

ORDINANCE NO. 17-__

AN ORDINANCE OF THE CITY OF CULVER CITY, CALIFORNIA, AMENDING TITLE 11, "BUSINESS REGULATIONS," OF THE CULVER CITY MUNICIPAL CODE TO: (1) ADD A NEW CHAPTER 11.17 "COMMERCIAL CANNABIS BUSINESSES"; AND (2) AMEND SECTION 11.01.075 "UNLAWFUL BUSINESSES PROHIBITED" OF CHAPTER 11.01.

NOW, THEREFORE, the City Council of the City of Culver City, California, DOES HEREBY ORDAIN as follows:

SECTION 1. This Ordinance shall be known and may be cited as the Culver City Commercial Cannabis Regulation and Safety Ordinance.

SECTION 2. A new Chapter 11.17, "Commercial Cannabis Businesses," is hereby added to Title 11 of the Culver City Municipal Code, to read as follows:

CHAPTER 11.17: COMMERCIAL CANNABIS BUSINESSES

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General Provisions

§11.17.005 Purpose and Intent

It is the purpose and intent of this Chapter to implement the provisions of the Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA") to accommodate the needs of medically-ill persons and provide access to cannabis for medicinal purposes as recommended by their health care provider(s), and to provide access to adult-use of cannabis for persons over the age of 21 as authorized by the Control, Tax & Regulate the Adult Use Cannabis Act ("AUMA" or "Proposition 64" passed by California voters in 2016), while imposing reasonable regulations on the use of land to protect the City's residents, neighborhoods, and businesses from disproportionately negative impacts. As such, it is the purpose and intent of this Chapter to regulate the cultivation, processing, manufacturing, testing, sale, delivery, distribution and transportation of medicinal and adult-use cannabis and cannabis products in a responsible manner to protect the health, safety, and welfare of the residents of Culver City and to enforce rules and regulations consistent with state law. It is the further purpose and intent of this Chapter to require all commercial cannabis businesses to obtain and renew annually a permit to operate within Culver City. Nothing in this Chapter is intended to authorize the possession, use, or provision of cannabis for purposes that violate state law. It is neither the intent nor the effect of this Chapter to condone or legitimize the illegal use or consumption of cannabis under federal, state or local law. The provisions of this Chapter are in addition to any other permits, licenses and approvals which may be required to conduct business in the City, and are in addition to any permits, licenses and approvals required under state, county, or other law.

§11.17.010 Legal Authority.

Pursuant to Sections 5 and 7 of Article XI of the California Constitution, the provisions of MAUCRSA, any subsequent state legislation and/or regulations regarding same, the City of Culver City is authorized to adopt ordinances that establish standards, requirements and regulations for the licensing and permitting of commercial medicinal and adult-use cannabis activity. Any standards, requirements, and regulations regarding health and safety, security, and worker protections established by the State of California, or any of its departments or divisions, shall be the minimum standards applicable in the City of Culver City to all commercial cannabis activity.

§11.17.015 Commercial Cannabis Cultivation and Commercial Cannabis Activities Prohibited Unless Specifically Authorized by this Chapter.

Except as specifically authorized in this Chapter, the commercial cultivation, manufacture, processing, storing, laboratory testing, labeling, sale, delivery,

1 distribution or transportation (other than as provided under California Business &
2 Professions Code section 26090(e)), of cannabis or cannabis products is expressly
3 prohibited in the City of Culver City.

4 **§11.17.020 Compliance with Laws.**

5 A. Nothing in this Chapter shall be construed as authorizing any
6 actions that violate state law or local law with respect to the operation of a commercial
7 cannabis business. It shall be the responsibility of the Permittees and Responsible
8 Persons of a commercial cannabis business to ensure that a commercial cannabis
9 business is, at all times, operating in a manner compliant with all applicable state and
10 local laws, including for as long as applicable, all state cannabis laws, any subsequently
11 enacted state law or regulatory, licensing, or certification standards or requirements,
12 and any specific, additional operating procedures or requirements which may be
13 imposed as conditions of approval of the Commercial Cannabis Business Permit.

14 B. All commercial cannabis businesses authorized by this Chapter
15 shall comply with the applicable provisions of the Los Angeles County Public Health
16 Code.

17 **§11.17.025 Definitions.**

18 When used in this Chapter, the following words shall have the meanings
19 ascribed to them as set forth herein. Any reference to California statutes includes any
20 regulations promulgated thereunder, and is deemed to include any successor or
21 amended version of the referenced statute or regulatory provision.

22 **Applicant.** Applicant shall include any individual or entity applying for
23 Commercial Cannabis Business Permit under this Chapter, including any officer,
24 director, partner, or other duly authorized representative applying on behalf of an entity.

25 **Business tax certificate.** The certificate issued by the City's Revenue
26 Division after payment of the business tax fee as set forth in Chapter 11.01 of the City
27 of Culver City Municipal Code.

28 **A-License.** A license issued by the State of California under MAUCRSA
for cannabis or cannabis products that are intended for adults 21 years of age and over
and who do not possess a physician's recommendation.

Cannabis. Except as specified herein, all parts of the Cannabis sativa
Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds
thereof; the resin, whether crude or purified, extracted from any part of the plant; and
every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its
seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified,
obtained from cannabis. "Cannabis" does not include the mature stalks of the plant,

1 fiber produced from the stalks, oil or cake made from the seeds of the plant, any other
2 compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks
3 (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the
4 plant which is incapable of germination. For the purpose of this Chapter, "cannabis"
5 does not mean "industrial hemp" as defined by Section 11018.5 of the California Health
6 and Safety Code.

7 **Cannabis concentrate.** Cannabis that has undergone a process to
8 concentrate one or more active cannabinoids, thereby increasing the product's potency.
9 Resin from granular trichomes from a cannabis plant is a concentrate for purposes of
10 this Chapter. A cannabis concentrate is not considered food, as defined by Section
11 109935 of the California Health and Safety Code, or drug, as defined by Section
12 109925 of the California Health and Safety Code.

13 **Cannabis products.** Cannabis that has undergone a process whereby
14 the plant material has been transformed into a concentrate, including but not limited to
15 concentrated cannabis, or an edible or topical product containing cannabis or
16 concentrated cannabis and other ingredients.

17 **Canopy.** All areas occupied by any portion of a cannabis plant, inclusive
18 of all vertical planes, whether contiguous or noncontiguous on any one site.

19 **Caregiver or primary caregiver.** Has the same meaning as that term is
20 defined in Section 11362.7 of the California Health and Safety Code.

21 **Chief of Police.** The Chief of the Culver City Police Department,
22 including his or her designee.

23 **City.** The City of Culver City, California.

24 **City Manager.** City Manager of the City of Culver City, including his or her
25 designee.

26 **Code.** The Culver City Municipal Code.

27 **Commercial cannabis activity.** Activities that include the cultivation,
28 possession, manufacture, distribution, processing, storing, laboratory testing,
packaging, labeling, transportation, delivery or sale of cannabis and cannabis products
as provided for in MAUCRSA and its related or successor laws and regulations.

Commercial cannabis business. Any business or operation which
engages in medicinal or adult-use commercial cannabis activity.

Commercial Cannabis Business Permit. The regulatory permit issued
by the City pursuant to this Chapter, to a commercial cannabis business, which is
required before any commercial cannabis activity may be conducted in the City.

1 **Community Development Director.** The Director of the City's
2 Community Development Department, including his or her designee.

3 **Cultivation.** Any activity involving the planting, growing, harvesting,
4 drying, curing, grading, or trimming of cannabis.

5 **Customer.** A natural Person 21 year of age or older; or, a natural Person
6 18 years of age or older who possesses a physician's recommendation, or a primary
7 caregiver.

8 **Day care center.** Day care center has the same meaning as in Section
9 1596.76 of the California Health and Safety Code.

10 **Delivery.** The commercial transfer of cannabis or cannabis products to a
11 customer. Delivery also includes the use by a retailer of any technology platform.

12 **Dispensing.** Any activity involving the retail sale of cannabis or cannabis
13 products from a retailer.

14 **Distribution.** The procurement, sale, and transport of cannabis and
15 cannabis products between licensees.

16 **Distributor.** A Person holding a valid Commercial Cannabis Business
17 Permit for distribution issued by the City of Culver City, and, a valid state license for
18 distribution.

19 **Edible cannabis product.** Cannabis product that is intended to be used,
20 in whole or in part, for human consumption, and is not considered food. Edible
21 cannabis product has the same meaning as Section 26001 of the California Business
22 and Professions Code.

23 **Employee.** Each Person who renders any service, with or without
24 compensation, for the Owner, Permittee, or agent of either an Owner or Permittee of a
25 commercial cannabis business. For purposes of this Chapter, the term *Employee* shall
26 include part-time, full-time, temporary, or permanent Employees.

27 **Fire Chief.** The Chief of the Culver City Fire Department, including his or
28 her designee.

License or State License. A permit or license issued by the State of
California, or one of its departments or divisions, under MAUCRSA and any subsequent
State of California legislation regarding the same, to engage in commercial cannabis
activity.

1 **Licensee.** Any Person holding a license issued by the State of California
2 to conduct commercial cannabis business activities.

3 **Live plants.** Living cannabis flowers and plants including seeds,
4 immature plants, and vegetative stage plants.

5 **Manager.** Any person(s) designated by the commercial cannabis
6 business to act as the representative or agent of the commercial cannabis business in
7 managing day-to-day operations with corresponding liabilities and responsibilities,
8 and/or the individual in apparent charge of the premises where the commercial
9 cannabis business is located. Evidence of management includes, but is not limited to,
10 evidence that the individual has the power to direct, supervise, or hire and dismiss
11 Employees, controls hours of operations, creates policy rules, or purchases supplies.

12 **M-License.** A license issued by the state of California under MAUCRSA
13 for commercial cannabis activity involving medicinal cannabis.

14 **Manufacture.** To compound, blend, extract, infuse, or otherwise make or
15 prepare a cannabis product.

16 **Manufactured cannabis.** Raw cannabis that has undergone a process
17 whereby the raw agricultural product has been transformed into a concentrate,
18 extraction or other manufactured product intended for internal consumption through
19 inhalation or oral ingestion or for topical application.

20 **Manufacturer.** A licensee that conducts the production, preparation,
21 propagation, or compounding of cannabis or cannabis products either directly or
22 indirectly or by extraction methods, or independently by means of chemical synthesis,
23 or by a combination of extraction and chemical synthesis at a fixed location that
24 packages or repackages cannabis or cannabis products or labels or container. A
25 manufacturer may also be a Person that infuses cannabis in its products but does not
26 perform its own extraction.

27 **Medicinal cannabis or medicinal cannabis product.** Cannabis or a
28 cannabis product, respectively, intended to be sold for use pursuant to the
Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the
California Health and Safety Code, by a medicinal cannabis patient in California who
possesses a physician's recommendation.

Owner. Any of the following:

(1) An entity or individual with an aggregate ownership interest of 10
percent or more in the Person applying for a Culver City Commercial Cannabis
Business Permit, whether a partner, shareholder, member, or the like, unless the
interest is solely a security, lien, or encumbrance.

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

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

1 **Park and Playground.** Public parks, play lots, playgrounds, and athletic
2 fields for non-commercial or private neighborhood or community use, including tennis
3 courts. Does not include parkways, golf courses, country clubs, private sport courts or
4 play structures accessory to a single-family dwelling.

5 **Patient or qualified patient.** The same definition as Section 11362.7 et
6 seq. of the California Health and Safety Code, as it may be amended, and which means
7 a Person who is entitled to the protections of Section 11362.5 of the California Health &
8 Safety Code.

9 **Permit Administrator.** The Chief Financial Officer of the City, or his/her
10 designee.

11 **Permittee.** Any Person to whom a current and valid City-issued
12 Commercial Cannabis Business Permit has been issued.

13 **Person.** Any individual, firm, partnership, joint venture, association,
14 corporation, limited liability company, estate, trust, business trust, receiver, syndicate,
15 or any other group or combination acting as a unit, and the plural as well as the
16 singular.

17 **Premises.** The designated structure or structures and land specified in
18 the application that is owned, leased, or otherwise held under the control of the
19 Applicant where the commercial cannabis activity will be or is conducted. The premises
20 shall be a contiguous area and shall only be occupied by one Permittee.

21 **Purchaser.** The customer who is engaged in a transaction with a
22 Permittee for purposes of obtaining cannabis or cannabis products.

23 **Responsible Person.** All Owners and operators of a commercial
24 cannabis business, including the Permittee and all officers, directors, Managers, or
25 partners, and all Persons with authority, including apparent authority, over the premises
26 of the commercial cannabis business.

27 **Retailer-Storefront.** A Storefront Retailer is a commercial cannabis
28 business facility where cannabis, cannabis products, or devices for the use of cannabis
or cannabis products are offered, either individually or in any combination, for retail
sale to customers at an on-site fixed location, including an establishment that also
offers delivery of cannabis and cannabis products as part of a retail sale, in addition to
on-site sales, and where the operator holds a valid Commercial Cannabis Business
Permit authorizing the operation of a retailer, and a valid state license as required by
state law to operate a retailer.

Retailer-Delivery only. A Delivery only retailer is a commercial cannabis
business facility where cannabis, cannabis products, or devices for the use of cannabis

1 or cannabis products are offered, either individually or in any combination, for retail sale
2 to customers, where the premises are closed to the public and sales are conducted
3 exclusively by delivery, where a vehicle is used to convey the cannabis or cannabis
4 products to the customer from a fixed location, and where the operator holds a valid
5 Commercial Cannabis Business Permit authorizing the operation of a retailer, and a
6 valid state license as required by state law to operate a retailer.

7 **Sell, sale, and to sell.** Includes any transaction whereby, for any
8 consideration, title to cannabis or cannabis products are transferred from one Person to
9 another, and includes the delivery of cannabis or cannabis products pursuant to an
10 order placed for the purchase of the same and soliciting or receiving an order for the
11 same, but does not include the return of cannabis or cannabis products by a licensee to
12 the licensee from whom the cannabis or cannabis product was purchased.

13 **State Cannabis Laws.** Laws of the State of California, which include
14 California Health and Safety Code Sections 11362.1 through 11362.45; California
15 Health and Safety Code Section 11362.5 (Compassionate Use Act of 1996); California
16 Health and Safety Code Sections 11362.7 to 11362.83 (Medical Marijuana Program);
17 California Health and Safety Code Sections 26000 through 26211 (Medicinal and Adult-
18 Use Cannabis Regulation and Safety Act ("MAUCRSA")); California Health and Safety
19 Code Sections 26220 through 26231.2; the California Attorney General's Guidelines
20 for the Security and Non-Diversion of Marijuana Grown for Medical Use issued in
21 August, 2008, as such guidelines may be revised from time to time by action of the
22 Attorney General; California Labor Code Section 147.5; California Revenue and
23 Taxation Code Sections 31020 and 34010 through 34021.5; California Fish and Game
24 Code Section 12029; California Water Code Section 13276; all state regulations
25 adopted pursuant to MAUCRSA; and all other applicable laws of the state of California.

26 **Testing laboratory.** A laboratory, facility, or entity in the state that offers
27 or performs tests of cannabis or cannabis products and that is both of the following:
28 (1) Accredited by an accrediting body that is independent from all other
Persons involved in commercial cannabis activity in the state.
(2) Licensed by the State of California.

Topical cannabis. A product intended for external application and/or
absorption through the skin. A topical cannabis product is not considered a drug as
defined by Section 109925 of the California Health and Safety Code.

Youth center. The same meaning as in Section 11353.1 of the California
Health and Safety Code.

Permit Procedures; Administration

§11.17.100 Commercial Cannabis Business Permit Required to Engage in Commercial Cannabis Business.

No Person may engage in any commercial cannabis business or in any commercial cannabis activity within the City of Culver City including cultivation, manufacturing, processing, laboratory testing, transporting, dispensing, distribution, or sale of cannabis or a cannabis product unless the Person (1) has a valid Commercial Cannabis Business Permit; (2) has a valid State of California Seller's Permit; and (3) is currently in compliance with all applicable state and local laws and regulations pertaining to the commercial cannabis business and the commercial cannabis activities, including the duty to obtain any required state licenses.

§11.17.105 Maximum Number and Type of Authorized Commercial Cannabis Businesses Permitted.

A. The maximum number of each type of commercial cannabis business that shall be permitted to operate in the City shall be established by resolution of the City Council.

B. This section is only intended to create a maximum number of commercial cannabis businesses that may be issued Commercial Cannabis Business Permits to operate in the City under each category of commercial cannabis business. Nothing in this Chapter creates a mandate that the City must issue all or any of the Commercial Cannabis Business Permits, if it is determined that it is in the best interest of the City to issue a lesser number than the maximum number of Commercial Cannabis Business Permits, or not issue any Commercial Cannabis Business Permits at all; or if the Applicants do not meet the standards which are established in the application requirements or further amendments thereto.

C. Each year following the initial award of permits, if any, or at any time in the City Council's discretion, the City Council may reassess the number of Commercial Cannabis Business Permits which are authorized for issuance. The City Council, in its discretion, may determine by resolution that the number of Commercial Cannabis Business Permits should remain the same, be reduced, or be increased.

§11.17.110 Initial Application Procedure.

A. The City Council shall adopt by resolution the procedures to govern the application process for issuance of a Commercial Cannabis Business Permit. The resolution shall authorize the City Manager to prepare the necessary forms, and adopt any necessary rules, regulations and processes concerning the applications and the application process.

1 B. Any Person seeking to obtain a Commercial Cannabis Business
2 Permit shall submit a written application to the City, signed under penalty of perjury,
3 using the form approved by the City for that purpose. The application shall be
4 accompanied by a non-refundable application fee established by resolution of the City
5 Council, to defray the costs incurred by the City in the application process set forth in
6 this Chapter.

7 C. As part of the application process, the Applicant shall be required
8 to obtain all required land use approvals from the City's Community Development
9 Department, including a certification from the Community Development Director
10 certifying that the business is a permitted use in the zone where it is located, and the
11 proposed Premises meets all the requirements of Title 17 of this Code.

12 D. Any Person intending to open and to operate a commercial
13 cannabis business shall provide sufficient evidence of the legal right to occupy and to
14 use the proposed Premises. In the event the proposed Premises will be leased from
15 another Person, the Applicant shall be required to provide a signed and notarized
16 statement from the owner of the property, in a form approved by the City,
17 acknowledging that the property owner has read this Chapter and consents to the
18 operation of the commercial cannabis business on the owner's property.

19 E. Background Check. Pursuant to Sections 11105(b)(11) and
20 13300(b)(11) of the California Penal Code, which authorizes city authorities to access
21 state and local summary criminal history information for employment, licensing, or
22 certification purposes, and authorizes access to federal level criminal history
23 information by transmitting fingerprint images and related information to the Department
24 of Justice to be transmitted to the Federal Bureau of Investigation, every Applicant,
25 Owner, Manager and Responsible Person of the commercial cannabis business must
26 submit fingerprints and other information deemed necessary by the Chief of Police for a
27 background check by the Culver City Police Department. No Applicant shall be issued a
28 Commercial Cannabis Business Permit unless the Applicant, Owner, Manager and
Responsible Person have first cleared the background check, as determined by the
Chief of Police, as required by this section. A fee for the cost of the background
investigation, which shall be the actual cost to the City to conduct the background
investigation as it deems necessary and appropriate, shall be paid at the time the
application for a Commercial Cannabis Business Permit is submitted.

§11.17.115 Permittee Selection Process.

 A. *Storefront Retail Commercial Cannabis Businesses.*
 1. Applicants shall be selected through a multi-stage screening
process to be adopted by City Council resolution. No Applicant is guaranteed any
particular result in the application process.

1 2. One stage of the process shall include a public meeting
2 where the public may comment on the proposed storefront retail commercial cannabis
3 business Applicants. At least 10 days prior to the public meeting, the proposed
4 Premises will be posted, and notice of the public meeting will be delivered to all
5 property owners and occupants located within 1000 feet of the proposed Premises of
6 each of the Applicants that will be present at the meeting.

7 3. Each commercial cannabis storefront retail business shall
8 comply with the requirements of §17.220.015 of this Code to have a valid Conditional
9 Use Permit in place prior to operation.

10 4. City Council shall select the Applicants to be awarded a
11 storefront retail Commercial Cannabis Business Permit at a public City Council meeting.
12 The City Council's decision as to those Applicants that are issued a Commercial
13 Cannabis Business Permit shall be final.

14 B. *All Other Commercial Cannabis Business Permits.* Commercial
15 Cannabis Business Permits for manufacturing, cultivation, distribution, testing and
16 delivery-only retailers shall be issued by the Permit Administrator. City Council shall
17 adopt by resolution a selection process for the issuance of these categories of
18 Commercial Cannabis Business Permits.

19 C. *Requirements applicable to all Commercial Cannabis Business*
20 *Permits.*

21 1. Issuance of a Commercial Cannabis Business Permit does
22 not create a land use entitlement. No Commercial Cannabis Business Permit shall be
23 issued and no Applicant selected for issuance of a Commercial Cannabis Business
24 Permit may begin operations, until the Applicant has demonstrated compliance with all
25 the state and local laws and regulations, including but not limited to the requirements of
26 this Code and of the Commercial Cannabis Business Permit.

27 2. Notwithstanding anything in this Chapter to the contrary, the
28 City reserves the right to reject any or all applications if it determines it would be in the
best interest of the City, taking into account the public health, safety and welfare.
Applications may also be rejected for the following reasons:

 a. The application is received after the designated time
and date in which the City will receive applications.

 b. The Applicant has failed to submit a complete
application, or the application is not organized in the required format;

 c. The Applicant has failed to pay the application fee as
required by this Chapter and by City Council resolution.

1 d. The Applicant has made a false, misleading or
fraudulent statement or omission of fact in the application or in the application process.

2 e. The application contains excess or extraneous
3 material not called for in the application package.

4 f. The Applicant, an Owner, or Manager has, within the
5 past three years, been sanctioned or fined for, enjoined from, or found guilty of or plead
6 guilty or no contest to a charge of operating a cannabis dispensary or retailer in the
state without the necessary permits and approvals from the applicable state and/or
7 local jurisdictions.

8 g. The Applicant, an Owner, or Manager has been
convicted within the past 10 years of any of the offenses listed in Section 11.17.125.D.

9 h. The Applicant is under 21 years of age.

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11 3. An Applicant shall have no right to a Commercial Cannabis
12 Business Permit until a Commercial Cannabis Business Permit is actually issued, and
13 then only for the duration of the Commercial Cannabis Business Permit's term. Each
Applicant assumes the risk that, at any time prior to the issuance of a Commercial
14 Cannabis Business Permit, the City Council may terminate or delay the issuance of
permits as established by this Chapter.

15 4. Prior to operating a commercial cannabis business, each
16 Person awarded a Commercial Cannabis Business Permit shall be required to pay a
permit fee established by resolution of the City Council, to cover the costs of
17 administering this Chapter.

18 **§11.17.120 Expiration of Commercial Cannabis Business Permits.**

19 Each Commercial Cannabis Business Permit issued pursuant to this
20 Chapter shall expire twelve (12) months after the date of its issuance. Commercial
cannabis business permits may be renewed as provided in Section 11.17.130.

21
22 **§11.17.125 Revocation of Permits.**

23 A. Failure of a Permittee to comply with any requirement imposed by
24 the provisions of this Code (or successor provision or provisions) including any rule,
25 regulation, condition or standard adopted pursuant to this Chapter, or any term or
26 condition imposed on the Commercial Cannabis Business Permit, or any provision of
state law, may be grounds for revocation of the permit.

1 B. Revocation of a state license issued under MAUCRSA shall be
2 grounds for immediate revocation of a Commercial Cannabis Business Permit.

3 C. A Commercial Cannabis Business Permit may be revoked if the
4 Permittee, and/or Permittee's Owner, Manager or Responsible Person has, within the
5 past three years, been sanctioned or fined for, enjoined from, or found guilty of or plead
6 guilty or no contest to a charge of operating a cannabis dispensary or retailer in the
7 state without the necessary permits and approvals from the applicable state and/or
8 local jurisdictions.

9 D. Conviction within the past 10 years of the Permittee, Permittee's
10 Owner, Manager, or Responsible Person, including a plea of guilty or no contest, to any
11 the following offenses may be grounds for revocation of a Commercial Cannabis
12 Business Permit issued by the City:

13 1. A violent felony, as specified in Section 667.5(c) of the
14 California Penal Code.

15 2. A serious felony, as specified in Section 1192.7(c) of the
16 California Penal Code Section.

17 3. A felony involving fraud, deceit, or embezzlement.

18 4. A felony for hiring, employing, or using a minor in
19 transporting, carrying, selling, giving away, preparing for sale, or peddling, any
20 controlled substance; or selling, offering to sell, furnishing, offering to furnish,
21 administering, or giving any controlled substance to a minor.

22 5. A felony for drug trafficking with enhancements pursuant to
23 Section 11370.4 or 11379.8 of the California Health and Safety Code.

24 6. A felony or misdemeanor involving the illegal possession for
25 sale, sale, manufacture, transportation, or cultivation of a controlled substance.

26 E. If the City Manager determines that a ground for revocation of a
27 Commercial Cannabis Business Permit for a storefront retail commercial cannabis
28 business exists, the City Manager shall give dated written notice of revocation to the
Permittee. For all other categories of Commercial Cannabis Business Permit, the
Permit Administrator shall make the determination if grounds for revocation exist, and
give the dated written notice of revocation to the Permittee.

F. The Permittee shall be served, either personally or by first class
mail addressed to the address listed on the application, with a written notice to revoke a
permit. This notice shall state the reasons for the action, the effective date of the
decision, the right of the Permittee to appeal the decision, and that the notice of
revocation will be final if no written appeal is timely submitted to, and received by, the

1 City, pursuant to the provisions in Section 11.17.140 of this Chapter. The notice will be
2 effective within 15 calendar days from the date of service of the notice. If an appeal is
3 timely and properly filed in accordance with Section 11.17.140, the effective date of the
4 notice is stayed until a final decision on the appeal is rendered.

5 **§11.17.130 Renewal Applications.**

6 A. An application for renewal of a Commercial Cannabis Business
7 Permit shall be filed with the Permit Administrator's office at least 60 calendar days
8 prior to the expiration date of the current permit, on a form designated by the City.

9 B. Any Permittee submitting an application less than 60 days before
10 the expiration of a Commercial Cannabis Business Permit shall be required to pay a
11 late renewal application fee, as established by resolution of the City Council. Any
12 renewal application filed less than 30 days before the expiration of a Commercial
13 Cannabis Business Permit may be rejected by the City on that basis alone.

14 C. The Permittee shall include on the renewal application any
15 information that has changed since the filing of the initial application or prior year's
16 renewal application, as applicable.

17 D. The Permittee shall pay a fee in an amount to be set by resolution
18 of the City Council to cover the costs of processing the renewal application, together
19 with any costs incurred by the City to administer the permit scheme created under this
20 Chapter.

21 E. An application for renewal of a Commercial Cannabis Business
22 Permit may be denied if any of the following exists:

23 1. Any of the grounds for revocation under Section 11.17.125.

24 2. The Commercial Cannabis Business Permit is suspended or
25 revoked at the time of the application.

26 3. The commercial cannabis business has not been in regular
27 and continuous operation in the four months prior to the renewal application.

28 4. The Permittee fails or is unable to renew its State of
California license.

5. The Permittee has made a false, misleading or fraudulent
statement or omission of fact in the renewal application.

F. The Permit Administrator is authorized to make all decisions
concerning the renewal of a Commercial Cannabis Business Permit, except for renewal

1 of a storefront retail Commercial Cannabis Business Permit, which decisions shall be
2 made by the City Manager. When making the decision on a renewal application,
3 additional conditions to the renewal of a Commercial Cannabis Business Permit may be
4 imposed, if it is determined to be necessary to ensure compliance with state or local
5 laws and regulations or to preserve the public health, safety or welfare.

6 G. Permittees will be notified in writing of the decision to deny a
7 renewal application. Appeals from a denial of a renewal application shall be handled
8 pursuant to Section 11.17.140.

9 H. If an application for renewal of a Commercial Cannabis Business
10 Permit is denied, a Person may file a new application pursuant to this Chapter no
11 sooner than one year from the date of the denial.

12 **§11.17.135 Effect of State License Suspension, Revocation, or**
13 **Termination.**

14 A. Suspension of a Permittee's license issued by the State of
15 California, or by any of its departments or divisions, shall immediately suspend the
16 Permittee's Commercial Cannabis Business Permit and Permittee's ability to operate a
17 commercial cannabis business within the City, until the State of California, or its
18 respective department or division, reinstates or reissues Permittee's State license.

19 B. Should the State of California, or any of its departments or
20 divisions, revoke or terminate Permittee's license of a commercial cannabis business,
21 such revocation or termination shall also immediately revoke or terminate Permittee's
22 Commercial Cannabis Business Permit and Permittee's ability to operate a commercial
23 cannabis business within the City of Culver City.

24 **§11.17.140 Appeals.**

25 A. Appeals from any decision of the Permit Administrator pertaining to
26 Commercial Cannabis Business Permits for manufacturing, cultivation, distribution,
27 testing, and delivery-only retailers shall follow the process set forth in Section 11.07.100
28 of this Code.

B. Appeals from any decision of the City Manager pertaining to
Storefront Retail Commercial Cannabis Business Permits shall be conducted as
follows:

1. A commercial cannabis storefront retail Permittee may
appeal any decision of the City Manager, by filing with the City Clerk a written notice of
appeal within 15 calendar days from the date of service of the notice issued by the City
Manager of his or her decision.

1 2. The notice of appeal shall be in writing and signed by the
2 Person making the appeal ("appellant"), or his or her legal representative, and shall
3 contain the following:

4 a. Name, address, and telephone number of the
5 appellant;

6 b. Statement that the Person is appealing from a
7 specified decision, action, or a particular part thereof, made by the City Manager.

8 c. True and correct copy of the notice issued by the City
9 Manager for which the appellant is appealing.

10 d. Statement with specificity the reasons and grounds
11 for making the appeal, including, but not limited to, a statement of facts upon which the
12 appeal is based in sufficient detail to enable the City Council, or any appointed hearing
13 officer, to understand the nature of the controversy, the basis of the appeal, and the
14 relief requested.

15 e. All documents or other evidence pertinent to the
16 appeal that the appellant requests the City Council consider at the hearing.

17 3. Failure of the City Clerk to receive a timely appeal
18 constitutes a waiver of the right to appeal the notice issued by the City Manager. In this
19 event, City Manager's notice of revocation, nonrenewal, suspension and/or other action
20 is final and binding.

21 4. In the event a written notice of appeal is timely filed, the
22 nonrenewal, suspension, revocation, or other action shall not become effective until a
23 final decision has been rendered and issued by the City Council or appointed hearing
24 officer. If no appeal is timely filed in the event of a decision of nonrenewal, the
25 Commercial Cannabis Business Permit shall expire at the conclusion of the term of the
26 permit. If no appeal is timely filed in the event of a decision of suspension or
27 revocation, the suspension or revocation shall become effective upon the expiration of
28 the period for filing a written notice of appeal.

 C. All appellants shall, subject to filing a timely written notice of
 appeal, obtain review thereof before the City Council or appointed hearing officer.

 1. The administrative appeal shall be scheduled no later than
60 calendar days, and no sooner than 21 calendar days, after receipt of a timely filed
notice of appeal. The appellant(s) listed on the written notice of appeal shall be notified
in writing of the date, time, and location of the hearing at least 10 calendar days before
the date of the hearing ("notice of appeal hearing").

1 2. All requests by an appellant to continue a hearing must be
2 submitted to the City Clerk in writing no later than three business days before the date
3 scheduled for the hearing. The City Council may continue a hearing for good cause or
4 on its own motion; however, in no event may the hearing be continued for more than 30
5 calendar days without stipulation by all parties.

6 3. The City Council shall preside over the hearing on appeal, or
7 in the alternative, the City Council may appoint a hearing officer to conduct the hearing
8 if a quorum of the City Council is unavailable or unable to timely hear the appeal.

9 4. At the date, time and location set forth in the notice of
10 appeal hearing, the City Council or an appointed hearing officer, shall hear and
11 consider the testimony of the appellant(s), City staff, and/or their witnesses, as well as
12 any documentary evidence properly submitted.

13 5. The following rules shall apply at the appeal hearing:

14 a. Appeal hearings are informal, and formal rules of
15 evidence and discovery do not apply. However, rules of privilege shall be applicable to
16 the extent they are permitted by law, and irrelevant, collateral, undue, and repetitious
17 testimony may be excluded.

18 b. The City bears the burden of proof to establish the
19 grounds for denial, nonrenewal, suspension or revocation by a preponderance of
20 evidence.

21 c. The issuance of the City Manager's notice constitutes
22 prima facie evidence of grounds for the denial, nonrenewal, suspension or revocation,
23 and City or county personnel who significantly took part in the investigation, which
24 contributed to the City Manager issuing a notice, may be required to participate in the
25 appeal hearing.

26 d. Each party shall have the right to introduce evidence,
27 to present and examine witnesses, and to cross-examine opposing witnesses who have
28 testified under direct examination. The City Council, or the appointed hearing officer,
may also call witnesses, and examine any person who introduces evidence or testifies
at any hearing.

 e. The City Council, or the appointed hearing officer,
may accept and consider late evidence not submitted initially with the notice of appeal
upon a showing by the appellant of good cause. The City Council or hearing officer
shall determine whether a particular fact or facts amount to a good cause on a case-by-
case basis.

 f. The appellant may bring a language interpreter to the
hearing at his or her sole cost and expense.

1 g. The City may, at its discretion, record the hearing by
2 stenographer or court reporter, audio recording, or video recording.

3 6. If the appellant, or his or her legal representative, fails to
4 appear at the appeal hearing, the City Council, or the appointed hearing officer, may
5 cancel the appeal hearing and send a notice thereof to the appellant by first class mail
6 to the address(es) stated on the notice of appeal. A cancellation of a hearing due to
7 non-appearance of the appellant shall constitute the appellant's waiver of the right to
8 appeal and a failure to exhaust all administrative remedies. In such instances, the City
9 Manager's notice of decision is final and binding. In the alternative, the City Council or
10 the appointed hearing officer may hear the appeal and render a determination in the
11 absence of the appellant.

12 D. Following the conclusion of the appeal hearing, the City Council or
13 appointed hearing officer shall determine if any ground exists for the nonrenewal,
14 suspension or revocation of a Commercial Cannabis Business Permit or other action.
15 At the discretion of the City Council, deliberations on the appeal may be continued to
16 the next City Council meeting. If the appeal is heard by a hearing officer, the
17 determination shall be issued no later than ten days following the conclusion of the
18 appeal hearing.

19 1. If the City Council or appointed hearing officer determines
20 that no grounds for denial, nonrenewal, suspension, revocation, or other action exist,
21 the City Manager's notice of decision shall be deemed cancelled. If the City Council or
22 appointed hearing officer, determines that one or more of the reasons or grounds
23 enumerated in notice of decision exists, a written final decision shall be issued within 10
24 days, which shall at minimum contain the following:

25 a. A finding and description of each reason or grounds
26 for nonrenewal, suspension, revocation, or other action that exist.

27 b. Any other finding, determination or requirement that is
28 relevant or related to the subject matter of the appeal.

29 2. The decision of the City Council or appointed hearing officer,
30 is final and conclusive. The written final decision shall also contain the following
31 statement: "The decision of the City Council [or appointed hearing officer], is final and
32 binding. Judicial review of this decision is subject to the time limits set forth in California
33 Code of Civil Procedure Section 1094.6."

34 3. A copy of the final decision shall be served by first class mail
35 on the appellant. If the appellant is not the owner of the Premises in which the
36 commercial cannabis storefront retail business is located, or proposed to be located, a
37 copy of the Final Decision may also be served on the property owner by first class mail
38 to the address shown on the last equalized assessment roll. Failure of a Person to

1 receive a properly addressed final decision shall not invalidate any action or proceeding
2 by the City pursuant to this Chapter.

3 **§11.17.145 Commercial Cannabis Business Permit – Nonassignable**
4 **and Nontransferable.**

5 A. A Commercial Cannabis Business Permit issued under this
6 Chapter is valid only as to the Permittee and approved Premises, and is therefore
7 nontransferable to other Persons, projects or locations.

8 B. No Commercial Cannabis Business Permit may be sold,
9 transferred or assigned by a Permittee, or by operation of law, to any other Person,
10 Persons, or entities. Any such sale, transfer, or assignment, or attempted sale, transfer,
11 or assignment shall be deemed to constitute a voluntary surrender of such Commercial
12 Cannabis Business Permit and such permit shall thereafter be null and void, except as
13 set forth in this Chapter.

14 **§11.17.150 Change in Location of Commercial Cannabis Business.**

15 A. No Permittee shall change the Premises of a commercial cannabis
16 storefront retailer business specified in the Commercial Cannabis Business Permit until
17 such change of Premises is approved by the City Council. All other changes of
18 Premises of any commercial cannabis business must be approved by the Permit
19 Administrator.

20 B. The City Manager shall adopt a process (to include any necessary
21 forms and procedures) for the relocation of any commercial cannabis business. As part
22 of the process, storefront retail Permittees proposing to relocate shall give notice to all
23 property owners and occupants located within 1000 feet of the proposed Premises.

24 C. The proposed Premises shall meet all the requirements under this
25 Code, including but not limited to this Chapter and Title 17.

26 **§11.17.155 Changes in Ownership of Commercial Cannabis**
27 **Business.**

28 A. No Permittee shall transfer greater than 50% of ownership or
control of a commercial cannabis business unless and until the proposed new Owner
submits all required application materials and pays all applicable fees, and
independently meets the requirements of this Chapter such as to be entitled to the
issuance of a commercial Cannabis Business Permit.

1 B. Any changes in ownership or control of greater than 50% of a
2 commercial cannabis storefront retail Permittee must be submitted to the City Council
for review and approval.

3 C. No Permittee may add a new Owner of 10% or more ownership
4 interest unless the proposed new Owner undergoes and passes a background check as
provided for in this Chapter.

5 D. A Permittee may change the form of business entity without
6 applying to the City Council for a new Commercial Cannabis Business Permit, provided
that one of the following applies:

7
8 1. The ownership of the new business entity is the same as the
business entity that was issued the existing Commercial Cannabis Business Permit; or

9
10 2. The existing Permittee is an unincorporated association,
mutual or public benefit corporation, agricultural or consumer cooperative corporation
11 and subsequently transitions to or forms a new business entity as allowed under the
MAUCRSA, provided that the Board of Directors (or in the case of an unincorporated
12 association, the individual(s) listed on the City permit application) of the existing
Permittee entity are the same as the new business entity.

13
14 E. Although a new Commercial Cannabis Business Permit is not
required in the two circumstances listed in Subsection D above, the Permittee shall
15 notify the City in writing of the change within 15 days of the change, and obtain an
amendment to the existing Commercial Cannabis Business Permit after paying the fee
16 set by resolution of the City Council.

17 E. The City Manager shall adopt a process (to include any necessary
18 forms and procedures) for the change in ownership of any commercial cannabis
business as set forth in this Section.

19 F. No Permittee may avail themselves of the provisions of this Section
20 if the City Manager or Permit Administrator has notified the Permittee that the
Commercial Cannabis Business Permit has been or may be suspended or revoked, or
21 may not be renewed.

22 G. Failure to comply with this Section is grounds for revocation of a
23 Commercial Cannabis Business Permit.

24 H. Any attempt to transfer a Commercial Cannabis Business Permit
25 either directly or indirectly in violation of this Section is hereby declared void, and such
a purported transfer shall be deemed a ground for revocation of the Commercial
26 Cannabis Business Permit.

1 **§11.17.160 Changes in Information on Application; Alterations To**
2 **Approved Facility; Amendments to Permit.**

3 A. A Permittee shall advise the City within 15 calendar days of all
4 changes of name or designation under which the commercial cannabis business is to
5 be conducted. The change of name or designation shall be accompanied by a non-
6 refundable fee established by resolution of the City Council to defray the costs of
7 amendment to and reissuance of the Commercial Cannabis Business Permit.

8 B. No Permittee shall operate, conduct, manage, engage in, or carry
9 on a commercial cannabis business under any name other than the name of the
10 commercial cannabis business specified in the Commercial Cannabis Business Permit.

11 C. All required City approvals, plan approvals, and permits must be
12 obtained before causing, allowing, or permitting alterations to, and/or extensions or
13 expansions of, the existing building(s), structure(s), or portions thereof, approved as the
14 Premises for a commercial cannabis business. Said alterations, extensions, or
15 expansions shall comply with all applicable laws, regulations and standards, including
16 those concerning building safety and occupancy.

17 D. Within 15 calendar days of any other change in the information
18 provided in the application form or any change in status of compliance with the
19 provisions of this Chapter, including any change in the commercial cannabis business
20 form of Ownership or management members, the Permittee shall notify the City on a
21 form approved by the City Manager for review along with a permit amendment fee, as
22 adopted by resolution of the City Council.

23 **§11.17.165 City Business Tax Certificate.**

24 Prior to commencing operations, a Permittee of a commercial cannabis
25 business shall obtain a City of Culver City business tax certificate.

26 **§11.17.170 Permits and Inspections Prior to**
27 **Commencing Operations.**

28 Prior to commencing operations, a commercial cannabis business shall be
subject to a mandatory inspection of the Premises, and must obtain all required building
permits and approvals which would otherwise be required for any business of the same
size and intensity operating in the zone in which the Premises are located. The
Permittee shall also obtain all required Building Safety Division approvals, Fire
Department approvals, County Health Department approvals and any other permit or
approval required by this Code or applicable law.

1 **§11.17.175 Limitations on City's Liability.**

2 To the fullest extent permitted by law, the City of Culver City shall not
3 assume any liability whatsoever with respect to having issued a Commercial Cannabis
4 Business Permit pursuant to this Chapter or otherwise approving the operation of any
5 commercial cannabis business. As a condition to the approval of any Commercial
6 Cannabis Business Permit, the Applicant shall be required to meet all of the following
7 conditions before a Commercial Cannabis Business Permit is issued:

8 A. The Applicant must execute an agreement, in a form approved by
9 the City Attorney, agreeing to indemnify, defend (at Applicant's sole cost and expense),
10 and hold harmless the City of Culver City, and its officers, officials, employees,
11 representatives, and agents from any and all claims, losses, damages, injuries,
12 liabilities or losses which arise out of, or which are in any way related to, the City's
13 issuance of the Commercial Cannabis Business Permit, the City's decision to approve
14 the Applicant's operation of the commercial cannabis business or activity, the process
15 used by the City in making its decision, or the alleged violation of any federal, state or
16 local laws by the commercial cannabis business Applicant, Permittee, or any of its
17 officers, Managers, Employees or agents.

18 B. Maintain insurance at coverage limits, and with conditions thereon
19 determined necessary and appropriate from time to time, as determined by the City
20 Manager and City Attorney.

21 C. Reimburse the City of Culver City for all costs and expenses,
22 including but not limited to attorney fees and costs, which the City of Culver City may be
23 required to pay as a result of any legal challenge related to the City's approval of the
24 Applicant's Commercial Cannabis Business Permit, or related to the City's approval of
25 the Applicant's commercial cannabis activity. The City of Culver City may, at its sole
26 discretion, participate at its own expense in the defense of any such action, but such
27 participation shall not relieve any of the obligations imposed hereunder.
28

29 **§ 11.17.180 Fees; Debt to the City.**

30 A. No Person may commence or continue any commercial cannabis
31 activity in the City, without timely paying in full all fees required for the operation of a
32 commercial cannabis business. Fees associated with the operation of a commercial
33 cannabis business shall be established by resolution of the City Council which may be
34 amended from time to time.

35 B. All commercial cannabis businesses authorized to operate under
36 this Chapter shall pay all sales, use, business and other applicable taxes, and all
37 license, registration, and other fees required under federal, state and local law. Each
38 commercial cannabis business shall cooperate with the City with respect to any
39 reasonable request to audit the commercial cannabis business' books and records for

1 the purpose of verifying compliance with this section, including but not limited to a
2 verification of the amount of taxes required to be paid during any period.

3 C. The amount of any fee, cost or charge imposed pursuant to this
4 Chapter shall be deemed a debt to the City of Culver City that is recoverable in any
5 manner authorized by this Code, state law, or in any court of competent jurisdiction.

6 **§11.17.185 Promulgation of Regulations, Standards and Other Legal
7 Duties.**

8 A. In addition to any regulations adopted by the City Council, the City
9 Manager is authorized to establish any additional rules, regulations and standards
10 related to the issuance, denial or renewal of Commercial Cannabis Business Permits,
11 the ongoing operation and City's oversight of commercial cannabis businesses, or any
12 other subject determined to be necessary to carry out the purposes of this Chapter.

13 B. Regulations promulgated by the City Manager shall be published
14 on the City's website and maintained and available to the public in the Office of the City
15 Clerk.

16 C. Regulations promulgated by the City Manager shall become
17 effective upon date of publication on the City's website. Commercial cannabis
18 businesses shall be required to comply with all state and local laws and regulations,
19 including but not limited to any rules, regulations or standards adopted by the City
20 Manager.

21 ***Operating Requirements***

22 **§11.17.200 Operating Requirements Applicable to all Commercial
23 Cannabis Businesses.**

24 A. Commercial cannabis businesses may operate only during the
25 hours established by resolution of the City Council and specified in the Commercial
26 Cannabis Business Permit issued by the City.

27 B. Cannabis shall not be consumed by anyone on the Premises of
28 any commercial cannabis business.

C. No outdoor storage of cannabis or cannabis products is permitted
at any time.

D. Each commercial cannabis business shall have in place a point-of-
sale or management inventory tracking system to track and report on all aspects of the
commercial cannabis business including, but not limited to, such matters as cannabis

1 tracking, inventory data, gross sales (by weight and by sale) and other information
2 which may be deemed necessary by the City. The system must have the capability to
3 produce historical transactional data for review. Any system selected must be in
4 compliance with state law.

5 E. All cannabis and cannabis products sold, tested, distributed or
6 manufactured shall be cultivated, manufactured, and transported by licensed facilities
7 that maintain operations in full conformance with State and local regulations.

8 F. No physician shall be permitted in any commercial cannabis
9 business at any time for the purpose of evaluating patients for the issuance of a
10 medicinal cannabis recommendation or medicinal cannabis identification card.

11 G. All commercial cannabis retailers shall have a Manager on the
12 Premises at all times during hours of operation.

13 H. Each commercial cannabis business shall provide the City
14 Manager with the name and telephone number (both land line and mobile, if available)
15 of a Manager or Owner to whom emergency notice may be provided 24 hours a day.

16 I. Business identification signage for a commercial cannabis business
17 shall conform to the requirements of state law and this Code, including, but not limited
18 to, the requirements for a City sign permit.

19 J. Each commercial cannabis business premises shall be visibly
20 posted with a clear and legible notice indicating that smoking, ingesting, or otherwise
21 consuming cannabis on the premises or in the areas adjacent to the commercial
22 cannabis business is prohibited.

23 K. Persons under the age of 21 years shall not be allowed on the
24 Premises of a commercial cannabis business, and shall not be allowed to serve as a
25 driver for a mobile delivery service, except as pertaining to sales of cannabis for
26 medicinal use. It shall be unlawful and a violation of this Chapter for any Person to
27 employ any Person at a commercial cannabis business who is not at least 21 years of
28 age.

L. Odor control devices and techniques shall be incorporated in all
commercial cannabis businesses to ensure that odors from cannabis are not detectable
off-site. Commercial cannabis businesses shall provide a sufficient odor absorbing
ventilation and exhaust system so that odor generated inside the commercial cannabis
business that is distinctive to its operation is not detected outside of the facility,
anywhere on adjacent property or public rights-of-way, on or about the exterior or
interior common area walkways, hallways, breezeways, foyers, lobby areas, or any
other areas available for use by common tenants or the visiting public, or within any
other unit located inside the same building as the commercial cannabis business. As
such, commercial cannabis businesses must install and maintain the following
equipment, or any other equipment which the Community Development Director

determines is a more effective method or technology:

1. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally;

2. An air system that creates negative air pressure between the commercial cannabis business' interior and exterior, so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.

M. The original copy of the Commercial Cannabis Business Permit issued by the City pursuant to this Chapter and the City-issued business tax certificate shall be posted inside the commercial cannabis business in a location readily-visible to the public.

N. The Permittee of a commercial cannabis business shall prohibit loitering by Persons outside on the premises.

O. Nothing in this Chapter exempts a commercial cannabis business from complying with all applicable local, state and federal laws and regulations pertaining to Persons with disabilities.

P. No commercial cannabis business may discriminate or exclude patrons in violation of local, state and federal laws and regulations.

§11.17.205 Operating Requirements for Storefront Retail Facilities.

Commercial cannabis storefront retailers shall comply with all of the following requirements:

A. No storefront retailer shall be located within a 600-foot radius of a school providing instruction in kindergarten or any grades 1 through 12, day care center, youth center, or park or playground, that is in existence at the time of the initial issuance of a Commercial Cannabis Business Permit from the City.

B. Prior to dispensing medicinal cannabis or medicinal cannabis products to any Person, the storefront retailer shall obtain verification from the recommending physician that the Person requesting medicinal cannabis or medicinal cannabis products is a qualified patient.

C. Storefront retailers also providing delivery shall comply with the requirements pertaining to deliveries in Section 11.17.210 of this Chapter.

D. Storefront retailers selling medicinal cannabis shall verify the age and all necessary documentation of each customer to ensure the customer is not under

1 the age of 18 years and that the potential customer has a valid doctor's
2 recommendation. Adult use retailers shall verify the age of all customers to ensure
Persons under the age of 21 are not on the premises.

3 E. All restroom facilities shall remain locked and under the control of
4 management.

5 F. A storefront retailer may sell, give away, or donate specific devices,
6 contrivances, instruments, or paraphernalia necessary for consuming cannabis or
7 cannabis products, including but not limited to rolling papers and related tools, pipes,
8 water pipes, and vaporizers. The equipment may only be provided to qualified patients,
primary caregivers, or customers in accordance with Section 11364.5 of the California
Health and Safety Code.

9 G. A storefront retailer shall notify qualified patients, primary
10 caregivers, and customers of the following verbally (or by written agreement) and by
posting of a notice or notices conspicuously within the permitted premises:

11 1. "The sale or diversion of cannabis or cannabis products
12 without a permit issued by the City of Culver City is a violation of State law and the
Culver City Municipal Code."

13 2. "Secondary sale, barter, or distribution of cannabis or
14 cannabis products purchased from [Insert Name of Permittee] is a crime and can lead
15 to arrest."

16 3. "Patrons must immediately leave the premises and not
17 consume cannabis or cannabis products until at home or in an equivalent private
location."

18 4. "The use of cannabis or cannabis products may impair a
19 Person's ability to drive a motor vehicle or operate heavy machinery."

20 5. "CALIFORNIA PROP. 65 WARNING: Smoking of cannabis
21 and cannabis-derived products will expose you and those in your immediate vicinity to
22 cannabis smoke. Cannabis smoke is known by the State of California to cause
cancer."

23 **§11.17.210 Operating Requirements for Delivery-Only Retailers.**

24 Commercial cannabis delivery-only retailers shall comply with all of the
25 following requirements:

26 A. From a public right-of-way, there shall be no exterior evidence of
27 commercial cannabis activity except for any signage authorized by this Code.

1 B. The general public is not permitted on the premises except for the
2 Owners, Managers, Employees, agents and volunteers of the delivery-only Permittee
3 and agents or employees of the City of Culver City, the County of Los Angeles or the
4 state.

5 C. Delivery-only retailers may only deliver cannabis or cannabis
6 products to customers within a city or county that does not expressly prohibit such
7 delivery by ordinance.

8 D. Security plans developed pursuant to this Chapter shall include
9 provisions relating to vehicle security and the protection of Employees and product
10 during loading and in transit.

11 E. A Delivery-only retailer shall facilitate the delivery of cannabis or
12 cannabis products with a technology platform that uses point-of-sale technology to track
13 and database technology to record and store the following information for each
14 transaction involving the exchange of cannabis or cannabis products between the
15 Permittee and qualified patient, primary caregiver, or customer:

16 1. The identity of the individual dispensing cannabis or
17 cannabis products on behalf of the Permittee;

18 2. The identity of the qualified patient, primary caregiver, or
19 customer receiving cannabis or cannabis products from the Permittee;

20 3. The type and quantity of cannabis or cannabis products
21 dispensed and received; and

22 4. The dollar amount charged by the Permittee and received by
23 the delivery driver for the cannabis or cannabis products dispensed and received.

24 F. A Permittee shall maintain a database and provide to the City a list
25 of the individuals and vehicles authorized to conduct deliveries on behalf of the
26 Permittee.

27 G. Individuals authorized to conduct deliveries on behalf of the
28 Permittee shall have a valid California Driver's License.

H. Individuals making deliveries of cannabis or cannabis products on
behalf of the Permittee shall maintain a physical or electronic copy of the delivery
request (and/or invoice) and shall make it available upon request of City employees or
agents.

1 I. During delivery, a copy of the Permittee's Commercial Cannabis
2 Business Permit shall be in the vehicle at all times, and the driver shall make it available
upon request of City employees and agents.

3 J. A Permittee shall only permit or allow delivery of cannabis or
4 cannabis products in a vehicle that (i) is insured at or above the legal requirement in
5 California; (ii) is capable of securing (locking) the cannabis or cannabis products during
6 transportation; (iii) is capable of being temperature controlled if perishable cannabis or
7 cannabis products are being transported; and (iv) does not display advertising or
symbols visible from the exterior of the vehicle that suggest the vehicle is used for
cannabis delivery or affiliated with a cannabis retailer.

8 K. A Delivery-only retailer shall facilitate deliveries with a technology
9 platform that uses global positioning system technology to track and database
technology to record and store the following information:

10 1. The time that the delivery vehicle departed the permitted
11 Premises.

12 2. The time that the delivery vehicle completed delivery to the
qualified patient, primary caregiver, or customer.

13 3. The time that the delivery vehicle returned to the permitted
14 Premises.

15 4. The route the delivery vehicle traveled to conduct deliveries
16 between departing and returning to the permitted Premises.

17 5. For each individual transaction, the identity of the individual
18 conducting deliveries on behalf of the Delivery-only retailer Permittee.

19 6. For each individual transaction, the vehicle used to conduct
deliveries on behalf of the Delivery-only retailer Permittee.

20 7. For each individual transaction, the identity of the qualified
21 patient, primary caregiver, or customer receiving cannabis or cannabis products from
22 the Delivery-only retailer.

23 8. For each individual transaction, the type and quantity of
cannabis or cannabis products dispensed and received.

24 9. For each individual transaction, the dollar amount charged
25 by the Delivery-only retailer and received by the delivery driver for the cannabis or
26 cannabis products dispensed and received.

1 L. The delivery driver shall personally verify for each individual
2 transaction the identity of the qualified patient, primary caregiver, or customer receiving
3 cannabis or cannabis products from the Delivery-only retailer.

4 M. A Delivery-only retailer may sell, give away, or donate specific
5 devices, contrivances, instruments, or paraphernalia necessary for consuming cannabis
6 or cannabis products, including but not limited to rolling papers and related tools, pipes,
7 water pipes, and vaporizers. The equipment may only be provided to qualified patients,
8 primary caregivers, or customers in accordance with Section 11364.5 of the California
9 Health and Safety Code.

10 **§11.17.215 Operating Requirements for Cultivation Facilities.**

11 Commercial cannabis indoor cultivation facilities must comply with all of
12 the following requirements:

13 A. The cultivation of all cannabis must occur indoors only, and outdoor
14 cultivation is prohibited.

15 B. From a public right-of-way, there should be no exterior evidence of
16 cannabis cultivation except for any signage authorized by this Code.

17 C. The general public is not permitted on the cannabis cultivation
18 Premises except for the Owners, Managers, Employees, agents and volunteers of the
19 cannabis cultivation Permittee and agents or employees of the City of Culver City, the
20 County of Los Angeles or the state.

21 D. A Permittee shall only be allowed to cultivate the square feet of
22 canopy space permitted by state law and in the Commercial Cannabis Business Permit
23 issued for the Premises.

24 E. Cannabis cultivation shall be conducted in accordance with state
25 and local laws related to electricity, water usage, water quality, discharges, waste
26 disposal and similar matters.

27 F. A cultivation Permittee shall comply with all applicable federal, state
28 and local laws and regulations regarding use and disposal of pesticides and fertilizers.

G. Pesticides and fertilizers shall be properly labeled and stored to
avoid contamination through erosion, leakage or inadvertent damage from pests,
rodents or other wildlife.

H. The cultivation of cannabis shall at all times be operated in such a
way as to ensure the health, safety, and welfare of the public, the Employees working
at the commercial cannabis business, neighboring properties, and the end users of the

1 cannabis being cultivated, to protect the environment from harm to waterways, fish,
2 and wildlife; to ensure the security of the cannabis being cultivated; and to safeguard
against the diversion of cannabis.

3 I. Prior to transportation, a cannabis cultivation Permittee shall
4 package and seal all cannabis or cannabis products in tamper-evident packaging and
5 use a unique identifier, such as a batch and lot number or bar code, to identify and
track the cannabis or cannabis products.

6 J. All Applicants for a Commercial Cannabis Business Permit
7 pertaining to cannabis cultivation shall submit the following in addition to the
information otherwise required for a Commercial Cannabis Business Permit:

8 1. A cultivation and operations plan that meets or exceeds
9 minimum legal standards for water usage, conservation and use; drainage, watershed
10 and habitat protection; waste disposal; and proper storage of fertilizers, pesticides, and
11 other regulated products to be used on the parcel, and a description of the cultivation
activities and schedule of activities during each month of growing and harvesting, or
12 explanation of growth cycles and anticipated harvesting schedules for all-season
harvesting.

13 2. A description of a legal water source, irrigation plan, and
14 projected water use.

15 3. Identification of the source of electrical power and plan for
16 compliance with applicable Building Codes and related Codes.

17 4. Plan for addressing odor and other public nuisances that
18 may derive from the cultivation site.

19 **§11.17.220 Operating Requirements for Cannabis Manufacturing**
20 **Businesses.**

21 Commercial cannabis manufacturing businesses shall comply with all of
22 the following requirements:

23 A. From a public right-of-way, there should be no exterior evidence of
24 cannabis manufacturing except for any signage authorized by this Chapter.

25 B. The general public is not permitted on the cannabis manufacturing
26 Premises except for the Owners, Managers, Employees, agents and volunteers of the
cannabis manufacturing Permittee and agents or employees of the City of Culver City,
the County of Los Angeles or the state.

27 C. All cannabis manufacturing shall comply with the standards set by
28

1 state and local law, including but not limited to those related to safety, discharges,
2 waste disposal and similar matters.

3 D. Any compressed gases used in the manufacturing process shall
4 not be stored on any property within the City of Culver City in containers that exceeds
5 the amount which is approved by the Fire Chief and authorized by the Commercial
6 Cannabis Business Permit. Each manufacturing Premises subject to a Commercial
7 Cannabis Business Permit shall be limited to a total number of tanks as authorized by
8 the Fire Chief on the property at any time.

9 E. Cannabis manufacturing facilities may use the hydrocarbons N-
10 butane, isobutane, propane, or heptane or other solvents or gases exhibiting low to
11 minimal potential human-related toxicity approved by the Fire Chief. These solvents
12 must be of at least ninety-nine percent purity and any extraction process must use
13 them in a professional grade closed loop extraction system designed to recover the
14 solvents and work in an environment with proper ventilation, controlling all sources of
15 ignition where a flammable atmosphere is or may be present.

16 F. If an extraction process uses a professional grade closed loop CO₂
17 gas extraction system every vessel must be certified by the manufacturer for its safe
18 use. Closed loop systems for compressed gas extraction systems must be
19 commercially manufactured and bear a permanently affixed and visible serial number.

20 G. Certification from an engineer licensed by the State of California
21 must be provided to the Fire Chief for a professional grade closed loop system used by
22 any commercial cannabis manufacturing manufacturer to certify that the system was
23 commercially manufactured, is safe for its intended use, and was built to codes of
24 recognized and generally accepted good engineering practices, including but not limited
25 to:

- 26 1. The American Society of Mechanical Engineers (ASME);
- 27 2. American National Standards Institute (ANSI);
- 28 3. Underwriters Laboratories (UL); or
3. The American Society for Testing and Materials (ASTM)

3. H. The certification document reference in subsection G above must
contain the signature and stamp of the professional engineer and serial number of the
extraction unit being certified.

I. Professional closed loop systems, other equipment used, the
extraction operation, and facilities must be approved for their use by the Fire Chief and
meet any required fire, safety, and building code requirements specified in the
California Building and Fire Codes, as adopted by the City.

1 J. Cannabis manufacturing facilities may use heat, screens, presses,
2 steam distillation, ice water, and other methods without employing solvents or gases to
3 create keef, hashish, bubble hash, or infused dairy butter, or oils or fats derived from
4 natural sources, and other extracts.

4 K. Cannabis manufacturing facilities may use food grade glycerin,
5 ethanol, and propylene glycol solvents to create or refine extracts. Ethanol should be
6 removed from the extract in a manner to recapture the solvent and ensure that it is not
7 vented into the atmosphere.

7 L. Cannabis manufacturing facilities creating cannabis extracts must
8 develop standard operating procedures, good manufacturing practices, and a training
9 plan prior to producing extracts for the marketplace. Such plan shall be submitted to
10 the City as part of the application process.

10 M. Any Person using solvents or gases in a closed looped system to
11 create cannabis extracts must be fully trained on how to use the system, have direct
12 access to applicable material safety data sheets and handle and store the solvents and
13 gases safely.

13 N. Parts per million for one gram of finished extract cannot exceed
14 state standards for any residual solvent or gas when quality assurance tested.

15 **§11.17.225 Operating Requirements for Cannabis Distribution.**

16 Commercial cannabis distribution businesses shall comply with all of the
17 following requirements:

18 A. From a public right-of-way, there should be no exterior evidence of
19 cannabis distribution except for any signage authorized by this Chapter.

20 B. The general public is not permitted on the cannabis distribution
21 Premises except for the Owners, Managers, Employees, agents and volunteers of the
22 cannabis distribution Permittee and agents or employees of the City of Culver City, the
23 County of Los Angeles or the state.

23 C. A cannabis distribution Permittee shall only procure, sell, or
24 transport cannabis or cannabis products that is packaged and sealed in tamper-
25 evident packaging that uses a unique identifier, such as a batch and lot number or bar
26 code, to identify and track the cannabis or cannabis products.

26 D. A cannabis distribution Permittee shall maintain a database and
27 provide to the City a list of the individuals and vehicles authorized to conduct
28 transportation on behalf of the cannabis distribution licensee.

1 E. Individuals authorized to conduct transportation on behalf of the
2 cannabis distribution Permittee shall have a valid California driver's license.

3 F. Individuals transporting cannabis or cannabis products on behalf of
4 the cannabis distribution Permittee shall maintain a physical or electronic copy of the
5 transportation request (and/or invoice) and shall make it available upon request of City
6 employees and agents.

7 G. During transportation, the individual conducting transportation on
8 behalf of the cannabis distribution Permittee shall maintain a copy of the cannabis
9 distribution Permittee's Commercial Cannabis Business Permit and shall make it
10 available upon request of City employees and agents.

11 H. A cannabis distribution Permittee facility shall only transport
12 cannabis or cannabis products in a vehicle that is (1) insured at or above the legal
13 requirement in California, (2) capable of securing (locking) the cannabis or cannabis
14 products during transportation, and (3) capable of being temperature controlled if
15 perishable cannabis products are being transported.

16 **§11.17.230 Operating Requirements for Cannabis Testing.**

17 Commercial cannabis testing businesses shall comply with all of the
18 following requirements:

19 A. Cannabis testing shall take place within an enclosed locked
20 structure.

21 B. From a public right-of-way, there should be no exterior evidence of
22 Cannabis testing except for any signage authorized by this Chapter.

23 C. The general public is not permitted on the cannabis testing
24 Premises except for the Owners, Managers, Employees, agents and volunteers of the
25 cannabis testing Permittee and agents or employees of the City of Culver City, the
26 County of Los Angeles or the state.

27 D. All cannabis testing shall be performed in accordance with state
28 law.

29 E. A cannabis testing Permittee shall adopt a standard operating
30 procedure using methods consistent with general requirements established by the
31 International Organization for Standardization, specifically ISO/IEC 17025, to test
32 cannabis or cannabis products, and shall operate in compliance with state law at all
33 times.

1 F. A cannabis testing Permittee shall be accredited by a body that is a
2 signatory to the International Laboratory Accreditation Cooperation Mutual Recognition
Arrangement.

3 G. A cannabis testing Permittee shall establish standard operating
4 procedures that provide for adequate chain of custody controls for samples transferred
to the testing laboratory for testing.

5 H. A cannabis testing Permittee shall destroy the remains of samples
6 of any cannabis or cannabis product upon completion of analyses.

7 **§11.17.235 Records and Recordkeeping.**

8 A. Each Permittee of a commercial cannabis business shall maintain
9 accurate books and records in an electronic format, detailing all of the revenues and
10 expenses of the business, and all of its assets and liabilities. On no less than an
11 annual basis (at or before the time of the renewal of a Commercial Cannabis Business
12 Permit issued pursuant to this Chapter), or at any time upon reasonable request of the
13 City, each Permittee shall file a sworn statement detailing the commercial cannabis
14 business' revenue and number of sales during the previous 12-month period (or shorter
15 period based upon the timing of the request), provided on a per-month basis. The
statement shall also include gross revenues for each month, and all applicable taxes
paid or due to be paid. On an annual basis, each Permittee shall submit to the City a
financial audit of the business' operations conducted by an independent certified public
accountant. Each Permittee shall be subject to a regulatory compliance review and
financial audit as determined by the City Manager.

16 B. Each Permittee of a commercial cannabis business shall maintain
17 a current register of the names and the contact information (including the address, e-
18 mail address and telephone number) of anyone owning or holding an interest in the
19 commercial cannabis business, and separately of all the officers, Managers,
Employees, Responsible Persons and volunteers currently employed or otherwise
engaged by the commercial cannabis business. The register required by this
20 paragraph shall be provided to the City Manager upon a reasonable request.

21 C. All records collected by a Permittee pursuant to this Chapter shall
22 be maintained for a minimum of seven years and shall be made available by the
23 Permittee to the agents or employees of the City upon request, except that private
24 medical records shall be made available only pursuant to a properly executed search
warrant, subpoena, or court order.

25 D. All Permittees shall maintain an inventory control and reporting
26 system that accurately documents the present location, amounts, and descriptions of all
27 cannabis and cannabis products for all stages of the growing and production or
28 manufacturing, laboratory testing and distribution processes until purchase as set forth
MAUCRSA.

1 E. Subject to any restrictions under the Health Insurance Portability
2 and Accountability Act (HIPAA) regulations, each Permittee shall allow City of Culver
3 City officials to have access to the business's books, records, accounts, together with
4 any other data or documents relevant to its permitted commercial cannabis activities,
5 for the purpose of conducting an audit or examination. Books, records, accounts, and
6 any and all relevant data or documents will be produced no later than 24 hours after
7 receipt of the City's request, unless otherwise stipulated by the City. The City may
8 require the materials to be submitted in an electronic format that is compatible with the
9 City's software and hardware.

7
8 **§11.17.240 Security Measures.**

9 A. All Permittees shall implement sufficient security measures to deter
10 and prevent the unauthorized entrance into areas containing cannabis or cannabis
11 products, and to deter and prevent the theft of cannabis or cannabis products at the
12 commercial cannabis business. Except as may otherwise be determined by the Chief of
13 Police, these security measures shall include, but shall not be limited to, all of the
14 following:

15 1. Preventing individuals from remaining on the premises of the
16 commercial cannabis business if they are not engaging in an activity directly related to
17 the permitted operations of the commercial cannabis business.

18 2. Establishing limited access areas accessible only to
19 authorized commercial cannabis business personnel.

20 3. Except for live growing plants which are being cultivated at a
21 cultivation facility, all cannabis and cannabis products shall be stored in a secured and
22 locked room, safe, or vault when not contained within a sales display. All cannabis and
23 cannabis products, including live plants that are being cultivated, shall be kept in a
24 manner as to prevent diversion, theft, and loss,

25 4. Installing 24-hour security surveillance cameras of at least
26 HD-quality to monitor all entrances and exits to and from the premises, all interior
27 spaces within the commercial cannabis business which are open and accessible to the
28 public, all interior spaces where cannabis, cash or currency, is being stored for any
period of time on a regular basis, and all interior spaces where diversion of cannabis
could reasonably occur. Video recordings shall be maintained for a minimum of 60
days, and shall be made available to the Chief of Police upon request. Video shall be
of sufficient quality for effective prosecution of any crime found to have occurred on the
site of the commercial cannabis business.

5. Sensors shall be installed to detect entry and exit from all
secure areas.

1 6. Panic buttons shall be installed in all commercial cannabis
2 businesses.

3 7. Having a professionally installed, maintained, and monitored
4 alarm system, with the required Culver City alarm permit pursuant to Chapter 11.04 of
5 this Code.

6 8. Any bars installed on the windows or the doors of the
7 commercial cannabis business shall be installed only on the interior of the building and
8 in compliance with all City Building and Fire Codes.

9 9. Security personnel shall be on-site during operating hours or
10 alternative security may be provided, as authorized by the Police Chief. Security
11 personnel must be licensed by the State of California Bureau of Security and
12 Investigative Services Personnel and shall be subject to the prior review and approval
13 of the Chief of Police, which approval shall not be unreasonably withheld.

14 10. Each commercial cannabis business shall have the
15 capability to remain secure during a power outage and shall ensure that all access
16 doors are not solely controlled by an electronic access panel to ensure that locks are
17 not released during a power outage.

18 B. Each Permittee shall identify a designated security
19 representative/liaison to the City, who shall be reasonably available to meet with the
20 Chief of Police regarding any security related measures or any operational issues.

21 C. Any security plan required by this Chapter shall not be made public
22 in the interest of safety and security.

23 D. Upon request and reasonable notice of not less than 24 hours,
24 except in exigent circumstances or in a time frame as determined by the City, each
25 Permittee shall make the premises and its security measures available for inspection or
26 audit for the purpose of determining the effectiveness of the security plan and
27 compliance with the requirements of this Chapter.

28 E. A Permittee shall notify the Chief of Police within 24 hours after
discovering any of the following:

1. Significant discrepancies identified during inventory. The
level of significance shall be determined by the regulations promulgated by the Chief of
Police.

2. Diversion, theft, loss, or any criminal activity involving the
commercial cannabis business or any agent or Employee of the commercial cannabis
business.

1 3. The loss or unauthorized alteration of records related to
2 cannabis, registering qualifying patients, primary caregivers, or Employees or agents of
3 the commercial cannabis business.

4 4. Any other breach of security.

5 **§11.17.245 Restriction on Alcohol & Tobacco Sales.**

6 No Person shall cause or permit the sale, dispensing, or consumption of
7 alcoholic beverages or tobacco products on or about the Premises of a commercial
8 cannabis business.

9 **§11.17.250 Community Relations.**

10 A. Each Permittee shall provide the name, telephone number, and
11 email address of a community relations contact to whom notice of problems associated
12 with the commercial cannabis business can be provided. Each Permittee shall also
13 provide the above information to all businesses and residences located within 600 feet
14 of the commercial cannabis business.

15 B. During the first year of operation pursuant to this Chapter, the
16 Owner, Manager, and community relations representative from each Permittee may be
17 required to attend a quarterly meeting with the City Manager and other interested
18 parties as deemed appropriate by the City Manager, to discuss costs, benefits, and
19 other community issues arising as a result of implementation of this Chapter. After the
20 first year of operation, the Owner, Manager, and community relations representative
21 from each such Permittee shall meet with the City Manager when and as requested by
22 the City Manager.

23 ***Enforcement and Penalties***

24 **§11.17.300 Responsibility for Violations.**

25 Permittees and their Responsible Persons and Managers shall be
26 responsible for violations of the laws of the State of California or of this Code, whether
27 committed by the Permittee, or any Employee or agent of the Permittee, which
28 violations occur on the Premises of the commercial cannabis business, or when
29 engaged in the business activity of the commercial cannabis business Permittee,
30 regardless of location, and whether or not said violations occur within the Permittee's
31 presence. Any act or omission of any Employee constituting a violation of the
32 provisions of this Chapter shall be deemed the act or omission of the Permittee for
33 purposes of determining whether the permit shall be revoked, suspended, or not
34 renewed.

1 **§11.17.305 Inspections.**

2 A. The City Manager, Chief of Police, Fire Chief or City personnel
3 charged with enforcing the provisions of this Code may enter the location of a
4 commercial cannabis business at any time during regular business hours, without
5 notice, and inspect the location of any commercial cannabis business as well as any
6 recordings and records required to be maintained pursuant to this Chapter or under
7 applicable provisions of State law.

8 B. It is unlawful for any Person having responsibility over the operation
9 of a commercial cannabis business, to impede, obstruct, interfere with, or otherwise
10 not to allow, the City to conduct an inspection, review or copy records, recordings or
11 other documents required to be maintained by a commercial cannabis business under
12 this Chapter or under state or local law. It is also unlawful for a Person to conceal,
13 destroy, deface, damage, or falsify any records, recordings or other documents
14 required to be maintained by a commercial cannabis business under this Chapter or
15 under state or local law.

16 **§11.17.310 Violations and Penalties.**

17 A. Any Person who violates any provision of this Chapter is guilty of a
18 misdemeanor.

19 B. It is unlawful for any Permittee of a commercial cannabis business,
20 or its Responsible Person, Manager or any other responsible Person employed by or
21 working in concert with them or on their behalf, whether directly or indirectly, to continue
22 to operate, conduct, or maintain a commercial cannabis business after the Commercial
23 Cannabis Business Permit has been suspended or revoked, or not renewed, pursuant
24 to a non-contested notice of decision issued by the City Manager, or after the issuance
25 of a final determination after an appeal hearing.

26 C. Any commercial cannabis business operated, conducted, or
27 maintained contrary to the provisions of this Chapter shall be, and the same is declared
28 to be, unlawful and a public nuisance, and the City may, in addition to or in lieu of
prosecuting a criminal action, commence an administrative or civil action(s) or
proceeding(s), for the abatement, removal and enjoinder thereof, in the manner
provided by law, and shall take such other steps and shall apply to such court or courts
as may have jurisdiction to grant such relief to abate or remove such commercial
cannabis business and restrain and enjoin any Person from operating, conducting or
maintaining a commercial cannabis business contrary to the provisions of this Chapter.

 D. Each Person shall be guilty of a separate offense for each and
every day, or part thereof, during which a violation of this Chapter, or of any law or

1 regulation referenced herein, is allowed, committed, continued, maintained or permitted
2 by such Person, and shall be punishable accordingly.

3 E. Whenever in this Chapter any act or omission is made unlawful, it
4 shall include causing, permitting, aiding, abetting, suffering, or concealing the fact of
5 such act or omission.

6 F. The penalties set forth herein are cumulative and in addition to all
7 other remedies, violations, and penalties set forth in this Chapter, this Code, or in any
8 other ordinance, laws, rules or regulations of the City, County, or the State of California.

9 **§11.07.315 Effect on Other Ordinances.**

10 Except as designated in this Chapter, the provisions of this Chapter shall
11 control for regulation of commercial cannabis businesses as defined herein if other
12 provisions of this Code conflict therewith. This Chapter shall not, however, relieve any
13 Person of his or her duty to comply with such laws if additional obligations, duties, or
14 prohibitions are imposed thereby.

15 **SECTION 3:** Section 11.01.075 of the Culver City Municipal Code is
16 hereby amended to read as follows: (Underline denotes additions).

17 **§11.01.075 Unlawful Businesses Prohibited**

18 In no event shall any business tax certificate be granted for any use or
19 activity that is illegal or unlawful under federal, state or City laws or regulations. No
20 business tax certificate issued hereunder shall be construed as authorizing the conduct
21 of or continuance of any illegal or unlawful business, or the furnishing, sale or
22 provisioning of any service, good or product that is illegal under this Code, the laws of
23 the State of California, or the laws of the United States of America. Notwithstanding the
24 foregoing, a business tax certificate may be granted for businesses permitted under
25 Chapter 11.17 of this Code, provided the Applicant has complied with all other
26 provisions of this Code and state law.

27 **SECTION 4:** The City Council finds that this Ordinance is subject to the
28 California Environmental Quality Act ("CEQA") pursuant to CEQA guidelines,
California Code of Regulations, Title 14, Chapter 3. Pursuant to Section 15060, an
Initial Study was prepared for this Project. The Initial Study determined that the Project

1 does not result in impacts on the environment. In conjunction with the Initial Study, and
2 pursuant to Section 15070, a Negative Declaration (ND) has been prepared pursuant to
3 the CEQA guidelines, and found no substantial evidence that the project will have a
4 significant effect on the environment.

5
6 **SECTION 5:** Nothing in this Ordinance shall be construed to affect any
7 suit or proceeding impending in any court, or any rights acquired, or liability incurred, or
8 any cause or causes of action acquired or existing, under any act or Ordinance hereby
9 repealed as cited in Section 1 of this Ordinance; nor shall any just or legal right or
10 remedy of any character be lost, impaired or affected by this Ordinance.

11
12 **SECTION 6:** Pursuant to Section 619 of the City Charter, this Ordinance
13 shall take effect thirty (30) days after its adoption. Pursuant to Section 616 and 621 of
14 the City Charter, prior to the expiration of fifteen (15) days after the adoption, the City
15 Clerk shall cause this Ordinance, or a summary thereof, to be published in the Culver
16 City News and shall post this Ordinance or a summary thereof in at least three places
17 within the City.

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