
CITY OF SUSANVILLE
66 N. Lassen Street • Susanville CA

Susanville Planning Commission
Special Planning Commission Meeting • 66 N. Lassen Street,
Susanville, CA 96130
Monday, April 18, 2022 - 6:30 PM

CALL TO ORDER
ROLL CALL

- 1. APPROVAL OF AGENDA:**
- 2. BUSINESS FROM THE FLOOR:**
- 3. CONSENT ITEMS: None**
- 4. PUBLIC HEARINGS:**

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SUSANVILLE RECOMMENDING TO THE CITY COUNCIL THE REPEAL AND REPLACEMENT OF ORDINANCE NO. 19-1017, ORDINANCE NO. 15-1002, ORDINANCE NO. 05-919, AND APPROVAL OF ORDINANCE NO. 22-1033 AMENDING MUNICIPAL CODE TITLE 17 (ZONING), TO ADD CHAPTER 17.150 TO REGULATE THE CULTIVATION, DISTRIBUTION, DISPENSARY/COLLECTIVE, MANUFACTURING, NURSERY, TESTING, LICENSING, FEES, AND TRANSPORT OF COMMERCIAL CANNABIS WITHIN THE CITY OF SUSANVILLE ZONING DISTRICTS AND ESTABLISHING STANDARDS FOR THEIR USE.

4.A A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SUSANVILLE RECOMMENDING TO THE CITY COUNCIL THE REPEAL AND REPLACEMENT OF ORDINANCE NO. 19-1017, ORDINANCE NO. 15-1002, ORDINANCE NO. 05-919, AND APPROVAL OF ORDINANCE NO. 22-1033 AMENDING MUNICIPAL CODE TITLE 17 (ZONING), TO ADD CHAPTER 17.150 TO REGULATE THE CULTIVATION, DISTRIBUTION, DISPENSARY/COLLECTIVE, MANUFACTURING, NURSERY, TESTING, LICENSING, FEES, AND TRANSPORT OF COMMERCIAL CANNABIS WITHIN THE CITY OF SUSANVILLE ZONING DISTRICTS AND ESTABLISHING STANDARDS FOR THEIR USE

- 5. NEW BUSINESS: None**
- 6. CORRESPONDENCE: None**
- 7. COUNTY REFERRALS: None**
- 8. ADJOURNMENT:**

AGENDA ITEM NO. 4.A
Public Hearing

SUSANVILLE PLANNING COMMISSION AGENDA ITEM

Submitted By: Kelly Mumper, Building & Planning Division

Action Date: April 18, 2022

SUBJECT:

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SUSANVILLE RECOMMENDING TO THE CITY COUNCIL THE REPEAL AND REPLACEMENT OF ORDINANCE NO. 19-1017, ORDINANCE NO. 15-1002, ORDINANCE NO. 05-919, AND APPROVAL OF ORDINANCE NO. 22-1033 AMENDING MUNICIPAL CODE TITLE 17 (ZONING), TO ADD CHAPTER 17.150 TO REGULATE THE CULTIVATION, DISTRIBUTION, DISPENSARY/COLLECTIVE, MANUFACTURING, NURSERY, TESTING, LISENCING, FEES, AND TRANSPORT OF COMMERCIAL CANNABIS WITHIN THE CITY OF SUSANVILLE ZONING DISTRICTS AND ESTABLISHING STANDARDS FOR THEIR USE

PRESENTED BY: Kelly Mumper, City Planner & Dan Newton, City Adminstrator

SUMMARY: City Staff has prepared a detailed report regarding the legal cannabis industry and how the various types of cannabis activities may look, if implemented in Susanville. This includes an analysis of the regulatory framework that may be appropriate for the City of Susanville if the City Council elects to proceed with providing legal cannabis businesses with the opportunity to establish operations within the city limits.

Various City staff members such as the City Planner, Code Enforcement Officer, Police Chief, Fire Chief, the City Administrator and the Assistant to the City Administrator prepared sections of the report. Each staff member is credited with their work under the section headings. The report was reviewed and approved by the Ad HoC Committee for presentation to City Council.

The detailed report is attached and referenced as the Cannabis AD-HOC FINAL REPORT. This report will be utilized as the staff report.

FISCAL IMPACT: None.

ACTION REQUESTED:

ATTACHMENTS:

[Cannabis Zoning Buffer 200 Ft.jpg](#)

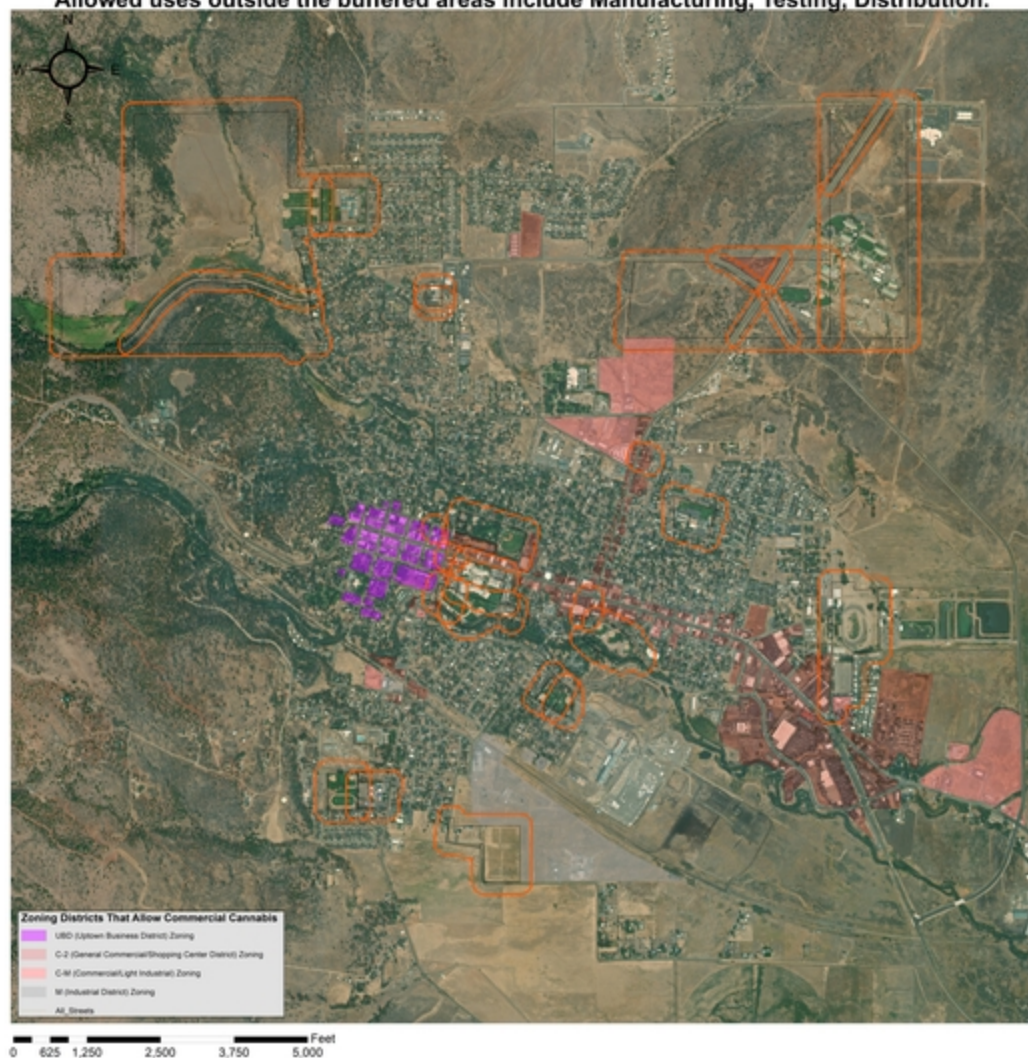
[Cannabis Zoning Buffer 600 Ft.jpg](#)

[Ordinance_22-1033_Regulations_Governing_Commercial_Cannabis_Exhibit A.pdf](#)

[RESOLUTION No. 22-1093 PC Reco to CC.docx](#)

[Cannabis AD-HOC FINAL REPORT.pdf](#)

City of Susanville Commercial Cannabis 200 Ft. Buffer Map
Allowed uses outside the buffered areas include Manufacturing, Testing, Distribution.



City of Susanville Commercial Cannabis 600 Ft. Buffer Map

Allowed uses outside the buffered areas include indoor cannabis cultivation and cannabis dispensaries



**CITY COUNCIL
OF THE
CITY OF SUSANVILLE, CALIFORNIA**

ORDINANCE NO. 22-1033

**AN ORDINANCE AMENDING THE CITY OF SUSANVILLE'S MUNICIPAL CODE
TO ESTABLISH REGULATIONS GOVERNING COMMERCIAL CANNABIS
ACTIVITIES IN THE CITY OF SUSANVILLE**

THE CITY COUNCIL OF THE CITY OF SUSANVILLE ORDAINS as follows:

Section 1: The Council finds, based on evidence and records presented, that:

A. Pursuant to its police power, and as authorized by the California Compassionate Use Act, the California Medical Cannabis Regulation and Safety Act ("MCRSA"), the Adult Use of Marijuana Act ("AUMA"), SB 94, and the Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA"), the City may enact laws or regulations pertaining to cannabis cultivation, dispensing, manufacturing, distribution, transporting, and testing within its jurisdiction.

B. The City wishes to establish a uniform regulatory structure for all cannabis uses in the City in accordance with State law.

C. The proposed zoning amendments contained herein are consistent with the goals and policies of all elements of the General Plan, and any applicable specific plan in that the ordinance will direct commercial cannabis businesses to appropriate commercial and industrial districts designed to support such uses. The proposed zoning regulations are internally consistent with other applicable provisions of Title 17 of the Code in that the Code will apply to cannabis and designate it as a new land use classification, such as identifying where the use is allowed, under what permit authority, development standards, and locational and operating requirements. The proposed zoning changes will result in land uses that are compatible with existing and future uses and will not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

Section 2: The City Council finds that the adoption of this Ordinance is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The passage of this Ordinance is not a "project" according to the definition in the California Environmental Quality Act ("CEQA"), and therefore is not subject to the provisions requiring environmental review. Pursuant to the Statutory Exemption set forth in subdivision (h) of Business and Professions Code section 26055, this Ordinance is exempt from the provisions requiring environmental review because it requires discretionary review under CEQA to approve licenses to engage in commercial cannabis activity

within the jurisdictional limits of the City of Susanville.

Section 3. Government Code Section 65860 provides that zoning ordinances must be consistent with the City's general plan. The City Council hereby makes a finding that the zoning ordinance is consistent with the General Plan as it furthers the following objectives and goals of the General Plan.

Section 3: The City Council does hereby ordain that Chapter 17 of the City's Municipal Code is hereby amended as follows:

1. Addition of Chapter 17.150, REGULATION OF COMMERCIAL CANNABIS ACTIVITIES as shown in Exhibit A.
2. Addition of item (HH) "Cannabis Dispensaries, Distribution, Testing, and Manufacturing" to Chapter 17.36.030, GENERAL COMMERCIAL AND SHOPPING CENTER (C-2) DISTRICT Uses permitted within buildings.
3. Addition of item (E) "One Cannabis Dispensary" to Chapter 17.40.020, UPTOWN BUSINESS DISTRICT Permitted uses.
4. Addition of item (G) "Cannabis Dispensaries, manufacturing, testing, and distribution." to Chapter 17.56.020, GENERAL INDUSTRIAL (M) DISTRICT permitted uses.
5. Addition of item (Q) "Cannabis Micro Business that include indoor cannabis cultivation" to Chapter 17.56.030, GENERAL INDUSTRIAL (M) DISTRICT Uses Requiring Use Permit.
6. Addition of item (H) "Cannabis Dispensaries, manufacturing, testing, and distribution" to Chapter 17.48.020, COMMERCIAL-LIGHT INDUSTRIAL (C-M) DISTRICT Uses permitted within buildings.
7. Addition of item (L) "Indoor Cannabis Cultivation or Cannabis Micro Business that include indoor cannabis cultivation" to Chapter 17.48.030 COMMERCIAL-LIGHT INDUSTRIAL (C-M) DISTRICT Uses requiring use permit.
8. Addition of item (H) "Cannabis Dispensaries, manufacturing, testing, and distribution." To Chapter 17.52.020, LIGHT INDUSTRIAL DISTRICT permitted uses.
9. Addition of item (J) "Indoor Cannabis Cultivation or Cannabis Micro Business that include indoor cannabis cultivation" to Chapter 17.52.030, LIGHT INDUSTRIAL DISTRICT uses requiring use permit.
10. Removal of Chapter 17.104.120 Medical Marijuana Dispensaries. Ordinance No. 05-919 Regarding Medical Marijuana Dispensaries is repealed and replaced effective on the date this ordinance is passed and adopted.
11. Removal of Chapter 17.104.140, Cultivation of Marijuana. Ordinance No. 15-1002 Prohibiting the Cultivation of Medical Marijuana within the City Limits is repealed and replaced effective on the date this ordinance is passed and adopted.

In Addition, Ordinance No. 19-1017 Regulating Medical and Adult use Cannabis is repealed and replaced effective on the date this ordinance is passed and adopted.

Section 4. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance or its application to any person or circumstance is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof despite the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional and, to that end, the provisions hereof are hereby declared severable.

Section 5. This ordinance shall take effect thirty (30) days after its passage. Before the expiration of fifteen (15) days after passage of this ordinance it shall be published once with the names of the members of the City Council voting for and against the ordinance in a newspaper of general circulation published in the County of Lassen, State of California.

Introduced at a regular meeting of the City Council held on the 20 day of April, 2022, and passed and adopted by the City Council of the City of Susanville, State of California, on the ____ day of _____ 2022 by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CITY OF SUSANVILLE

MENDY SCHUSTER
MAYOR, CITY COUNCIL

ATTEST:

APPROVED AS TO FORM:

HEIDI WHITLOCK
CLERK OF THE CITY COUNCIL

MARGARET LONG
CITY ATTORNEY

Exhibit A

Chapter 17.150 REGULATION OF COMMERCIAL CANNABIS ACTIVITIES

17.150.010 Purpose and intent.

It is the purpose and intent of this section to regulate the cultivation, manufacturing, testing, distribution, and sale of cannabis in order to ensure the health, safety and welfare of the residents of the city. The regulations in this article, in compliance with the Compassionate Use Act, the Medical Marijuana Program Act, Proposition 64 (AUMA), SB 94 (MAUCRSA) and the California Health and Safety Code (collectively referred to as "state law") do not interfere with the right to use cannabis or medical cannabis as authorized under state law, nor do they criminalize the possession or cultivation of cannabis or medical cannabis as authorized under state law. All commercial cannabis business shall at a minimum, comply with current state law.

17.150.020 Scope of article.

The operating standards established in this article apply to any site, facility, location, use, or business currently operating in the city, or which commences operations after the effective date of this section, that cultivates, distributes, dispenses, stores, sells, exchanges, processes, delivers, or gives away cannabis for medical or recreational purposes. Any commercial cannabis business shall operate in conformance with the operating standards set forth in this section of the code to assure that the operations of the retail facility, cultivation facility, manufacturing facility, distribution facility or testing facility are in compliance with state law and to mitigate the adverse secondary effects from its operations.

Persons who cultivate cannabis for their sole personal use, or qualified primary caregivers who cultivate medical cannabis on behalf of their qualified patient(s), may do so in quantities recommended by their physician and in accordance with all state and local regulations without submitting any application or requiring a license or license. It is hereby declared to be unlawful and a public nuisance may also be deemed to exist if such activity is determined to be related to the cultivation of cannabis or any commercial cannabis business operations or activities, and produces any of the following:

1. Odors which are disturbing to people residing or present on adjacent or nearby property or areas open to the public.
2. Repeated responses to the property from law enforcement or other code enforcement officers (more than three times in a one-year period).
3. Repeated disruption to the free passage of persons or vehicles in the neighborhood (more than three times in a one-year period) as reported to law enforcement officers or the city code enforcement officer.
4. Any other impact which adversely impacts the health, safety or general welfare of people on adjacent or nearby property or areas open to the public.

Nothing in this chapter shall be construed as a limitation on the city's authority to abate any nuisance which may exist from the planting, growing, harvesting, drying, processing or storage of cannabis plants or any part thereof from any location.

All cannabis cultivation shall be subject to Chapter 15 of the City of Susanville Municipal Code (Buildings and Construction), which includes the California Building Code, Title 24, by reference, Chapter 15.10 (abatement of dangerous buildings and structures), the state housing code (California Health and Safety Code), and other applicable provisions of local and state law.

17.150.030 Definitions.

The definitions listed here are applicable throughout this code where cannabis is referenced. All definitions are intended to comply with those in this code and state law, including, but not limited to, the Business and Professions Code, and the Health and Safety Code.

"Applicant" shall mean an owner who is required to file an application for a permit or license under this chapter.

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

"Cannabis goods" means both cannabis and/or cannabis products.

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

"Cannabis manufacturing site" means the premises that produces, prepares, propagates, or compounds manufactured cannabis or cannabis products either directly or indirectly, or by extraction methods, or by a combination of extraction and chemical synthesis at a fixed location that packages, or repackages cannabis goods, or labels or relabels its container.

"Cannabis testing facility" means a public or private laboratory licensed and certified or approved by the Department of Cannabis Control or any other regulatory body controlling testing facilities, to conduct research and analyze cannabis, cannabis products, and cannabis concentrate for contaminants and potency.

"Canopy" means the total combined canopy area for all locations on a property where cannabis is being cultivated, including indoor areas, outdoor areas, or a combination of both, as measured by the horizontal extent of the plant or combination of plants at the widest point and measured in a straight line.

"City Administrator" means the city administrator or manager of the City of Susanville or designee.

"Commercial Cannabis" means any commercial cannabis activity allowed under MMRSA, AUMA and/or MAUCRSA (SB 94), as limited by the allowable licenses issued by the State of California, as may be amended from time to time, and all uses permitted under any subsequent enacted state law pertaining to the same or similar use for recreational cannabis.

"Commercial cannabis activity" includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, dispensing, or sale of cannabis and/or cannabis products.

"Commercial cannabis business" means any business which engages in commercial cannabis activity. "Commercial cannabis business" also means the location at which a person engages in commercial cannabis activities.

"Commercial cannabis business license" means a regulatory license issued by the City of Susanville pursuant to this chapter to a commercial cannabis business to engage in those commercial cannabis activities authorized by the license and is required before any cannabis business may conduct any commercial cannabis activity in the city.

"Cultivation" and/or "cultivate" shall mean the planting, growing, harvesting, drying, processing, or storage of one or more cannabis plants or any part thereof.

"Customer" means a natural person twenty-one (21) years of age or older or a natural person eighteen (18) years of age or older who possesses a physician's recommendation, or a primary caregiver who is engaged in a transaction with a retailer for purposes of obtaining cannabis goods (i.e., purchase).

"Day Care Facility" shall mean any legally established child day care business that was established and licensed by the city prior to any cannabis related businesses.

"Delivery" means the transfer of commercial cannabis or commercial cannabis products to a customer. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer, or independently licensed, that enables customers to arrange for or facilitate the commercial transfer by a licensed retailer of cannabis or cannabis products.

"Distribution" means the procurement, sale, and transport of cannabis goods between state-licensed cannabis businesses.

"Distributor" means a commercial cannabis business that is locally authorized to engage in the distribution of cannabis goods.

"Employee" shall mean any person employed by a commercial cannabis business that is locally authorized to engage in commercial cannabis activity.

"Immature cannabis plant" or "immature plant" means a plant that is nonflowering and is shorter and narrower than eighteen (18) inches.

"Indoor cultivation" means cultivation that is conducted within a fully enclosed building, permitted for such use, accessible only through one or more locking doors, which is secure against unauthorized entry.

"Labeling" means any label or other written, printed, or graphic matter upon a cannabis good, upon its container or wrapper, or that accompanies any cannabis good.

"Planner or Administrator" shall mean an employee responsible for management and/or supervision of a commercial cannabis business.

"Manufacture" means to produce, prepare, propagate, or compound, or otherwise blend, extract, or infuse cannabis and/or a cannabis product either directly or indirectly, or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis.

"Non-climbable fence" means a fence with a smooth exterior surface that is not equipped with steps or other provisions for climbing.

"Nursery" means a commercial cannabis business that produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.

"Outdoor cultivation" means any commercial cannabis cultivation without the use of light deprivation and/or artificial lighting in the canopy area, and that is not conducted within a fully enclosed, permitted building, accessible only through one or more locking doors, which is secure against unauthorized entry.

"Person" includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business, business trust, receiver, syndicate, collective, cooperative, or any other group or entity, or combination acting as a unit, and the plural as well as the singular.

"Premise" means the designated structure(s) and land of a legal parcel specified in the application that is owned, leased, used, possessed, or otherwise held under the control of the commercial cannabis business where the commercial cannabis activity will be or is conducted. The premise shall be a contiguous area and shall only be occupied by one licensee.

"Primary caregiver" shall have the same meaning as set forth in California Health and Safety Code Section 11362.7.

"Qualified patient" shall have the same meaning as set forth in the California Health and Safety Code Section 11362.7.

"Retail" or "retailer" means a premise that is locally authorized to engage in retail sale and delivery of cannabis or cannabis goods.

"Retail nursery" means a premise that is locally authorized to engage in retail sale and delivery of only cannabis clones, immature plants, and seeds. The sale of all other cannabis goods is prohibited.

"School" means any public or private school providing instruction in kindergarten or grades one to twelve (12), inclusive, but does not include any private school in which education is primarily conducted in private homes.

"Youth center" means any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

17.150.040 Separation requirements.

No commercial cannabis dispensary may be located within a 600-foot linear foot (from property line to property line) from a school, day care facility, recreational center, youth center, library or public park.

No commercial cannabis business that is not a dispensary, may be located within a 200-foot linear foot (from property line to property line) from a school, day care facility, recreational center, youth center, library or public park.

17.150.050 Maximum number of retail businesses licensed citywide.

In no case shall the city allow more **than three retail (dispensary) businesses to operate within city limits.** Retail nurseries are excluded from this restriction. However, retail nurseries are limited to M, M-L, and C-M Zoning Districts.

17.150.060 Commercial cannabis cultivation, testing, manufacturing, distribution, retail facilities, and Micro Businesses.

- A. Commercial cannabis cultivation shall be limited to **indoor cultivation only** in an M (General Industrial District), M-L (Light Industrial District), or C-M (Commercial-Light Industrial District) and require that a Use Permit first be secured prior to operation. Outdoor cultivation is prohibited.
- B. M (General Industrial District) zoning shall allow Dispensaries and Micro Businesses.
- C. UBD (Uptown Business District) zoning shall only allow one Dispensary.
- D. C-2 (General Commercial/Shopping Center District) zoning shall allow for Dispensaries, Distribution, Testing, and Manufacturing only.
- E. C-M (Commercial/Light Industrial District) zoning shall allow for Dispensaries and Micro Businesses.
- F. M-L (Light Industrial District) zoning shall allow for Dispensaries and Micro Businesses.
- G. Cannabis cultivation, distribution, manufacturing or testing facilities shall not contain an exhibition or product sales area or allow for retail sale of products at that location.
- H. All commercial cannabis businesses shall be required to provide an air treatment system that ensures off-site odors shall not result from its operations. This requirement, at a minimum, means that the facility shall be designed to provide sufficient odor absorbing ventilation and exhaust systems so that any odor generated inside the location is not detected outside the building, including on adjacent properties or public rights-of-way, or within any other unit located within the same building as the facility, if the use occupies only a portion of a building.

(Ord. No. 21-1033)

17.150.070 Commercial cannabis business license required.

- A. It shall be unlawful for any person, entity, association, partnership or corporation to engage in, conduct or carry on, in or upon any premises within the city without a commercial cannabis business license. A cannabis business shall register and obtain a commercial cannabis business license from the city prior to operation. The applicant shall pay a nonrefundable fee in an amount established by the city council.
- B. A copy of the commercial cannabis business license shall be displayed at all times in a place visible to the public.
- C. A commercial cannabis business license shall be valid for one year, unless sooner revoked. No license granted herein shall confer any vested right to any person or business for more than the above-referenced period.

(Ord. No. 22-1033,

17.150.080 Commercial cannabis business license.

- A. A commercial cannabis business license shall not be issued to an individual or a business entity associated with an individual, who has violated California Health and Safety Code Section 11590 and its provisions.
- B. The commercial cannabis business license shall be issued to the specific person or persons listed on the cannabis license application.
- C. A commercial cannabis business license does not transfer with the land and does not transfer with the transfer of the property.

(Ord. No. 22-1033,

17.150.090 Commercial cannabis business license application submission process.

- A. The City Administrator will ensure the preparation of cannabis application forms and a related administrative policy. Each applicant interested in operating pursuant to this section may submit an application together with a nonrefundable processing fee in an amount established by the city council.
- B. The City Administrator shall determine whether each application received demonstrates compliance with the minimum requirements to be eligible to be entered into the selection process. These requirements include, but are not limited to:
 - 1. Application was submitted during the application period.
 - 2. Application is filled out completely.
 - 3. Application fee is paid.
 - 4. The location indicated on the application meets the zoning criteria established in Section 17.10.020.
 - 5. The location indicated on the application meets the separation criteria established in Section 5.05.040.
 - 6. A planning and/or building permit with a receipt proving payment for processing from the city planning department for the property location the commercial cannabis business will occupy.
 - 7. A notarized signature from the property owner authorizing the location to be used for commercial cannabis business activity.
 - 8. Authorization from the management association/CC&R's that a cannabis business use is allowed on that parcel (if applicable).

9. Business owner(s)/applicant(s) referenced on the application completes live scan background check.
10. There may be no change in applicant/business owner from the one(s) listed on the commercial cannabis business license application.
11. All other application documents required in the city's application package instructions, state regulations and any other applicable regulations as they may be amended.
12. Photographs of the exterior of the building including the entrance(s), exit(s), street frontage(s), and parking area.
13. If the property is being rented, leased or purchased under contract, the lease agreement term, name of lessor or equivalent, shall be provided by a notarized signed affidavit of the property owner.
14. The name and address of the applicant's current agent for service of process.
15. A copy of the applicant's board of equalization seller's permit.
16. A copy of the commercial cannabis business operating standards, listed in Sections 5.05.140, 5.05.150, and 5.05.160, if applicable, containing a statement dated and signed by the business owner stating that under penalty of perjury that they read, understand and shall ensure compliance with the aforementioned operating standards.
17. Provide a statement, signed by the applicant under penalty of perjury, that the information provided is complete, true, and accurate.
18. Release of the city from all liability associated with the commercial cannabis business. Such a release includes indemnifying the city for claims, damages and injuries that may arise as a result of the commercial cannabis business.
19. Provide a completed utility load information form.

(Ord. No. 22-1033)

17.150.100 Environmental clearance required for commercial cannabis business license applications.

- A. The purpose of this section is to provide the City of Susanville, license applicants, and the public with the procedures to be used in administering the city's responsibilities under the California Environmental Quality Act (CEQA), codified as Public Resources Code Section 21000, et seq., as amended. The procedures are intended to protect both local and regional natural resources in a manner that is consistent with the goals and policies of the general plan, and the requirements of CEQA.
- B. Each applicant interested in operating pursuant to this chapter shall submit an application for environmental clearance with the City Administrator together with a nonrefundable processing fee in an amount established by the city council at the time of application for a commercial cannabis business license. The City Administrator will prepare documents as required for environmental clearances for all cannabis business licenses.
- C. The full text of the state CEQA guidelines as amended is hereby incorporated by reference into this chapter as if fully set out herein and shall supersede any inconsistent provisions of these city environmental review procedures. These environmental review procedures supplement the state CEQA guidelines adopted as 14 California Code of Regulations, Title 14, Section 15000, et seq. In the event there is a conflict between the Public Resources Code and the CEQA guidelines, the Public Resources Code shall govern.
- D. The list of defined terms in Chapter 17.150.030 (definitions), under title 17 of the City of Susanville Municipal Code is expanded by reference to include the definitions contained in the Public Resources Code and the state CEQA guidelines.

- E. The City Administrator shall determine whether an application for environmental clearance is complete within thirty (30) calendar days from the receipt of the application. If no written determination of the completeness of the application is made within that period, the application shall be deemed complete on the thirty-first (31st) day.
1. When reviewing the application for completeness, the City Administrator shall identify environmental issues that require additional information or explanation by the applicant. An application for a commercial cannabis business license shall not be accepted as complete until all the information necessary for environmental review as determined by the City Administrator has been submitted.
 2. Accepting an application as complete does not limit the authority of the city to require the applicant to submit additional information needed for environmental evaluation and as determined by the City Administrator.
 3. Notice of Exemption. When the City Administrator determines that a project is categorically or statutorily exempt from CEQA and the city decides to approve the commercial cannabis license, the city may file a notice of exemption. The notice of exemption may be prepared in accordance with Section 15062 of the CEQA guidelines.
 4. Filing of Notice of Exemption. The city may file the notice of exemption with the County Clerk of Lassen County. Copies of the notice may also be available for public inspection at the city. Filing and posting the notice of exemption commences a thirty-five-day statute of limitations from the date of project approval.
- F. A commercial cannabis business license shall not be issued until such time that environmental clearance where required by this chapter and the provisions of CEQA has been completed.
1. Exception: Where the issuance of a commercial cannabis business license also involves the issuance of a discretionary land use entitlement as set forth in Chapter 17.150, the environmental clearance may be completed in combination with the land use entitlement.

(Ord. No. 22-1033)

17.150.110 Commercial cannabis business license application selection process.

- A. The City Administrator will evaluate the applications received and make a determination on the eligibility of each application. Each application that is complete and in compliance with this chapter shall be placed on the "qualified commercial cannabis business application list" and shall be notified in writing that they are a "qualified commercial cannabis business applicant."
- B. The City Administrator, after receiving the application and aforementioned information, will grant the license if they find:
1. The required fee has been paid.
 2. The application conforms in all respects to the provisions of this chapter.
 3. The applicant has not knowingly made a material misrepresentation in the application.
 4. The applicant has fully cooperated in the investigation and background checks required by this section.
 5. The applicant has not had a commercial cannabis business license or other similar license or license denied or revoked for cause by this city or any other city in the state within the last five years prior to the date of the application.
 6. The commercial cannabis business, as proposed by the applicant would comply with all applicable laws including, but not limited to, health, zoning, fire, and safety requirements.
 7. The applicant has demonstrated compliance with this code and state regulations.

- C. After all tenant improvements have been finalized by the commercial cannabis business owner, the City Administrator, may request an inspection of the cannabis business location to confirm compliance with this section.
- D. If any of the items listed in the application process are not met, the City Administrator shall notify the applicant of the deficiency, after which the applicant will have ten (10) days from receipt of notice to correct the deficiency. If the deficiency is not corrected within ten (10) days, or City Administrator may deny the license and notify the applicant of this determination in writing after which the applicant may appeal the decision in accordance with Section 5.05.130 (appeal of denial of license reference).

(Ord. No. 22-1033)

17.150.120 Cannabis license annual renewal.

- A. Applications for the renewal of a license shall be submitted at least thirty (30) calendar days before the expiration of the current license. Any licensee allowing their license to lapse, or which license expired during a suspension shall be required to submit a new application, pay the corresponding original application fees and be subject to all aspects of the selection process.
- B. Any person desiring to obtain a renewal of their respective license shall file a written application under penalty of perjury on the required form. The application shall be accompanied by a nonrefundable filing fee established by the city council to defray the cost of the review required. An applicant shall be required to update the information contained in their original license application and provide any new and/or additional information as may be reasonably required by the City Administrator in order to determine whether said license should be renewed.

(Ord. No. 22-1033)

17.150.130 Denial of license.

- A. City Administrator, in consultation with law enforcement, building official and city fire protection district, will review all commercial cannabis business applications, and all other relevant information, and determine if a license should be granted. If City Administrator determines that the license shall not be granted, the reasons for denial shall be provided in writing to the applicant. The applicant shall have fourteen (14) calendar days from the date of the receipt of the written denial to correct the reasons for denial and request in writing reconsideration of license issuance. Following review of the amended license application, the City Administrator will approve or deny the license by providing written notice to the applicant.
- B. An applicant who disagrees with the decision may appeal such decision pursuant to the appeals process of this chapter.

(Ord. No. 22-1033)

17.150.140 Operational standards for all commercial cannabis business activities.

- A. Interior and exterior locations of the business property shall be monitored at all times by digital video surveillance system with a minimum camera resolution of one thousand two hundred eighty (1280) by seven hundred twenty (720) pixels and at a minimum of fifteen (15) frames per second for security purposes. The video surveillance system shall at all times be able to effectively and clearly record images of the area under surveillance. Each camera shall be permanently mounted and in a fixed location. The video surveillance system shall record areas where cannabis goods are weighed, packed, stored, loaded, and unloaded for

transportation, prepared, or moved within the licensed premise including: all limited-access areas, security rooms, point-of-sale areas, and all points of entry and exit on the premise. The video surveillance system shall clearly record activity occurring within twenty (20) feet of all points of entry and exit on the premise.

- B. Surveillance recordings shall clearly and accurately display the time and date and shall be maintained, unaltered, in secured location, stored digitally, for a period of not less than ninety (90) days. The city or law enforcement may request the recordings in connection with an investigation. If the recordings are not voluntarily provided, the city or law enforcement may seek a warrant or court order for the recordings.
- C. A commercial cannabis business entity that remains inoperative for more than ninety (90) days shall be deemed "abandoned" and the license shall be automatically forfeited. A business may temporarily suspend operations for a period of time as may be reasonably required to affect upgrades, modifications, repairs, or other property issue mitigations as approved by the development services director or his or her designee.
- D. Create and maintain an active account within the state's track and trace system prior to commencing any commercial cannabis activity. In the event of system failure, the business shall keep a hard copy record and transfer the information to the track and trace system within twenty-four (24) hours of the system being available.
- E. Register with the department of pesticide regulation if using any pesticides.
- F. Comply with all state regulations regarding testing, labeling and storage of all cannabis products.
- G. Meet all state and local regulations for the disposal of all cannabis materials and materials used in conjunction with manufacturing, testing, processing, distributing and cultivating of cannabis.
- H. Conform to all state regulations requiring the use of appropriate weighing devices.
- I. Conform to all state and local regulations regarding water usage.
- J. All electrical and plumbing must comply with state and local regulations, including the California Building Code and California Fire Code, as adopted by the City of Susanville.
- K. Comply with all state insurance and security bond regulations.
- L. The commercial cannabis business shall have a centrally monitored fire and burglar alarm system which shall include all perimeter entry points and perimeter windows.
- M. All persons with ownership interest, and all employees, agents, officers and other persons acting on behalf of a licensee must be at least twenty-one (21) years of age.

(Ord. No. 22-1033)

17.150.150 Additional operational standards for retail business.

- A. A licensed cannabis retail business shall comply with all state regulations. During the hours of operation, the cannabis retail business shall hire or contract for security personnel who are at least twenty-one (21) years of age and licensed by the Bureau of Security and Investigative Services and shall comply with Chapters 11.4 and 11.5 of Division 3 of the Business and Professions Code.
- B. The security personnel and cannabis retail business personnel shall monitor the site and the immediate vicinity of the site to assure that patrons immediately leave the site and do not consume cannabis in the vicinity of the retail business or on the property or in the parking lot.
- C. Signage.
 - 1. All exterior signage shall conform with existing zoning requirements. The existing retail business signage is 'grandfathered' in as of April 1, 2017. Any additional signage modifications shall comply with retail business requirements.

2. The following information shall be provided on a sign posted in a conspicuous location inside the cannabis dispensary:
 - a. Smoking, ingesting or consuming cannabis on this property or within one hundred (100) feet of the business is prohibited.
 - b. No one under the age of twenty-one (21) shall be allowed to enter this facility unless they are a qualified patient, or a primary caregiver and they are in the presence of their parent or legal guardian.
 - c. The City of Susanville has not tested or inspected any cannabis product for pesticides, or other regulated contaminants, distributed at this location.
 - D. No recommendations from a doctor for medical cannabis shall be issued on-site.
 - E. Each retail business owner shall establish minimum training standards for all employees.
 - F. There shall be no on-site sales of alcohol or tobacco products, and no on-site consumption of food, alcohol, tobacco or cannabis by patrons without prior written approval from the city.
 - G. Drive-through sales must be approved in writing by the city prior to implementing.
 - H. The retail business shall comply with state department of health requirements pertaining to use of commercial kitchen facilities for the cannabis operations.
 - I. All employees of the retail business shall wear a laminated or plastic-coated photo identification badge clearly identifying them as employees when on duty. Badges shall include a color frontal face picture, employee name, employee number, business name and number, and be at least one and one-half inches in width by one and one-half inches in height.
 - J. No cannabis retail facility shall cause or the access, sale, or exchange of cannabis goods to any person who is not at least twenty-one (21) years of age or at least eighteen (18) years of age with a valid physician's recommendation for medical cannabis.
- (Ord. No. 22-1033)

17.150.160 Deliveries.

- A. All deliveries shall comply with all state regulations contained in California Code of Regulations Title 16, Division 42 and as it may be amended from time to time.
- B. Deliveries may be made from a licensed retail business.
- C. All employees who deliver cannabis must have a valid identification card at all times while the delivery is being made.
- D. Deliveries may only take place during normal business hours of the retail business.
- E. A customer requesting delivery shall maintain a physical or electronic copy of the delivery request and shall make it available upon request by the licensing authority and law enforcement officers.
- F. A retail business shall maintain a list of all deliveries, including the address delivered to, the amount and type of product delivered, and any other information required by the state.
- G. A cannabis business shall only deliver cannabis in aggregate amounts tied to its members' needs. A cannabis business shall ensure compliance with state law limits as they regard cannabis and cannabis products.
- H. A manifest with all information required in this section must accompany any delivery person or delivery method at all times during the delivery process and delivery hours.

(Ord. No. 22-1033)

17.150.170 Additional operational standards for retail nurseries.

- A. A retail nursery shall be restricted to the sale of only cannabis clones, immature plants, and seeds. The sale of all other cannabis goods is prohibited.
- B. A retail nursery shall be required to comply with the additional operating standards established for retail businesses in Section 5.05.140.
- C. A retail nursery shall be required to obtain a state-issued license.

(Ord. No. 22-1033)

17.150.180 Maintenance of records.

- A. A commercial cannabis business shall maintain all the records required for retention by California Code of Regulations Title 3, Division 8; Title 16, Division 42; and Title 17, Division 1.
- B. These records shall be maintained for a period of seven years and shall be kept in a manner that allows the records to be produced for the City of Susanville and/or law enforcement at the cannabis business premises in either hard copy or electronic form, whichever the City of Susanville requires.

(Ord. No. 22-1033)

17.150.190 Inspection and enforcement responsibilities.

City code enforcement officials may enter and inspect the location of any commercial cannabis business between the normal business hours to ensure compliance with this section. In addition, law enforcement may enter and inspect the location of any cannabis business and the recordings and records maintained as required by this section, except that the inspection and copying of private medical records shall be made available to law enforcement only pursuant to a properly executed search warrant, subpoena, or court order. A person engaging in commercial cannabis business without a license and associated unique identifiers required by this chapter shall be subject to civil penalties of up to twice the amount of the license fee for each violation, and the state or local authority, or court may order the destruction of cannabis associated with that violation. A violator shall be responsible for the cost of the destruction of cannabis associated with his or her violation, in addition to any amount covered by a bond required as a condition of licensure. Each day of operation in which a violation occurs shall constitute a separate violation of this section.

(Ord. No. 22-1033)

17.150.200 Fees.

All cannabis operations shall pay applicable fees and taxes, which may include one or more of the following.

- A. Application Fee. The business applicant shall submit a nonrefundable fee to cover the cost of processing an application and renewal application for the commercial cannabis business as determined by the City Administrator.
- B. Business License Fee. The business owner shall at all times maintain a current and valid business license and pay all business taxes required by Chapter 5.04 of this code.
- C. Regulatory License Fee. The business owner shall pay an annual regulatory license fee ("regulatory fee") to cover the costs of anticipated enforcement relating to the cannabis operation. The amount of

the fee shall be set by resolution of the city council and be supported by the estimated additional costs of administration, enforcement, and monitoring of the city's cannabis regulation and/or specific cannabis operation . The regulatory fee shall be due and payable prior to opening for business and thereafter on or before the anniversary date. The regulatory fee may be amended from time to time based upon actual costs.

- D. Taxes. The business applicant shall stay current with all state, federal, and local taxes, including commercial cannabis business tax set by the City of Susanville.

(Ord. No. 22-1033)

17.150.210 Violation and enforcement.

Each and every violation of this section shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by this code. Additionally, any violation of this article constituting a nuisance per se shall be subject to injunctive relief, revocation of the business's commercial cannabis business license, disgorgement and payment to the city of any and all monies unlawfully obtained, costs of abatement, costs of investigation, attorney fees, and any other relief or remedy available at law or equity. The city may also pursue any and all remedies and actions available and applicable under local and state laws for any violations committed by the cannabis business and persons related or associated with the cannabis business.

(Ord. No. 22-1033)

17.150.220 License suspension, modification or revocation.

Commercial cannabis business licenses may be revoked, suspended, modified for any standard adopted pursuant to this Title 5.05, any license conditions, or any violation of any federal, state, or local law, rule, or regulation. If the City Administrator determines that there is cause to consider revocation, suspension or modification of any commercial cannabis business license, the City Administrator will:

1. Notify the licensee of the possible action and the reasons for it in writing;
2. Provide licensee with evidence the City Administrator possesses that may justify the revocation, suspension, or modification.
3. Advise the licensee that licensee may request a hearing before the City Administrator to present evidence, argument or other matters licensee feels the City Administrator should consider before taking any action.

(Ord. No. 22-1033)

17.150.230 Hearing.

If a licensee wishes to have a hearing before the City Administrator, the licensee must, within five days of the City Administrator 's notice, send to the City Administrator a written request for a hearing. The City Administrator will provide notice to licensee of the time and place of hearing. The City Administrator will consider argument and evidence offered by licensee and render a written decision within a reasonable time.

(Ord. No. 22-1033)

17.150.240 Appeal process.

- A. Within ten calendar days after the date of a decision of the City Administrator to revoke, suspend or deny a license, or to add conditions to a license, an aggrieved party may appeal such action by filing a written appeal with the city clerk setting forth the reasons why the decision was not proper.
- B. At the time of filing the appellant shall pay the designated appeal fee, established by resolution of the city council from time to time.
- C. Upon receipt of the written appeal, the city clerk shall set the matter for a hearing before the city council. The city council shall hear the matter de novo and shall conduct the hearing pursuant to the procedures set forth by the city.
- D. The appeal shall be held within a reasonable time after the filing the appeal.
- E. At the hearing the appellant may present any information they deem relevant to the decision appealed. The formal rules of evidence and procedure applicable in a court of law shall not apply to the hearing.
- F. At the conclusion of the hearing the city council may affirm, reverse or modify the decision appealed. The decision of the city council shall be final and there shall be no other internal rights to appeal.

(Ord. No. 22-1033)

Chapter 17.150.300 REGULATION OF PERSONAL CANNABIS CULTIVATION

17.150.300 Purpose and intent.

The purpose of this article is to impose restrictions on the personal cultivation of cannabis pursuant to state law. This article is not intended to interfere with a patient's right to use medical cannabis pursuant to the Compassionate Use Act, as may be amended, nor does it criminalize cannabis possession or cultivation otherwise authorized by state law. This article is not intended to give any person or entity independent legal authority to operate a cannabis business; it is intended simply to impose restrictions regarding personal cultivation of cannabis in the city pursuant to this code and state law.

(Ord. No. 22-1033)

17.150.310 License required.

The cannabis cultivation addressed in this chapter is required to be conducted pursuant to state law and in accordance with the requirements set forth herein. The city council may, by resolution, establish fees to cover costs incurred by the city in administering and enforcing this chapter.

(Ord. No. 22-1033)

17.150.320 Applicability.

No part of this article shall be deemed to conflict with federal law as contained in the Controlled Substances Act, 21 U.S.C. § 800 et seq., nor to otherwise permit any activity that is prohibited under that act or any other local, state or federal law, statute, rule or regulation. Nothing in this article shall be construed to allow any conduct or

activity relating to the cultivation, distribution, dispensing, sale, or consumption of cannabis that is otherwise illegal under local or state law. No provision of this article shall be deemed a defense or immunity to any action brought against any person by the city, the Attorney General of the State of California or the United States of America.

17.150.330 Definitions.

The definitions in Section 17.150.030 are incorporated herein as fully set forth and are applicable to this chapter.

(Ord. No. 22-1033)

17.150.340 Indoor personal cultivation.

Indoor Cultivation. Indoor personal cultivation of cannabis is permitted in all legally established dwelling units pursuant to the standards included in this chapter:

- A. All indoor personal cultivation, including by a qualified patient or primary caregiver, shall only occur in a legally established dwelling.
- B. Medical cannabis shall be cultivated by a qualified patient (or primary caregiver) exclusively for his or her own personal medical use but who does not provide, donate, sell, or distribute medical cannabis to any other person.
- C. Structures and equipment used for indoor cultivation, such as indoor grow lights, shall comply with all applicable building, electrical and fire code regulations as adopted by the city.
- D. All accessory buildings and structures used for indoor cultivation shall comply with the state building code requirements pertaining to natural and mechanical ventilation or as otherwise determined by the building official or his/her designee. Cultivation shall not create an odor, humidity or mold problem on the subject property or adjacent properties.
- E. Indoor personal cultivation of cannabis may occur inside a dwelling and/or an accessory building or structure on the same parcel, subject to the following restrictions:
 - 1. The cumulative cultivation area for medical cannabis shall total no more than twenty-five (25) contiguous square feet per qualified patient, and no more than one hundred (100) contiguous square feet for primary caregivers, but in no event shall the total cumulative cultivation area for medical cannabis exceed one hundred (100) contiguous square feet regardless of how many qualified patients or primary caregivers reside at the premises. Either a qualified patient or primary caregiver shall reside full-time on the premises where the medical cannabis cultivation occurs.
 - 2. For persons other than qualified patients or primary caregivers, all personal cultivation shall be conducted by persons twenty-one (21) years of age or older. For persons other than qualified patients or primary caregivers, the cumulative total of cannabis plants on the property, indoor and outdoor, shall not exceed six cannabis plants, regardless of the number of persons residing on the property.
- F. Personal cultivation of cannabis shall not interfere with the primary occupancy of the building or structure, including regular use of kitchen(s), bathroom(s) or the garage.
- G. No exterior evidence of cannabis cultivation occurring at the property shall be discernable from the public right-of-way.

- H. Nothing in this section is intended, nor shall it be construed, to preclude any landlord from limiting or prohibiting personal cultivation of cannabis by tenants.
- I. Nothing in this section is intended, nor shall it be construed, to authorize commercial cultivation of cannabis.
- J. Nothing in this section is intended, nor shall it be construed, to authorize any public or private nuisance as specified in this code.

(Ord. No. 22-1033)

17.150.360 Outdoor personal cultivation.

Outdoor Cultivation:

- A. Outdoor Cultivation is prohibited.

(Ord. No. 22-1033)

17.150.370 Enforcement.

The provisions of this chapter will be enforced by the city's code enforcement officials.

(Ord. No. 22-1033)

RESOLUTION PC 22-1093

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SUSANVILLE RECOMMENDING TO THE CITY COUNCIL THE REPEAL AND REPLACEMENT OF ORDINANCE NO. 19-1017, ORDINANCE NO. 15-1002, ORDINANCE NO. 05-919, AND APPROVAL OF ORDINANCE NO. 22-1033 AMENDING MUNICIPAL CODE TITLE 17 (ZONING), TO ADD CHAPTER 17.150 TO REGULATE THE CULTIVATION, DISTRIBUTION, DISPENSARY/COLLECTIVE, MANUFACTURING, NURSERY, TESTING, LICENSING, FEES, AND TRANSPORT OF COMMERCIAL CANNABIS WITHIN THE CITY OF SUSANVILLE ZONING DISTRICTS AND ESTABLISHING STANDARDS FOR THEIR USE

WHEREAS, on October 11, 2015, the Governor signed into law Senate Bill 643, Assembly Bill 266, and Assembly Bill 243, collectively referred to as the Medical Marijuana Regulation and Safety Act ("MMRSA") further amended on June 27, 2016, as the Medical Cannabis Regulation and Safety Act ("MCRSA"), which established regulations and a state licensing system for medical cannabis cultivation, manufacturing, delivery, and dispensing; and

WHEREAS, the voters of the State of California approved and passed Proposition 64 also known as the Adult Use of Marijuana Act ("AUMA"); and

WHEREAS, Health & Safety Code Section 11362.83 provides that cities are free to adopt and enforce local ordinances that regulate the location, operation, or establishment of medical cannabis dispensaries and cultivation; and

WHEREAS, although the Appellate Court determined the issuance of permits was preempted by federal law, the Court did not conclude whether the sections of the ordinance establishing limitations and prohibiting certain conduct were preempted by federal law (e.g., limiting hours of operation, prohibiting a person under the age of 18 from being on the premises unless that person is a qualified patient accompanied by his/her physician, parent or guardian; prohibiting the use from permitting the consumption of alcohol on the property or in its parking area, etc.); and

WHEREAS, the City would retain the authority to determine the existence of a public nuisance for any issues that may arise with a cannabis business facility and could take action pursuant to Chapter 8.16 (Abatement of Dangerous Buildings, Substandard Buildings and Public Nuisances); and

WHEREAS, it is the City's intention that nothing in this Chapter shall be deemed to conflict with federal law as contained in the Controlled Substances Act, 21 U.S.C. Section 841, to otherwise allow any activity that is lawfully and constitutionally prohibited under that Act; and

WHEREAS, it is the City's intention that nothing in this Chapter shall be construed to (1) allow persons to engage in conduct that endangers others or causes a public nuisance; or (2) allow any activity relating to the manufacture or processing of marijuana that is otherwise illegal.

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Susanville:

SECTION 1: Makes the following findings:

1. The proposed Text Amendment is consistent with the objectives, policies, general land uses, and programs of the City of Susanville General Plan and Zoning section of the City of Susanville Municipal Code.
2. Regulations and guidelines pertaining to commercial cannabis are needed to protect the public health, safety, and welfare of residents and business owners in the City of Susanville. The establishment of commercial cannabis facilities without appropriate rules and regulations could result in the creation of negative secondary effects.
3. The proposed ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15070 (Title 14, of the California Code of Regulations) because it does not have the potential for resulting in physical change to the environment, directly or indirectly. Individual facilities which are required to have a Conditional Use Permit will have additional environmental review for the specific facility proposed.

SECTION 2: Recommends to City Council adoption of Ordinance No. 22-1033 amending Title 17 of the Susanville Municipal Code as follows:

1. Removal of Chapter 17.104.120, Medical Marijuana Dispensaries
2. Removal of Chapter 17.104.140, Cultivation of Marijuana
3. Addition of Chapter 17.150 entitled "Regulation of Commercial Cannabis Activities" as outlined in Attachment "A" to this Resolution.
4. Addition of Chapter 17.36.030, General Commercial and Shopping Center (C-2) District Uses permitted within buildings "(HH) Cannabis Dispensaries, Distribution, Testing, and Manufacturing."
5. Addition of Chapter 17.40.020, Uptown Business District (UBD) permitted uses "(E) One Cannabis Dispensary"
6. Addition of Chapter 17.56.020, General Industrial (M) District permitted uses "(G) Cannabis Dispensaries, manufacturing, testing, and distribution."
7. Addition of Chapter 17.56.030, General Industrial (M) District Uses Requiring Use Permit "(Q) Cannabis Micro Business that include indoor cannabis cultivation.
8. Addition of Chapter 17.48.020, Commercial-Light Industrial (C-M) District Uses permitted within buildings "(H) Cannabis Dispensaries, manufacturing, testing, and distribution."
9. Addition of Chapter 17.48.030 Commercial-Light industrial (C-M) District Uses requiring use permit "(L) Indoor Cannabis Cultivation or Cannabis Micro Business that include indoor cannabis cultivation."
10. Addition of Chapter 17.52.020, Light Industrial District permitted uses "(H) Cannabis Dispensaries, manufacturing, testing, and distribution."
11. Addition of Chapter 17.52.030, Light Industrial District uses requiring use permit "(J) Indoor Cannabis Cultivation or Cannabis Micro Business that include indoor cannabis cultivation."

SECTION 3. Government Code Section 65860 provides that zoning ordinances must be consistent with the City's general plan. The City Council hereby makes a finding that the zoning ordinance is consistent with the General Plan as it furthers the following objectives and goals of the General Plan.

SECTION 4: The City of Susanville Planning Commission does hereby ordain that Chapter 17 is hereby amended as shown in **Exhibit A** attached hereto adding Chapter 17.150 Regulation of Commercial Cannabis Activities to the City's Municipal Code.

Ordinance No. 19-1017 Regulating Medical and Adult use Cannabis is repealed and replaced effective on the date this ordinance is passed and adopted.

Ordinance No. 15-1002 Prohibiting the Cultivation of Medical Marijuana within the City Limits is repealed and replaced effective on the date this ordinance is passed and adopted.

Ordinance No. 05-919 Regarding Medical Marijuana Dispensaries is repealed and replaced effective on the date this ordinance is passed and adopted.

SECTION 5. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance or its application to any person or circumstance is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances. The City Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof despite the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional and, to that end, the provisions hereof are hereby declared severable.

APPROVED:

Wayne Jambois, Chairperson
Planning Commission

ATTEST:

Heidi Whitlock, City Clerk
Secretary to the Planning Commission

The foregoing Resolution No. 22-1093 was adopted at a special meeting of the Planning Commission of the City of Susanville, held on the 18th day of April 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Heidi Whitlock, City Clerk
Secretary to the Planning Commission

City of Susanville FY 2021/22 Cannabis Ad Hoc Committee
Final Report
February 24, 2022

I. INTRODUCTION

Prepared by: Dan Newton - City Administrator

The passage of Proposition 64 in 2016 legalized recreational cannabis in the State of California. Cities and counties were provided opportunities to enact local ordinances to regulate various cannabis activities within their respective jurisdictional boundaries. Since that time, the City of Susanville has never performed an in-depth analysis of cannabis activities and how legal cannabis businesses function within a community. However, in June of 2021, the City Council created a Cannabis Ad Hoc Committee for the purpose of assessing different cannabis industries, activities, and license types. The Ad Hoc Committee has met 17 times over the past 6 months and has conducted research and investigations regarding the legal cannabis industry.

City Staff has prepared a detailed report regarding the legal cannabis industry and how the various types of cannabis activities may look, if implemented in Susanville. This includes an analysis of the regulatory framework that may be appropriate for the City of Susanville if the City Council elects to proceed with providing legal cannabis businesses with the opportunity to establish operations within the city limits.

The report is presented in the following sections:

- I. Introduction
- II. Market Research and Types of Cannabis Businesses and Associated Land Use
- III. Proposed Federal Regulations
- IV. Public Safety Assessment – Fire
- V. Public Safety Assessment – Police
- VI. Recommendations
- VII. Implementation

Various City staff members such as the City Planner, Code Enforcement Officer, Police Chief, Fire Chief, the City Administrator and the Assistant to the City Administrator prepared sections of the report. Each staff member is credited with their work under the section headings. The report was reviewed and approved by the Ad HoC Committee for presentation to City Council.

The legal cannabis industry is working diligently to comply with state and local regulations. Legal cannabis businesses are strictly regulated by the state and are often operated by business professionals from other industries. Legal cannabis is a burgeoning market that if properly regulated could be a profitable industry with low impact to our community. City residents should have reasonable access to safe products for medical or recreational use as provided by law. For these reasons the Ad Hoc committee is recommending that City Council seriously consider allowing cannabis business activities within Susanville as presented in this report.

II. MARKET RESEARCH AND TYPES OF CANNABIS BUSINESSES AND ASSOCIATED LAND USE

Prepared by Kelly Mumper – City Planner

The City of Susanville has been exploring the potential for allowing Commercial Cannabis activities and uses within the City of Susanville. At the direction of the City Council, a Cannabis Ad Hoc committee was formed to conduct research and a feasibility study on how a Commercial Cannabis Ordinance could look for the City of Susanville. The following report will outline a brief history and introduction of the incremental progress the cannabis industry has seen in the State of California in recent years, who the key stakeholders are in our area, what ordinances other cities and counties have adopted that are comparable to our population size and provide a clear vision of the potential economic benefits based on the proposed allowed cannabis uses.

Cannabis legalization processes in the State of California are as follows: In 1996, the California electorate approved Proposition 215, the Compassionate Use Act of 1996, which allows a patient, with a doctor's recommendation, to use cannabis for medical purposes without the fear of prosecution or arrest. In 2003, the California legislature passed Senate Bill 420 (Medical Marijuana Program Act) which amended the Health and Safety Code to permit the establishment of medical cannabis dispensaries for the distribution of cannabis for medical purposes. In 2005, the California Board of Equalization began issuing seller's permits for sales consisting only of medical cannabis. In 2008, the California Attorney General issued guidelines for the security and non-diversion of cannabis grown for medical use. On October 11, 2015, the Governor signed into law Senate Bill 643, Assembly Bill 266, and Assembly Bill 243, collectively referred to as the Medical Marijuana Regulation and Safety Act ("MMRSA") further amended on June 27, 2016, as the Medical Cannabis Regulation and Safety Act ("MCRSA"), which established regulations and a state licensing system for medical cannabis cultivation, manufacturing, delivery, and dispensing.

Subsequently, the voters of the State of California approved and passed Proposition 64 also known as the Adult Use of Marijuana Act ("AUMA"). In preparation and in response to all of the aforementioned legislation, the City of Susanville adopted an Ordinance in 2005 (Ord. 05-919 § 2, 2005), effectively placing a moratorium on Commercial Cannabis activities and in 2015 (Ord. 15-1002 § 3, 2015), a moratorium on medical marijuana grows within the City Limits. In 2019, the City of Susanville considered a Commercial Cannabis Ordinance, but it did not receive favorable support from the community or the City Council at the time. Therefore, the existing Ordinances regarding the stated moratoriums are still in effect. To date, roughly 9 counties and 50 cities in the State of California have adopted some form of Cannabis Ordinance with established tax rates.

The City of Susanville Cannabis Ad Hoc Committee has been meeting bi-weekly for the last seven months. The Ad Hoc went on an extensive field trip to Sacramento, the Bay Area, and locally to Lassen County, to get a feel of how the industry was performing in municipalities that have adopted a Commercial Cannabis ordinance. The Ad Hoc observed a highly educated and motivated work force, extremely clean and secure facilities, and very discrete building footprints and signage throughout. These actions prompted further research from the Ad Hoc which honed the focus on a municipality comparable to Susanville population and demographic. The City of Shasta Lake became the prime example in which the Ad Hoc has geared the draft ordinance due to the similar population size and the allowed uses. The City Manager for the City of Shasta Lake was very helpful answering questions that the Ad Hoc had about their adopted Commercial Cannabis ordinance.

The City of Shasta Lake utilized SCI Consulting to assist with the preparation of the Ordinance and the potential for Environmental Impacts. It took them roughly a year to complete the processes required to adopt said cannabis ordinance. Their ordinance currently allows indoor cultivation only, and a cap on dispensaries at three. The City of Shasta Lake has seen no negative impacts to public safety after inception of the ordinance. In fact, the special business tax related to the Commercial Cannabis ordinance contributes between \$800,000 and \$1,000,000 in revenue to the General Fund . This increase to their General Fund has provided the needed assistance for additional staffing to help enforce the adopted ordinance. The ordinance has also caused commercially and industrial zoned property values to increase while filling vacancies throughout their city. The only adverse impact observed was increased property values of said zoning districts could not be as feasible for non-cannabis related businesses.

The Ad Hoc also took a hard look into what areas of the Cannabis industry that may be lacking in our area and in northern California in general. The general industry activities for Commercial Cannabis include indoor and outdoor cultivation, manufacturing, testing, distribution, and retail and or dispensaries. What the committee found was very encouraging from a potential economic benefit standpoint. Currently, the industry lacks major manufacturing and distribution centers north of Sacramento, CA. Given the City of Susanville's geographic location and state highway infrastructure within Lassen County, the Ad Hoc strongly feels that with an attractive Tax Rate, that Susanville could be a major hub for manufacturing and distribution. Therefore, the Ad Hoc has created a working draft Commercial Cannabis Ordinance that has been fine tuned to take advantage of the industry disparities in our region, while preserving the public health, safety, and welfare of the community and those that surround Susanville.

Specifically, the draft Commercial Cannabis Ordinance would prohibit outdoor cultivation outright. The justification for this is that the City of Susanville does not have the viable land resources to properly buffer potential outdoor grows from residential neighborhoods and sensitive receptors such as schools and day cares. In addition, allowing outdoor grows would also require an environmental document to be prepared under the California Environmental Quality Act, which would be costly and time consuming. Indoor grows would be allowed only in Industrial Zoning Districts by first securing a Use Permit from the Planning Commission. Distribution, Manufacturing, and Testing would be allowed in Industrial and Commercial Zoning districts by right. Dispensaries would be capped at 3 and would be allowed in Commercial, Industrial, and Uptown Business District Zoning Districts. Micro Businesses, which consist of 3 or more uses in conjunction would be allowed by first securing a Use Permit from the Planning Commission and would be allowed in Commercial and Industrial Zoning Districts. (Appendix A) Each use will be required to meet the minimum distancing requirements allowed by California State Law (200-600 feet from a School or legally established Day Care).

To be attractive and competitive to industry proponents, the Ad Hoc is proposing a 2 to 3% Gross Receipts Tax on any Commercial Cannabis business. For reference, Lassen County's Tax Measure M is 8%. This would require a Tax Measure to be placed on a ballot for community voter approval. If a Tax Measure becomes unfeasible or fails, the Ad Hoc proposes that a Special Business Tax directed at Commercial Cannabis activities be adopted by Ordinance in lieu of a Tax Measure for the interim. Said Special Business Tax would essentially sunset upon the passing of a future Tax Measure to tax Commercial Cannabis. Either Tax will be structured to benefit the City of Susanville's General Fund. In addition, the potential tax revenues from Commercial Cannabis activities would make the City eligible for Proposition 64 State Funding Grant assistance annually at a minimum of one million dollars per year. This grant pool is specifically designed to assist municipalities that have adopted a Commercial Cannabis ordinance with additional financial assistance in order to hire more public safety officers and support staff to assist in the application and licensing processes and enforcing the ordinance. The two revenue sources would allow the City to hire numerous full time employees to assist with enforcement and the application processing.

In Conclusion, the Ad Hoc committee has done extensive industry research, consulted numerous stakeholders for feedback including the City of Shasta Lake, City of Chico, Calaveras County, police department, fire department, public works department, Lassen Municipal Utility District, Susanville Sanitary District, and Lassen County Administration Department. In addition, the Ad Hoc has already conducted a community outreach public meeting where city staff received praise from the public and stakeholders regarding the extensive research and outreach performed. As proposed, the draft Ordinance has been reviewed by City staff in accordance with the Environmental Checklist Form (Appendix G of the CEQA Guidelines) to determine if there would be any possibility that the proposed ordinance would create any significant environmental impacts, and City staff has determined that the establishment of regulations for indoor cannabis cultivation, manufacturing, testing, distribution, transportation and dispensing

businesses does not meet any of the thresholds contained in the Checklist that would trigger a significant environmental impact, and thus according to the "general rule exemption" (Section 15061(b)(3) of the CEQA Guidelines, projects which have no potential for causing a significant effect on the environment are not subject to CEQA, no further environmental analysis is required.

III. PROPOSED FEDERAL REGULATIONS

Prepared by Cody Loflin – Code Enforcement Officer and Dan Newton - City Administrator

Federal Law still categorizes cannabis as an illicit substance and criminalizes its sale, transportation, and possession. Congress is set to begin debating the possibility of decriminalizing cannabis at the federal level this spring. The initial framework of regulating cannabis activities at the federal level appear to be rooted in the current regulation of alcohol and tobacco at the federal level. It is proposed that a federal tax structure for cannabis activities be put in place. Incentives in the form of grants to fund nonprofits or to assist other entitled groups are being sought. The proposed beneficiaries of these grants could come in the form of those seeking equity entitlements or to assist those caught in the “War on Marijuana” to assist in the decriminalization of their criminal records. Other proposals being sought would include criminal justice reform in the expungement of federal records of arrests and convictions for non-violent cannabis offenses and allow for resentencing. This is similar to how California Prop 47 resented certain drug charges. The federal regulation and enforcement would work with each state, but ultimately the states would retain their 10th Amendment entitlements and be allowed to craft their own cannabis regulations.

On February 16, 2022, the U.S. House of Representatives moved the “SAFE Banking Act” forward to the Senate as part of the America COMPETES Act. This action marks the sixth time the banking legislation has been approved by the house. SAFE Banking is sponsored by Representative Perlmutter of Colorado, who stated that he is confident that the cannabis banking legislation is going to make it through the Senate this year.

On July 14, 2021, Senators Booker, Wyden, and Schumer introduced a draft bill “Cannabis Administration and Opportunity Act” that would end cannabis prohibition on a federal level. The bill would deschedule cannabis, allow states to draft their own cannabis policies, expunge federal records of arrests and convictions for non-violent cannabis offenses, create a federal tax structure, establish grants program for support of those impacted by the war on cannabis and fund equity programs.

On May 28, 2021, the Marijuana Opportunity, Reinvestment, and Expungement (MORE) Act was introduced to the U.S. House of Representatives. The MORE Act decriminalizes cannabis under federal law by removing it from the controlled substances list.

There are other proposed cannabis legalization bills and while it appears that proposed bills are making it further into the process, there is no way to tell when any of these bills may come into law. However, cannabis legalization at the federal level may be becoming less of a political battle ground, particularly considering how many states have legalized cannabis for recreation and medicinal purposes. At this time, a total of 18 states have legalized cannabis for recreational purposes and 39 states, plus Washington D.C., have legalized medical marijuana.

IV. PUBLIC SAFETY – FIRE

Prepared by: James Moore – Fire Chief

I attended and participated in multiple ad hoc meetings with diverse and constructive conversations, took part in a site orientation field trip in which we visited a small indoor grow, large manufacturing site, large indoor starter grow operation, and a massive outdoor grow and manufacturing combination site. After dialogue with the owners and operators of these sites, my observations, using my knowledge of California Code of Regulations Title 24, Part 9 known as the California Fire Code, and reaching out to fire prevention bureaus in our neighboring jurisdictions, I submit the following information.

As the Fire Chief of Susanville I can find no plausible fire or life safety reason to deny an opportunity to allow certain cannabis activities in restricted numbers within the City Limits, through my professional observation and communication with other fire agencies, I have discovered that these legally approved types of facilities are heavily regulated by the state, county, and jurisdiction in which they are allowed. They implement, follow and obey the adopted fire and life safety code just as any other business or manufacturing facility would be required. In restricted numbers there will be no foreseeable impact to the fire prevention bureau, and when operating as permitted with annual inspections will have no increased adverse affect on the health and safety of the citizens of Susanville, employees of the business, or any other visitors. The threat of fire or explosion from some of the manufacturing processes is mitigated through the permit, inspection, and compliance process that is already adopted at the state and local level, these processes are also currently allowed in different settings within the industry.

Additionally, some jurisdictions have stated that their HBO (Honey Butane Oil) explosions and incidents have been reduced dramatically after the jurisdiction implemented legalized manufacturing facilities which provide available and affordable product to their customers.

I believe that a legal cannabis operation of any type allowed by use, is and should be treated as any other business within our jurisdiction.

V. PUBLIC SAFETY - POLICE

Prepared by: Ryan Cochran – Police Chief

Several regional law enforcement agencies that have allowed the retail sales and cultivation of cannabis within their jurisdiction were contacted. It was reported that there have been no significant increases in crime regarding cannabis.

One recommendation that was made prior to allowing a store front cannabis retailer to open, was the offering to the retailer an onsite threat assessment by law enforcement. This will be available to all employees to aid and identify any potential indicators of possible robberies and suspicious activity at their location.

Training of law enforcement on driving under the influence of cannabis was often paid for by cannabis retailers and cultivators.

VI. RECOMMENDATIONS

Prepared by: Dan Newton - City Administrator

The Cannabis Ad Hoc Committee has compiled a multitude of information regarding the legal cannabis industry. Based on the Ad Hoc Committee's findings, there is strong evidence that the legal cannabis industry conducts business operations that are of high quality and benefit to the communities in which they operate. Propagation of the legal cannabis industry will serve to minimize the illegal cannabis operations. However, a problem that many legal cannabis businesses face is that they are subjected to high taxes and fees by both the state and local governments and they are highly regulated. The cost of doing business is becoming a hardship for the legal cannabis industry.

Finding 1: The Ad Hoc committee has researched the legal cannabis industry. The Ad Hoc committee has observed that the legal cannabis industry is well regulated and professionally operated.

Finding 2: The Ad Hoc committee has spoken to community leaders in other cities and counties. The Ad Hoc committee has been educated and informed regarding the legal cannabis industry. The Ad Hoc committee has observed that the legal cannabis industry provides economic benefit and operates in a safe and secure manner within several communities.

Finding 3: The Ad Hoc committee has found that the legal cannabis industry pays license fees to the state and local jurisdictions and state and local taxes. The Ad Hoc committee has observed that the costs to operate a legal cannabis business in California is difficult due to the high taxes and fees in addition to the costs of meeting regulatory compliance.

Finding 4: The Ad Hoc committee has researched pending federal regulations that may lead to legalizing cannabis at the federal level. The Ad Hoc committee has observed that cannabis is listed as a schedule 1 substance and subject to federal regulation. The Cannabis industry has operational and banking limitations based on federal law.

Finding 5: The Ad Hoc committee has researched the number of cannabis users in our community. Given statistical norms a conservative estimate is that 14 percent (14%) of our adult population uses cannabis. Allowing legal cannabis within our community will provide our citizens safe and convenient access to cannabis products.

Finding 6: The Ad Hoc committee has researched local regulations on the cannabis industry. The City's land use authority allows for regulating various cannabis activity to specific zones within the City in addition to placing requirements on cannabis businesses to ensure safe and discrete operations at appropriate locations.

Recommendation 1: To ensure safe and accessible cannabis products for our citizens and to facilitate the opening of professionally operated business activities within the City. The Susanville City Council should adopt a local ordinance allowing but, appropriately regulating, the following Cannabis Activities and streamline the permitting process:

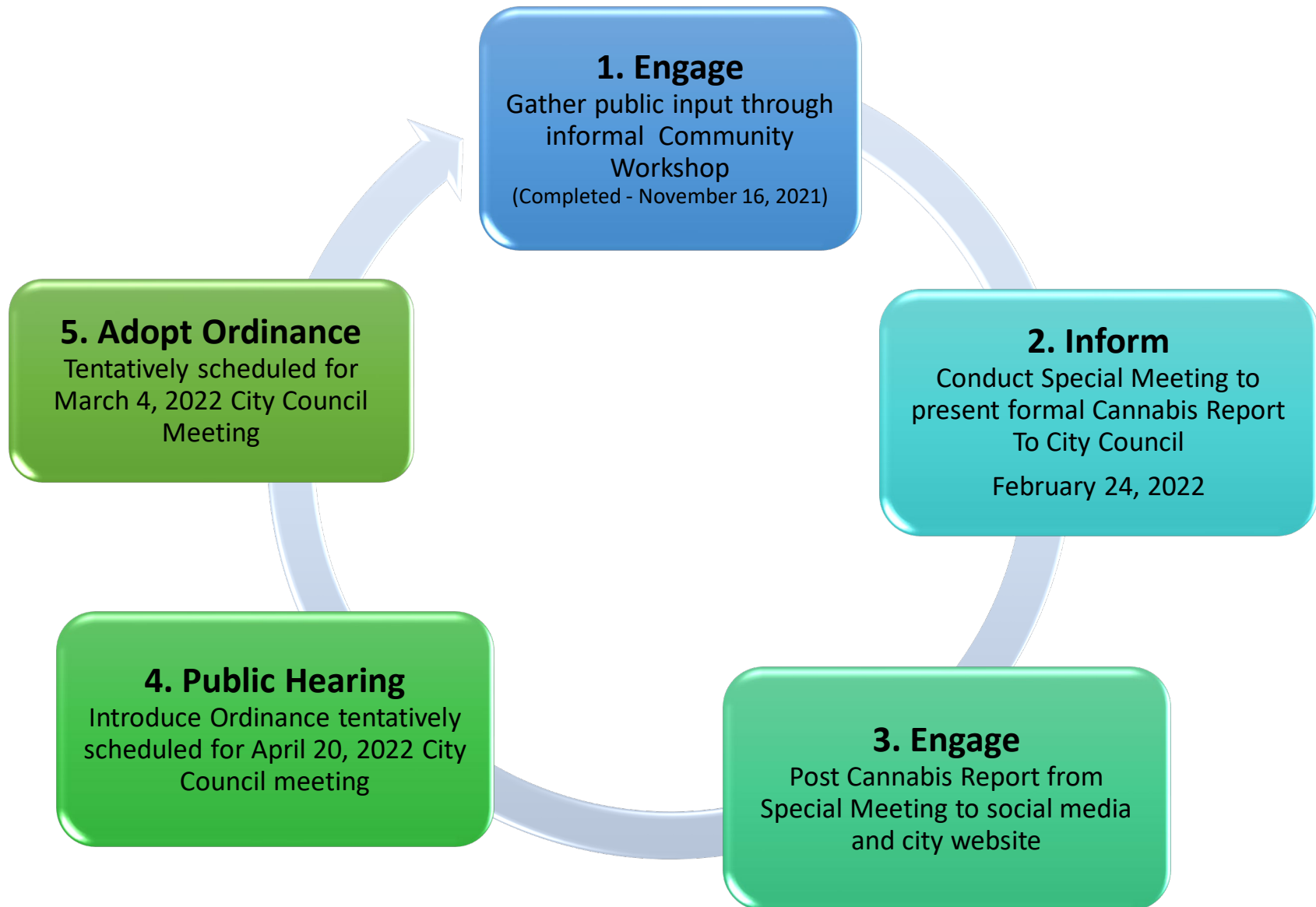
- 1) Indoor cultivation – within industrial zones
- 2) Manufacturing – within industrial and commercial zones
- 3) Distribution – within industrial and commercial zones
- 4) Retail Sales – within industrial, commercial, and uptown business district zones
(limited to 3 citywide)

Recommendation 2: To ensure that the City of Susanville is a marketable location for cannabis businesses to become established, the taxes and fees should be set at competitive rates. The Susanville City Council should adopt a local business tax ordinance setting taxes and fees for cannabis activities and place the item on the ballot at the earliest opportunity, after June 7, 2022. The taxes for cannabis activities should represent 2-3 percent (2 % – 3 %) of gross sales and should be scalable to increase up to 8 percent (8%) to coincide with the Lassen County ordinances.

Recommendation 3: To ensure community benefits, the Susanville City Council should explore other revenue options in the interim between allowing cannabis activities and establishing a cannabis tax.

Recommendation 4: Offer storefront cannabis retailer an onsite threat assessment by law enforcement. This will be available to all employees to aid and identify any potential indicators of possible robberies and suspicious activity at their location.

Implementation Steps



APPENDIX A

Appendix A is organized into three sections based on types of cannabis activity.

Section 1 pertains to indoor cultivation and includes a description indoor cultivation and the proposed zoning district (Industrial) in which indoor cultivation would be allowed within the city limits.

Section 2 pertains to distribution, manufacturing, testing, and microbusinesses. Section 2 includes descriptions of each activity type and the proposed zoning districts (Industrial & Commercial) in which these activity types would be allowed within the city limits.

Section 3 pertains to retail sales also known as dispensaries. Section 2 provides a description of dispensaries and the proposed zoning districts in which these activity types would be allowed within the city limits.

SECTION 1: INDOOR CULTIVATION

Indoor cultivation involves the growing of cannabis plants in a secure indoor facility, such as an industrial building or warehouse. Indoor cultivation can be done with artificial or natural light. Odors are generally controlled by air filtering equipment.

The Ad Hoc committee is recommending that only indoor cultivation (NOT outdoor cultivation) be allowed within the city limits and only in industrial zoning districts.

Map 1 (next page) shows proposed locations for indoor cultivation.

Following are some examples of indoor cultivation; Natura and Conception Nursery, both located in Sacramento and visited by the Ad Hoc Committee. Not all indoor cultivation operations are as new and impressive as the two below; however, all legal indoor grows must follow the same requirements and inspections.

MAP 1

CANNABIS AD-HOC RECOMMENDATIONS

PROPOSED ALLOWABLE ZONING DISTRICT

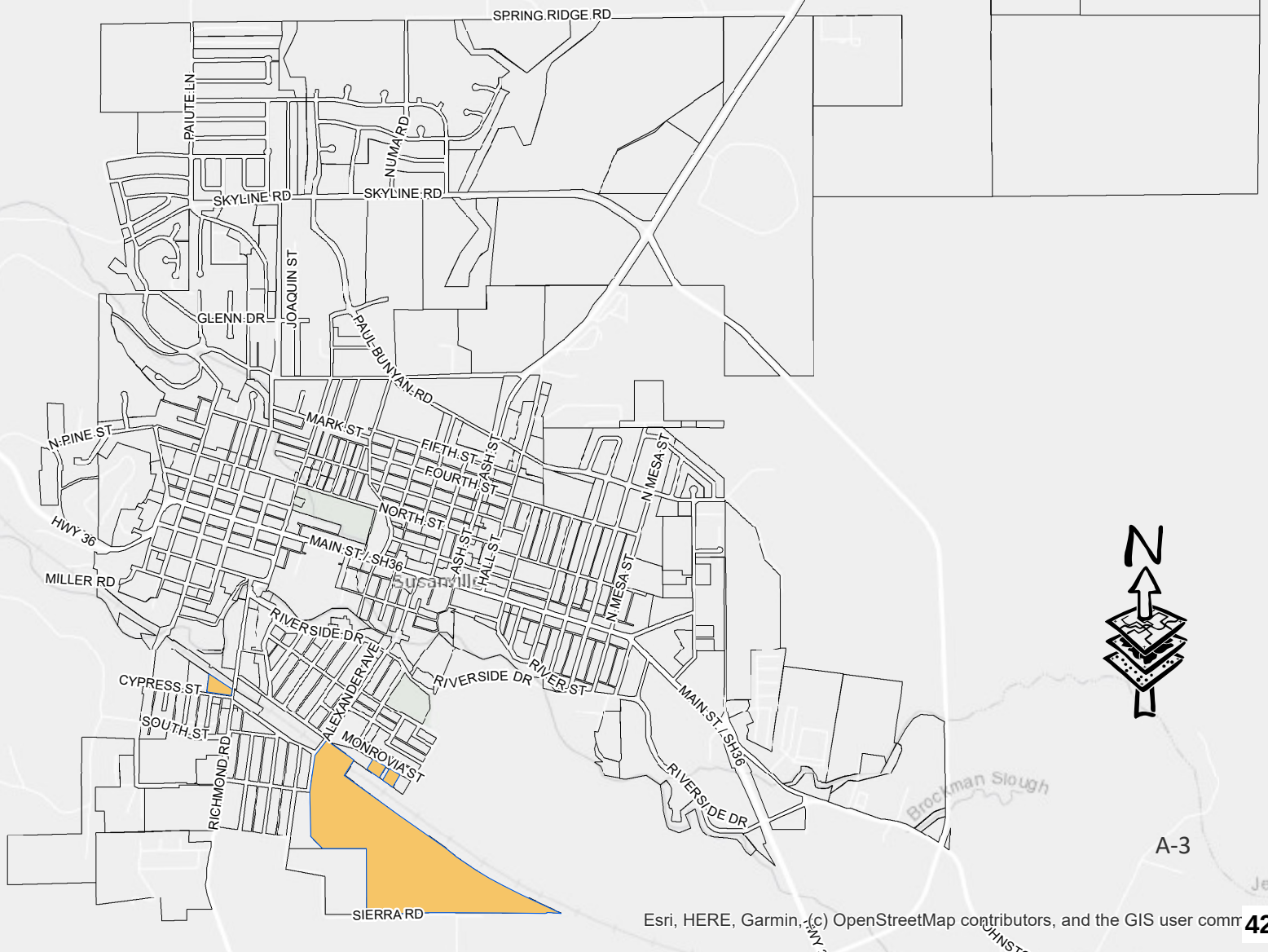
FOR INDOOR CULTIVATION LOCATIONS

Legend:

Proposed Zoning District for Indoor Cultivation

 INDUSTRIAL 600

NOTE: AREAS DEPICTED ACCOUNT FOR
600' BUFFER FROM SCHOOLS, PARKS, AND LIBRARIES.



INDUSTRIAL ZONES



"Our mission is to positively affect millions of lives through the creation of a world class platform to launch and scale cannabis brands."

-Ori Bytton / Founder & CEO of Natura Life + Science



Conception Nursery

- Location: Sacramento, CA
- Indoor Cultivation, Lab Testing
- Conception uses Tissue Culture Micropropagation to produce cleaner, healthier, and genetically elite clones. They provide growers with a diverse selection of existing cannabis strains and next-generation breeds.

INDUSTRIAL ZONES



CONCEPTION



SECTION 2: DISTRIBUTION, MANUFACTURING, TESTING, AND MICROBUSINESSES

Distribution Activities: A licensed distributor distributes only cannabis goods, cannabis accessories, and licensees' branded merchandise or promotional materials. Distributors receive cannabis products from cultivators, manufacturers, or microbusinesses and then distribute them to retailers. A licensed distributor may also store cannabis products and arrange for testing.

Manufacturing Activities: A licensed manufacturer may extract cannabis from plant material with solvents and/or mechanical methods. A licensed manufacturer may infuse products with extract or plant material. A licensed manufacturer may also package and label cannabis products.

Testing Activities: A licensed testing laboratory tests cannabis goods prior to sale at a retailer.

Microbusiness Activities: A licensed microbusiness can do at least three of the following activities at one location:

- Cultivation up to 10,000 total square feet

- Manufacturing – Use of non-volatile solvents, mechanical extraction or infusion

- Distribution

- Retail – storefront or non-store front

Map 2 (next page) depicts zoning districts in Susanville proposed for Distribution, Manufacturing, Testing, and Microbusiness activities.

The Ad Hoc Committee visited Verde Distribution and Manufacturing located in Oakland California as depicted on page A-8.

MAP 2

CANNABIS AD-HOC RECOMMENDATIONS

PROPOSED ALLOWABLE ZONING DISTRICTS

FOR DISTRIBUTION, MANUFACTURING, TESTING

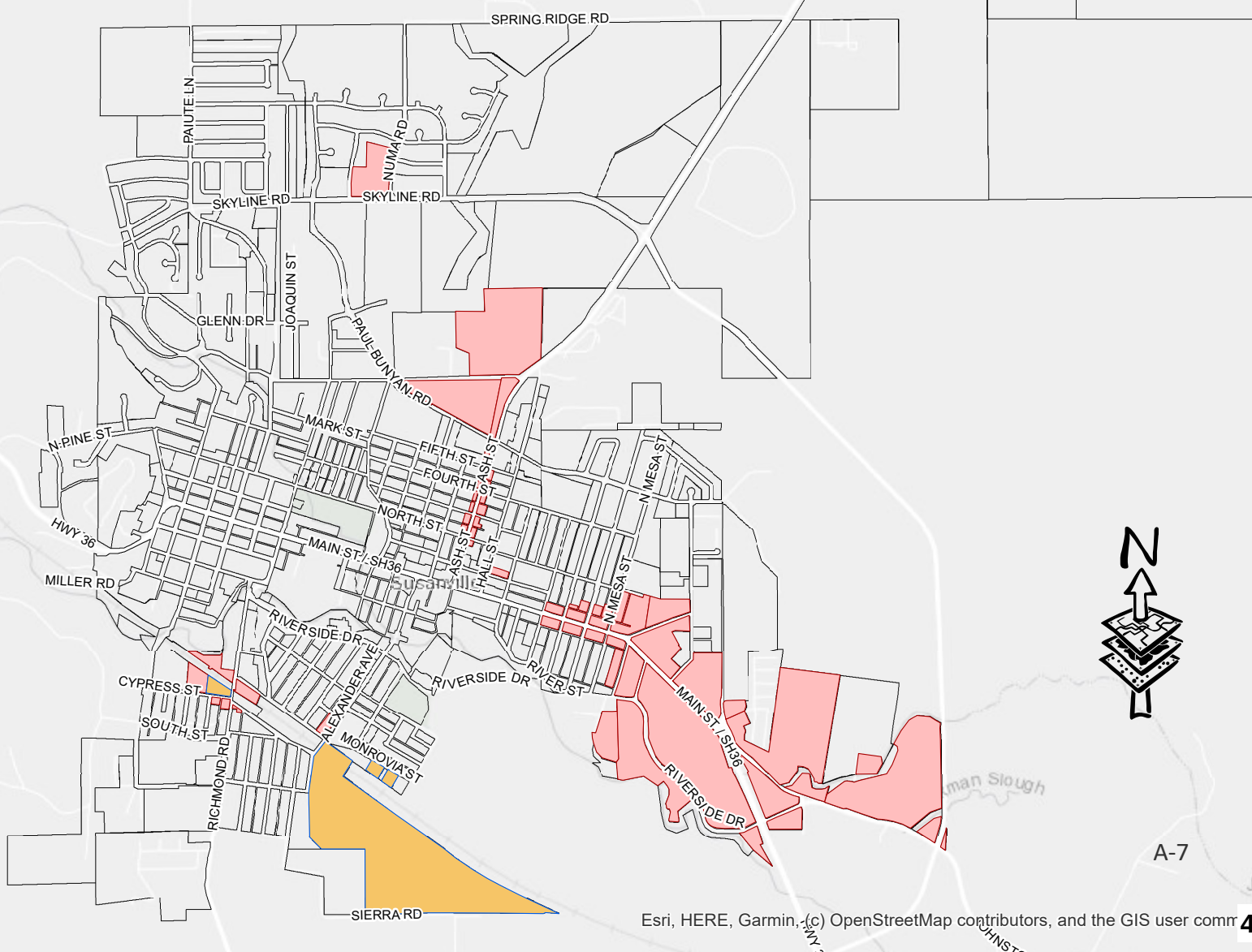
AND MICROBUSINESS LOCATIONS

Legend:

Proposed Zoning Districts for Dist., Manuf., Testing, and Microbusiness (Req. Use Permit)

- INDUSTRIAL 600
- COMMERCIAL 600

NOTE: AREAS DEPICTED ACCOUNT FOR
600' BUFFER FROM SCHOOLS, PARKS, AND LIBRARIES.



Verde Distribution and Manufacturing

Distribution and Cannabis
Manufacturing Business
Location: Oakland, CA

INDUSTRIAL ZONES
COMMERCIAL ZONES



SECTION 3 RETAIL SALES / DISPENSARIES

A licensed retailer may either be delivery only or have a physical location where cannabis goods are sold. A storefront retailer can also deliver cannabis goods. Canna Junction is a licensed storefront retailer that is located just outside the Susanville city limits as depicted on page A-11. Staff has toured this facility and observed it to be highly secure and professionally operated.

Map 3 (next page) depicts proposed zoning districts where dispensaries would be allowed.



V Town Farms
Location: Vallejo, Ca
Licensed Storefront Retail



MAP 3

CANNABIS AD-HOC RECOMMENDATIONS

PROPOSED ALLOWABLE ZONING DISTRICTS

FOR DISPENSARY LOCATIONS

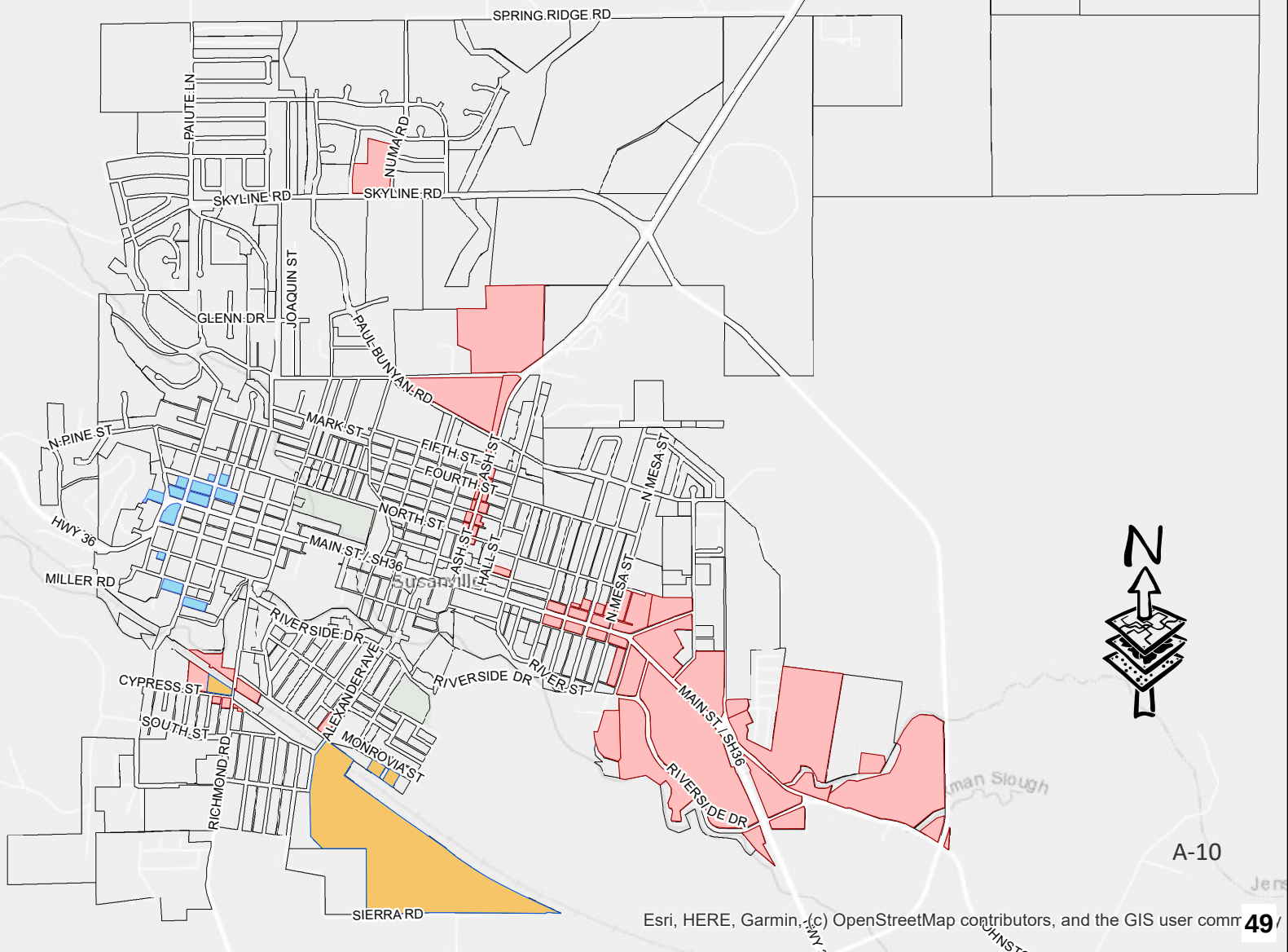
MAXIMUM OF 3 DISPENSARIES

Legend:

Proposed Zoning Districts for Dispensaries

- INDUSTRIAL 600
- COMMERCIAL 600
- UPTOWN BUSINESS DISTRICT 600

NOTE: AREAS DEPICTED ACCOUNT FOR 600' BUFFER FROM SCHOOLS, PARKS, AND LIBRARIES.



INDUSTRIAL ZONES
COMMERCIAL ZONES
UPTOWN BUSINESS DISTRICT ZONES



Location: Susanville, CA
Licensed Storefront Retailer

