ORDINANCE NO. 18-__

AN URGENCY ORDINANCE OF THE CITY OF CULVER CITY, CALIFORNIA, AMENDING SECTION 11.17.115(A)(5)(a) OF CHAPTER 11.17 OF THE CULVER CITY MUNICIPAL CODE TO CLARIFY WHEN A SENSITIVE RECEPTOR IS CONSIDERED "IN EXISTENCE" FOR THE PURPOSE OF STOREFRONT RETAIL CANNABIS BUSINESS PERMITTING

WHEREAS, in 1996 the voters of the State of California approved Proposition 215, also known as the Compassionate Use Act (CUA), allowing medical marijuana use by qualified patients within the state, and decriminalizing the possession and cultivation of medical marijuana for limited personal medical purposes; and

WHEREAS, in 2004, the California legislature enacted Senate Bill 420, the Medical Marijuana Program (the "MMP"), which, as codified in California Health and Safety Code Section 11362.7 et seq., was intended to clarify the CUA's scope and immunize from criminal prosecution, under specified state laws, certain activities and conduct related to the provision of medical marijuana to qualified patients; and

WHEREAS, on October 9, 2015, Assembly Bills 243 and 266 and Senate Bill 643 (collectively, the "Medical Cannabis Regulation and Safety Act" or "MCRSA") were enacted to create a state regulatory and licensing system governing the cultivation, testing, and distribution of medical marijuana, the manufacturing of medical marijuana products, and physician recommendations for medical marijuana. MCRSA expressly preserved local control over medical marijuana facilities and land uses, including the authority to prohibit medical marijuana facilities and cultivation completely; and

WHEREAS, on November 8, 2016, California voters approved Proposition 64, known as the Control, Regulate and Tax Adult Use of Marijuana Act (AUMA),

legalizing the adult-use (recreational) marijuana within the state; and providing a regulatory scheme for adult-use marijuana businesses; and

WHEREAS, on June 27, 2017, the Governor signed Senate Bill 94, which repealed MCRSA and included provisions from MCRSA regarding medical marijuana in the AUMA, so that the regulations governing both medical and non-medical marijuana were contained under one regulatory structure. Senate Bill 94 renamed the AUMA as the Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA"). In addition to consolidating state laws regarding medical marijuana and adult-use marijuana, Senate Bill 94 introduced more uniform terminology including changing "marijuana" or "medical marijuana" to "cannabis" or "medicinal cannabis", and changed "nonmedical" to "adult-use;" and

WHEREAS, MAUCRSA expressly preserves a local jurisdiction's ability to adopt and enforce local ordinances to regulate medicinal and adult-use cannabis businesses; and

WHEREAS, on December 11, 2017, the City Council adopted an Ordinance Amending Culver City Municipal Code (CCMC), Title 17 – Zoning, Section 17.700.01 – Definitions of Specialized Terms and Phrases; Section 17.220.015 – Commercial District Land Uses and Permit Requirements; and 17.210.015 - Residential Zoning District Land Uses and Permit Requirements, pertaining to commercial cannabis activity and personal cannabis cultivation (Zoning Code Amendment) and an Ordinance amending Title 11, "Business Regulations," of the CCMC to (1) add a new Chapter 11.17 "Commercial Cannabis Business; and (2) amend Section 11.01.075 "Unlawful

Businesses Prohibited" of Chapter 11.01 (Business Regulatory Ordinance) regarding commercial cannabis businesses within the City; and

WHEREAS, on March 26, 2018 the City Council amended the commercial cannabis business ordinance, codified in CCMC, Chapter 11.17, which included, among other changes, moving the established distancing requirements of storefront retail cannabis businesses from schools providing instruction in kindergarten or any grades one (1) through twelve (12), day care centers, youth centers, or parks or playgrounds ("sensitive receptors") to CCMC Section 11.17.115; and

WHEREAS, the City's regulatory ordinance for cannabis businesses reflects a very careful balancing of competing interests following a lengthy drafting process and substantial public input; and

WHEREAS, the existing provisions of CCMC Section 11.17.115.A.5.a prohibit a storefront retail cannabis business from locating within a 600-foot radius of a sensitive receptor that is "in existence at the time of the initial issuance of a Commercial Cannabis Business Permit from the City."; and

WHEREAS, the City Council has determined it is necessary to amend CCMC Section 11.17.115.A.5.a, in order to (1) avoid confusion over the interpretation of when a sensitive receptor is "in existence" for purposes of applying the provisions of Section 11.17.115.A.5.a, which could lead to unintended consequences of a storefront retail cannabis business locating next to an unknown sensitive receptor and result in an incompatible use; (2) provide clarity and certainty, for both the cannabis storefront applicants and for sensitive receptor businesses and locations; and (3) protect the public health, safety and welfare, as well as the City's rights to regulate cannabis

businesses, and to promote the orderly development of cannabis businesses in the City.

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

SECTION 1. Section 11.17.115.A.5.a "Permittee Selection Process" is hereby amended to read as follows (<u>underline</u> denotes addition, strikethrough denotes deletion):

- 5. No Applicant shall be selected if the proposed location is not in compliance with the following distancing 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 ("sensitive receptor"), that is in existence at the time of the initial issuance of the City receives a Commercial Cannabis Business Permit application from the proposed storefront retailer City. One or more of the following factors may be considered by the City to determine if the sensitive receptor was in existence at the time of the City's receipt of the commercial cannabis business permit application:
 - (1) The sensitive receptor is open and operating;
- (2) The sensitive receptor has a Culver City Business Tax Certificate for the specific location and sensitive use;
- (3) The sensitive receptor has submitted a business tax certificate application to the City for the specific location and sensitive use and is undergoing construction or other tenant improvements at the specific location in question; and
- (4) Other factors that may indicate a sensitive receptor was in existence as determined by the City Manager.

Notwithstanding the foregoing, an application for a storefront retail Commercial Cannabis Business Permit may be deemed in compliance with this Section 11.17.115.A.5.a if evidence is submitted, to the satisfaction of the City Manager, that the sensitive receptor will cease operation at the location prior to the issuance of a building permit for the storefront retail location.

The distance specified in this subsection 5.a shall be the horizontal distance measured in a straight line from the property line of the sensitive receptor to the closest property line of the lot on which the cannabis business is to be located without regard to intervening structures.

SECTION 2. Based on the recitals set forth above, the City Council finds and declares this Ordinance to be necessary for the immediate preservation of the public health safety and welfare, and upon that basis has determined that an urgency measure, pursuant to Government Code Section 36937(b) and Culver City Charter Section 614, is warranted.

SECTION 3: On November 27, 2017, the City Council adopted a Negative Declaration, in accordance with the California Environmental Quality Act ("CEQA") pursuant to CEQA guidelines, California Code of Regulations, Title 14, Chapter 3, finding the Zoning Code Amendment and Business Regulatory Ordinance will not have a significant effect on the environment. No new information has become available and no substantial changes have been made since the City Council adopted the Negative Declaration; therefore, no additional environmental analysis is required.

SECTION 4: Nothing in this Ordinance shall be construed to affect any suit or proceeding impending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or Ordinance hereby repealed as cited in Section 1 of this Ordinance; nor shall any just or legal right or remedy of any character be lost, impaired or affected by this Ordinance.

SECTION 5. Pursuant to Section 614 of the City Charter, this Ordinance shall be introduced and adopted at one and the same meeting and shall take effect immediately upon its adoption by a four-fifths vote of the City Council. Pursuant to Sections 616 and 621 of the City Charter, prior to the expiration of fifteen (15) days after the adoption, the City Clerk shall cause this Ordinance, or a summary thereof, to be published in the Culver City News and shall post this Ordinance or a summary thereof in at least three places within the City.

2018.