It shall be unlawful for any person to engage in, conduct or carry on, or to permit to be engaged in, conducted or carried on, in or upon any premises in the City the operation of a cannabis business use unless the person first obtains and continues to maintain in full force and effect a cannabis business permit from the City as herein required.

#### **9.30.040 APPLICATIONS.**

A. All applications for cannabis business permits shall be filed with the Chief of Police. The application shall be made under penalty of perjury.

B. Any application for a cannabis business permit shall include the following information:

1. The full name, present address, and telephone number of the applicant;
2. The address to which notice of action on the application and all other notices are to be mailed;
3. Previous addresses for the past 5 years immediately prior to the present address of the applicant;
4. Written proof that the applicant is over 21 years of age;
5. Photographs for identification purposes (photographs shall be taken by the Police Department);
6. The cannabis business history of the applicant, including whether the person, in previously operating in any city, county, or state under permit, has had a permit revoked or suspended and, if so, the reason therefor;
7. The name or names of the person or persons having the management or supervision of applicant’s business;
8. Whether the person or persons having the management or supervision of applicant’s business have been convicted of a crime(s), the nature of the offense(s), and the sentence(s) received therefor;
9. The names of all employees, independent contractors, and other persons who will work at the cannabis business;
10. A security plan ensuring the safety of employees and visitors from criminal activity, including theft and unauthorized entry;
11. A sketch or diagram showing the interior configuration of the premises, including a statement of the total floor area occupied by the cannabis business and the purpose and security of each room or area of operation;
12. A diagram illustrating the use and coverage of security cameras, security lighting, and necessary access restrictions;

13. Security measures ensuring the safety of employees and visitors from criminal activity, including theft and unauthorized entry;
14. Detailed operating procedures, which shall include the following:
  - a. Proposed hours of operation;
  - b. How the business will comply with applicable state regulations;
  - c. Product safety and quality assurances;
  - d. Record keeping procedures;
  - e. Product recall procedures;
  - f. A solid waste disposal plan, with certification that waste transport entities and disposal facilities have agreed to haul and receive solid waste produced by the cannabis business use;
  - g. Product supply chain information (cultivation, testing, transportation, packaging and labeling);
  - h. An odor prevention plan, illustrating how the use will be consistent with § 17.30.080(J) and/or § 18.30.080(J). The odor prevention plan may include an odor absorbing ventilation and exhaust system or other measures to ensure the use does not produce odors which are disturbing to people of normal sensitivity residing or present on adjacent or nearby property or areas open to the public; and
  - i. Other information as required by the Chief of Police as necessary to ensure the project's compliance with local, state and federal regulations;
15. Authorization for the City, its agents and employees to seek verification of the information contained within the application; and
16. A statement in writing by the applicant that he or she certifies under penalty of perjury that all the information contained in the application is true and correct.

C. If the applicant has completed the application improperly, or if the application is incomplete, the Chief of Police shall, within 10 days of receipt of the original application, notify the applicant of the fact and, on request of the applicant, grant the applicant an extension of time of 10 days or more to submit a complete application.

D. The fact that an applicant possesses other types of state or City permits or licenses does not necessarily exempt the applicant from the requirement of obtaining a cannabis business permit.

#### **9.30.050 TIME LIMIT FOR FILING APPLICATION FOR PERMIT.**

All persons who possess an outstanding business license heretofore issued for a cannabis business must apply for and obtain a cannabis business permit within 90 days of the effective date of the ordinance codified in this chapter. Continued operation of a cannabis business use without a permit more than 90 days after the effective date of the ordinance codified in this chapter shall constitute a violation of this chapter.

#### **9.30.060 TERM OF PERMITS AND RENEWALS.**

Cannabis business permits issued under this chapter shall expire one (1) year following their issuance. Cannabis business permits may be renewed by the Chief of Police for additional 1-year periods upon application by the permittee, unless the permit is suspended or revoked subject to § 9.30.180. Applications for renewal shall be made at least 45 days before the expiration date of the permit and shall be accompanied by the nonrefundable fee referenced in § 9.30.070. When made less than 45 days before the expiration date, the expiration of the permit will not be stayed. Applications for renewal shall be acted on as provided herein for action upon applications for permits. The Chief of Police may deny an application for renewal based on any of the grounds referenced in §§ 9.30.090 and 9.30.180. An applicant aggrieved by the Chief of Police's decision to deny a renewal of a cannabis business permit may appeal pursuant to § 9.30.100.

**9.30.070 FEES.**

Every application for a cannabis business permit or renewal shall be accompanied by a nonrefundable fee, as established by resolution adopted by the City Council from time to time. This application or renewal fee is in addition to fingerprinting, photographing, and background check costs and shall be in addition to any other permit fee imposed by this code or other governmental agencies. Fingerprinting, photographing, and background check fees will be as established by resolution adopted by the City Council from time to time.

**9.30.080 INVESTIGATION AND ACTION ON APPLICATION.**

After the making and filing of the application for the cannabis business permit and the payment of the fees, the Chief of Police shall conduct a background check of the applicant and all employees and conduct an investigation of the application. After the background checks and investigation are complete, the Chief of Police shall either formally accept or reject the application in accordance with the provisions of this chapter.

**9.30.090 GROUNDS FOR REJECTION OF CANNABIS BUSINESS PERMIT APPLICATION.**

The grounds for rejection of a cannabis business permit application shall be 1 or more of the following:

- A. The business or conduct of the business at a particular location is prohibited by any local or state law, statute, rule, or regulation;
- B. The applicant has violated any local or state law, statute, rule, or regulation respecting a cannabis business;
- C. The applicant has knowingly made a false statement of material fact or has knowingly omitted to state a material fact in the application for a permit;
- D. The applicant, his or her agent or employees, or any person who is exercising managerial authority on behalf of the applicant has been convicted of a felony, or of a misdemeanor involving moral turpitude, or the illegal use, possession, transportation, distribution, or similar activities related to controlled substances, with the exception of marijuana related offenses for which the conviction occurred prior to passage of Proposition 215. A conviction within the meaning of this section means a guilty plea or verdict or a conviction following a plea of nolo contendere;
- E. The applicant has engaged in unlawful, fraudulent, unfair, or deceptive business acts or practices;
- F. The applicant is under 21 years of age;
- G. The cannabis business use does not comply with Title 18 (Land Use and Development Code); and/or
- H. The required application or renewal fees have not been paid.

(Ord. 927, § 2, passed 11-14-2016)

**9.30.100 APPEAL FROM CHIEF OF POLICE DECISION TO REJECT APPLICATION.**

The Chief of Police shall cause a written notice of his or her decision to reject a cannabis business permit application to be mailed to the applicant by certified U.S. mail, postage prepaid, return receipt requested, to the address provided by the applicant for sending of notices. An applicant aggrieved by the Chief of Police's decision to reject an application may appeal the decision in accordance with the procedures described in Chapter 1.08. If an appeal is not taken within such time, the Chief of Police's decision shall be final.

**9.30.110 PROCESSING OF CANNABIS BUSINESS PERMIT.**

If an application is not rejected by the Chief of Police, it shall be forwarded to the Community Development Department for processing using the same permit process and requirements for a Use Permit as defined in Title 17 (Coastal Land Use and Development Code) and Title 18 (Land Use and Development Code).

**9.30.120 OPERATING REQUIREMENTS.**

A cannabis business use shall meet the following operating requirements for the duration of the use:

- A. The design, location, size and operating characteristics of the cannabis business shall comply with the findings and conditions of the use permit, where applicable.

- B. A cannabis business shall maintain a current register of the names of all employees currently employed by the use.
- C. The building entrance to a cannabis business shall be clearly and legibly posted with a notice indicating that persons under the age of 21 are precluded from entering the premises unless they are a qualified patient or a primary caregiver and they are in the presence of their parent or legal guardian.
- D. No cannabis or cannabis product shall be smoked, ingested, or otherwise consumed on the project site. The term “project site” includes the actual building, as well as any accessory structures, parking areas, or other immediate surroundings. The building entrance to a cannabis business shall be clearly and legibly posted with a notice indicating that smoking, ingesting or consuming marijuana on the premises or in the vicinity of the cannabis business is prohibited.
- E. No cannabis business shall hold or maintain a license from the State Department of Alcohol Beverage Control to sell alcoholic beverages, or operate a business that sells alcoholic beverages. In addition, alcohol shall not be provided, stored, kept, located, sold, dispensed, or used on the premises of the cannabis business.
- F. A cannabis business shall provide adequate security on the premises, including lighting and alarms, to ensure the safety of employees and visitors from criminal activity, including theft and unauthorized entry.
- G. A cannabis business shall provide the Chief of Police with the name, phone number, and email of an on-site community relations staff person to whom one can provide notice if there are operating problems associated with the cannabis business.
- H. A cannabis business shall meet all the operating criteria as is required pursuant to state law.

**9.30.130 MINORS.**

- A. It shall be unlawful for any permittee, operator, or other person in charge of any cannabis business to employ any person who is not at least 21 years of age.
- B. Persons under the age of 21 shall not be allowed on the premises of a cannabis business unless they are a qualified patient or a primary caregiver and they are in the presence of their parent or legal guardian.

**9.30.140 DISPLAY OF PERMIT.**

Every cannabis business shall display at all times during business hours the permit issued pursuant to the provisions of this chapter for cannabis businesses in a conspicuous place so that the same may be readily seen by all persons entering the cannabis business.

**9.30.150 REGISTRATION OF NEW EMPLOYEES.**

- A. As a further condition of approval of every cannabis business permit issued pursuant to this chapter, every owner or operator shall register every employee with the Police Department within 5 business days of the commencement of the employee’s period of employment at the cannabis business, in order to provide necessary information to conduct background checks.
- B. Each employee shall be required to provide 2 recent color passport quality photographs and, at the discretion of the Chief of Police, shall allow himself or herself to be fingerprinted by the Police Department for purposes of identification.
- C. Failure to register each new employee within 5 days of the commencement of employment or to maintain a current register of the names of all employees shall be deemed a violation of the conditions of the permit and may be considered grounds for suspension or revocation of the permit.

**9.30.160 TRANSFER OF PERMITS.**

- A. A permittee shall not operate a cannabis business under the authority of a cannabis business permit at any place other than the address of the cannabis business use stated in the application for the permit, unless specifically authorized by the permit.

B. A permittee shall not transfer ownership or control of a cannabis business or transfer a cannabis business permit to another person unless and until the transferee obtains an amendment to the permit from the Chief of Police stating that the transferee is now the permittee. The amendment may be obtained only if the transferee files an application with the Chief of Police in accordance with § 9.30.040, accompanies the application with a transfer fee in an amount set by resolution of the City Council, and the Chief of Police determines in accordance with § 9.30.090 that the transferee would be entitled to the issuance of an original permit.

C. No permit may be transferred when the Chief of Police has notified the permittee that the permit has been or may be suspended or revoked.

D. Any attempt to transfer a permit either directly or indirectly in violation of this section is hereby declared void, and the permit shall be deemed revoked.

**9.30.170 SUSPENSION AND REVOCATION – NOTICE.**

A. Any permit issued under the terms of this chapter may be suspended or revoked by the Chief of Police when it appears to him or her that the permittee has committed any 1 or more of the acts or omissions constituting the grounds for suspension or revocation under this chapter.

B. No permit shall be revoked or suspended by virtue of this section until a hearing has been held by the Chief of Police. Written notice of the time and place of the hearing shall be served upon the person to whom the permit was granted at least 5 days prior to the date set for the hearing. The notice shall contain a brief statement of the grounds to be relied upon for revoking or suspending the permit. Notice may be given either by personal delivery to the permittee or by depositing it in the U.S. mail in a sealed envelope, postage prepaid, addressed to the permittee at the address provided by the permittee for sending of notices.

**9.30.180 SUSPENSION AND REVOCATION – GROUNDS.**

It shall be a ground for suspension or revocation of a permit if any permittee or person, his or her agent, or employee:

A. Does any act which violates any of the grounds set forth in § 9.30.090, which sets forth the grounds for rejection of an application for a permit for the cannabis business;

B. Violates any other provision of this chapter or any local or state law, statute, rule, or regulation relating to his or her permitted activity;

C. Conducts the permitted business in a manner contrary to the peace, health, or safety of the public;

D. Fails to take reasonable measures to control the establishment's patrons' conduct resulting in disturbances, vandalism, or crowd control problems occurring inside of or outside the premises, traffic control problems, or creation of a public or private nuisance, or obstruction of the business operation of another business;

E. Violates any provision of Title 15; or

F. Violates or fails to comply with the terms and conditions of the use permit.

**9.30.190 SUSPENSION AND REVOCATION – APPEALS.**

Any permittee aggrieved by the decision of the Chief of Police in suspending or revoking a permit may, within 10 calendar days, appeal the decision in accordance with the procedures described in Chapter 1.08. If a decision of the Chief of Police to suspend or revoke a permit is not appealed within 10 calendar days, the decision of the Chief of Police shall be final.

**9.30.200 SUSPENSION OR REVOCATION WITHOUT HEARING.**

If any person holding a permit or acting under the authority of the permit under this chapter is convicted of a misdemeanor in any court for the violation of any law which relates to his or her permit, the Chief of Police shall revoke the permit forthwith without any further action thereof, other than giving notice of revocation to the permittee. If a permit is summarily revoked pursuant to the provisions of this section, a permittee may, within 10 calendar days, appeal the revocation in accordance with the procedures described in Chapter 1.08. During the pendency of the appeal, the permit shall be deemed suspended. If the appeal is not taken within 10 days, the decision of the Chief of Police shall be final.

**9.30.210 SEPARATE OFFENSE FOR EACH DAY.**

Any person that violates any provision of this chapter shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes a violation thereof, and shall be penalized accordingly.

**9.30.220 PUBLIC NUISANCE.**

Any use or condition caused or permitted to exist in violation of any of the provisions of this chapter shall be and is hereby declared a public nuisance and may be abated by the City pursuant to Chapter 6.12.

**9.30.230 CRIMINAL PENALTIES.**

Any person who violates, causes, or permits another person to violate any provision of this chapter commits a misdemeanor.

**9.30.240 CIVIL INJUNCTION.**

The violation of any provision of this chapter shall be and is hereby declared to be a public nuisance and contrary to the public interest and shall, at the discretion of the City, create a cause of action for injunctive relief.

**9.30.250 ADMINISTRATIVE REMEDIES.**

In addition to the civil remedies and criminal penalties set forth above, any person that violates the provisions of this chapter may be subject to administrative remedies, as set forth by City ordinance.

**9.30.270 SEVERABILITY.**

If any section, subsection, sentence, clause, or phrase of this chapter is for any reason held by a court of competent jurisdiction to be invalid or unconstitutional, the decision shall not affect the validity of the remaining portions of this chapter. The City Council of the City hereby declares that it would have passed the ordinance codified in this chapter and each section, subsection, sentence, clause, and phrase thereof irrespective of the fact that 1 or more sections, subsections, sentences, clauses, or phrases may be held invalid or unconstitutional.