

ORDINANCE NO. _____ (N.C.S.)

AN ORDINANCE AMENDING CHAPTER 5, ARTICLE VII OF THE SALINAS CITY CODE

City Attorney Analysis

This Ordinance updates Chapter 5, Article VII of the Salinas City Code which codifies the City's regulations on Commercial Cannabis Businesses. This Ordinance modifies the City's permitting structure and operating requirements of various types of commercial cannabis businesses in the City's implementation of the Municipal Code.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF SALINAS AS FOLLOWS:

SECTION 1. Chapter 5, Article VII of the Salinas City Code is hereby amended to read as follows (revisions are shown in underline/~~striketrough~~ text):

Sec. 5-07.05. Definitions.

When used in this article, the following words shall have the meanings ascribed to them in this section. Any reference to California statutes includes any regulations promulgated thereunder and is deemed to include any successor or amended version of the referenced statute or regulatory provision.

- (a) "Adult Use" shall refer to the consumption of cannabis or cannabis products by a person twenty-one years of age or older, but excludes the use of cannabis or cannabis products in a manner consistent with a physician's recommendation.
- (b) "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 article, "cannabis" does not mean "industrial hemp" as that term is defined by Section 11018.5 of the California Health and Safety Code.
- (c) "Cannabis accessories" means any equipment, products or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, smoking, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing cannabis or cannabis products into the human body.

- (d) "Cannabis activity" includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, transportation, delivery, or sale of cannabis or cannabis products.
- (e) "Cannabis concentrate" means cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product's potency. Resin from granular trichomes from a cannabis plant is a concentrate for purposes of this division. A cannabis concentrate is not considered food, as defined by Section 109935 of the Health and Safety Code, or a drug, as defined by Section 109925 of the Health and Safety Code.
- (f) "Cannabis permit" means any type of permit for cannabis activity issued by the City of Salinas, including either a commercial cannabis permit or an administrative permit issued by the City of Salinas pursuant to this article.
- (g) "Cannabis product" 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.
- (h) "Cannabis Waste" means any waste that is not hazardous waste, as defined in Public Resources Code section 40141, that contains cannabis and that has been made unusable and unrecognizable in the manner prescribed in sections 5054 and 5055 of Title 16, Division 42 of the California Code of Regulations. Includes, but is not limited to, unsold or contaminated cannabis or cannabis product, samples which have been tested by a laboratory, unused material used for research, and/or contaminated packaging.
- (i) "Caregiver" or "Primary Caregiver" has the same meaning as that term is defined in Section 11362.7 of the California Health and Safety Code.
- (j) "Commercial cannabis activity" means "cannabis activity" conducted for financial or other valuable consideration, including activities conducted by a nonprofit agency.
- (k) "Commercial cannabis business" means any person or business, including a nonprofit, which engages in commercial cannabis activity.
- (l) "Cultivation" means any activity involving the propagation, planting, growing, harvesting, drying, curing, grading, or trimming of cannabis. Cultivation may include, but is not limited to, those activities that are allowed in a Nursery.
- (m) "Cultivation site" means a facility where cannabis is propagated, planted, grown, harvested, dried, cured, graded, or trimmed, or that does all or any combination of those activities, including a personal grow.
- (n) "Day Care Center" has the same meaning as in Chapter 37 of the Salinas Municipal Code.
- (o) "Delivery" means the retail sale of cannabis or cannabis products (pursuant to an order placed for purchase of the same) to a customer for consumption, where the transaction does not occur within a licensed dispensary. "Delivery" also includes the use of any technology platform owned and controlled by a retailer, and further includes the soliciting and receiving of an order for cannabis or cannabis product. "Delivery" does

not include the transportation of cannabis or cannabis products between licensees as defined under "Distribution," below.

- (p) "Dispensary" means a licensed facility where cannabis, cannabis products, and/or devices facilitating the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale within the premises.
- (q) "Dispensing" means any activity involving the retail sale of cannabis or cannabis products from a dispensary.
- (r) "Distribution" means the procurement, sale, and transport of cannabis or cannabis products between entities licensed by the State of California. "Distribution" excludes the transport or sale of cannabis and cannabis products to a customer for consumption, as defined under "Delivery," above.
- (s) "Distributor" means a person licensed to engage in the distribution of cannabis and/or cannabis products.
- (t) "Dried flower" means all dead cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and stems.
- (u) "Edible cannabis product" means cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Division 15 (commencing with Section 32501) of the Food and Agricultural Code. An edible cannabis product is not considered food, as defined by Section 109935 of the California Health and Safety Code, or a drug, as defined by Section 109925 of the California Health and Safety Code.
- (v) "Immature Cannabis Plant" means a nonflowering Cannabis plant that is no taller than eight inches and no wider than eight inches produced from a cutting, clipping, or seedling.
- (w) "License" means a license issued by the State of California pursuant to Division 10 of the California Business and Professions Code, and includes both A-licenses and M-licenses, as well as a testing laboratory licenses.
- (x) "Licensee" means a person or business possessing a "license" issued pursuant to Division 10 of the California Business and Professions Code.
- (y) "Live plants" means living cannabis flowers and plants, including seeds, sprouts, immature plants (including unrooted clones), and vegetative stage plants.
- (z) "Manufacture" or "Manufacturing" means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.
- (aa) "Manufacturer" means a licensee that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container. A manufacturer includes a licensee that infuses cannabis in its products but does not perform its own extraction, as well as any business that accepts Cannabis Waste and renders it into an unrecognizable and unusable form in preparation for final disposal.

- (ab) "Market" refers to the supply chain of licensed commercial cannabis businesses conducting operations with other businesses of the same market type. The two types of markets are the adult-use and the medicinal markets, which are distinguished through the issuance of an "M-Type" license by the State for businesses participating in the medicinal market, and an "A-Type" license issued by the State to businesses participating in the adult-use market. A single business may participate in both markets.
- (ac) "Medicinal Cannabis" or "Medicinal Cannabis Product" means cannabis or cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the California Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician's recommendation.
- (ad) "Nursery" means a licensee that produces only clones, immature cannabis plants, seeds, and other agricultural products used specifically for the propagation and cultivation of cannabis.
- (ae) "Owner" shall have the same meaning as "principal" as defined below.
- (af) "Patient" or "Qualified patient" shall have the meaning given that term by California Health and Safety Code Section 11362.7.
- (ag) "Person" means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and includes the plural as well as the singular number.
- (ah) "Person with an identification card" shall have the meaning given that term by California Health and Safety Code Section 11362.7.
- (ai) "Personal Grow" refers to the possession, planting, cultivation, harvesting, drying, and/or processing of cannabis within an individual's personal residence for that individual's sole use. Excludes the provision, donation, sale, or distribution of this cannabis to any other person, including commercial cannabis businesses, as well as the manufacture of any cannabis product utilizing this cannabis.
- (aj) "Principal" means a person who is any of the following:
 - (1) A person with an aggregate ownership interest of twenty percent or more in the person applying for a license or a licensee, unless the interest is solely a security, lien, or encumbrance;
 - (2) The chief executive officer;
 - (3) A member of the board of directors; or
 - (4) Any individual who will be participating in the direction, control, or management of the person applying for a license.
- (ak) "Premises" means the designated portion of a structure, entire structure, or structures and land specified in an application that is owned, leased, or otherwise held under the

- control of the applicant or licensee where commercial cannabis activity will be or is conducted. The premises shall be a contiguous area.
- (al) "Qualified Patient" shall have the meaning given that term by California Health and Safety Code Section 11362.7.
 - (am) "Recreational Facility" shall mean a site used for "Commercial Recreation," as that term is defined in Chapter 37 of the Municipal Code.
 - (an) "Recreational use" shall have the same meaning as "Adult use" as defined herein.
 - (ao) "Research and Development Facility" means a licensee that conducts research on cannabis, cannabis products, or any component thereof for the purposes of the innovation, introduction, and/or improvement of products and processes associated with the cannabis industry, but does not sell, either at retail or wholesale, any cannabis or cannabis product. Excludes Testing Laboratories.
 - (ap) "Retail Facility" shall mean a dispensary, a dispensary with accessory delivery service, or a stand-alone delivery service. A dispensary and stand-alone delivery service have differing operating requirements as specified in Sections 5-07.32 and 5-07.33.
 - ~~(apq)~~ "Sell," "Sale," and "to sell" includes any transaction whereby, for any consideration, title to cannabis or cannabis products is transferred from one person to another, and includes the delivery of cannabis or cannabis products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of cannabis or cannabis products by a licensee or consumer to the licensee from whom the cannabis or cannabis product was purchased.
 - ~~(aqar)~~ "Selection Committee" means the group of City employees that has been tasked by the City Manager to review and approve Commercial Cannabis Permits in accordance with this Article.
 - ~~(aras)~~ "Small Distribution Facility" means a facility or business involved in the distribution of cannabis and/or cannabis product that complies with the requirements of Section 5-07.12.
 - (asat) "Testing Laboratory" means a laboratory, facility, or entity in the state that offers or performs tests of cannabis or cannabis products for the purpose of verifying product purity and/or quality and that is both of the following:
 - (1) Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the state; and
 - (2) In possession of a "license" issued by the State of California.
 - ~~(atau)~~ "Topical cannabis" means a product intended for external application and/or absorption through the skin. A topical cannabis product is not considered a drug as defined by Section 109925 of the California Health and Safety Code.
 - ~~(atav)~~ "Volatile Solvent" means a solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures.

(~~avaw~~) "Volatile Manufacturing" means manufacturing cannabis products in a manner that utilizes one or more volatile solvents.

(~~awax~~) "Waste Disposal Services Provider" means any person who provides services for the disposal of cannabis waste and possesses an appropriate license from the State of California.

SECTION 2. Chapter 5, Article VII of the Salinas City Code is hereby amended to read as follows (revisions are shown in underline/~~striketrough~~ text):

Sec. 5-07.27. Location of commercial cannabis businesses—Proximity to sensitive uses.

- (a) No commercial cannabis business may operate within one thousand feet of any of the following sensitive uses:
- (1) School, college or university (including public, private, charter, and other nontraditional schools, but excluding trade schools that exclusively serve adults at least eighteen years of age);
 - (2) Park, daycare center, library, or ~~publically~~ publicly owned and operated recreational facility;
- (b) No commercial cannabis business may operate within 600 feet of any of the following sensitive uses:
- ~~(13)~~ Church or other house of worship;
 - ~~(24)~~ Smoke-shops, hookah lounges or businesses engaged in the same or a similar activity, and locations where alcohol is sold or served for individual consumption on or off the premises;
 - ~~(35)~~ Card rooms and retail firearm sales businesses;
 - ~~(46)~~ Any other commercial cannabis business operating as a dispensary, excepting therefrom the occasional and transient operation of a commercial cannabis delivery business; or
 - ~~(57)~~ Any other public or private business or facility where the presence of the commercial cannabis activity would cause a public nuisance or other situation which may result in repeated police department response.
- (~~c~~) Notwithstanding the above, the selection committee may issue a commercial cannabis permit to a cultivation, retail facility (dispensary and delivery), manufacturing, or distribution business located within six hundred ~~one thousand~~ feet of the uses described in subsections (~~ba~~)~~(13)~~ through (~~ba~~)~~(57)~~ upon findings that the intent of this article would otherwise be met. No commercial cannabis permit shall be granted, however, for commercial cannabis businesses located within one thousand feet of those uses listed in subsections (a)(1) and (a)(2).
- (~~d~~) An application (~~Including a dispensary application~~) which has been denied based on any of the limitations set forth in subsections (~~ba~~)~~(13)~~ through (~~ba~~)~~(57)~~ may be appealed by the applicant in accordance with section 5-07.10. The appellate body may grant an exception to the limitations set forth in this subsection upon findings that the intent of this article would

otherwise be met. No such exception will be granted, however, for the distance limitations from those uses listed in subsections (a)(1) and (a)(2).

- (~~ed~~) No commercial cannabis business may operate within any residential area or district of the city or adjacent to a residential area or district if, in the opinion of the chief of police or the community development director, the operation of a commercial cannabis business in such location would tend to cause a public nuisance or a situation which may result in repeated police department response or a negative impact on the adjacent residential units.
- (~~fe~~) Commercial cannabis businesses shall be required to comply with all zoning, land use, and development regulations applicable to the underlying zoning district in which they are permitted to establish and operate as set forth in the Salinas Municipal Code.
- (~~gf~~) Any commercial cannabis business which has been determined by the City of Salinas to be an existing commercial cannabis business on the effective date of this article shall be exempt from compliance with the limitations proscribed in this section, unless such location is otherwise determined to constitute a public nuisance or otherwise a disturbance to the adjacent or neighboring uses as determined by the provisions of this article.
- (~~hg~~) No commercial cannabis business possessing a valid commercial cannabis business permit shall be hindered from renewing said permit solely on the basis of the establishment of a use described in subsection (a) above if the use was not in operation or existence on the date the commercial cannabis permit was approved.
- (~~ih~~) The limitations described in this section shall not apply to any uses described in subsection (a) if the community development director determines that the use in question was not legally established pursuant to Chapter 37 of the Municipal Code and remains out of compliance with that chapter.
- (~~ji~~) For purposes of this section, distance shall be measured from the closest point of the site occupied by the commercial cannabis business and the closest point of the site occupied by the use defined in subsection (a), including any parking areas, landscaping, and/or fencing, but excluding any areas of a parcel that is unavailable for use by the commercial cannabis business or the sensitive use. This section shall be construed to require measurement from parcel line to parcel line unless the selection committee determines that different points of measure would be appropriate.
- (~~kj~~) The city adopts these standards in lieu of the requirements specified in Section 26054(b) of the California Business and Professions Code, and hereby designates these standards as a "different radius" as specified by that Section.

(Ord. No. 2600 (NCS), § 1, 11-29-2017)

Sec. 5-07.28. Packaging and labelling.

Prior to the sale or the delivery of any edible cannabis or edible cannabis product the same shall be labelled and in tamper-evident packaging which at least meets the requirements of California Business and Professions Code section 26120, as the same may be amended from time-to-time or superseded or replaced by subsequent state legislation or by any department or division of the State of California. The city council may impose additional packaging and labelling requirements on cannabis or cannabis products by resolution.

(Ord. No. 2600 (NCS), § 1, 11-29-2017)

Sec. 5-07.29. Miscellaneous operating requirements.

In addition to those operating requirements specifically set forth elsewhere in this division, commercial cannabis businesses operating in the City of Salinas shall comply with the following:

- (a) Cannabis or cannabis products shall not be consumed on the premises of any commercial cannabis business except that employees with a valid recommendation may consume cannabis in a non-public area in strict accordance with their recommendation and with the permission of the business. This section shall not be construed to impair a business's ability to restrict or prohibit the consumption of cannabis or cannabis product, with or without a physician's recommendation, during an employee's shift, nor shall it prevent a business from conducting drug testing of employees and/or taking action against any employees that violate that company's drug policies.
- (b) No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of the property. No outdoor storage of cannabis or cannabis products is permitted at any time.
- (c) There shall not be a physician located in or around any commercial cannabis business at any time for the purpose of evaluating patients for the issuance of a medical marijuana recommendation or card.
- (d) Each commercial cannabis business shall provide the chief of police with the name, telephone number (mobile preferred, if available) of an on-site employee or owner to whom emergency notice can be provided.
- (e) Signage and notices shall comply with the following requirements:
 - (1) In addition to the requirements otherwise set forth in this section, business identification signage for a commercial cannabis business shall conform to the requirements of the Salinas Municipal Code, including, but not limited to, the issuance of a City of Salinas sign permit.
 - (2) Business identification signage shall be limited to that needed for identification only and shall not contain any logos or information that identifies, advertises, or lists the services or the products offered. No commercial cannabis business shall install any off-site advertising signage, whether by installing a permanent sign, placing any temporary signage, or by having a person holding a sign advertising the business to passersby, whether such person or sign is on the premises of the commercial cannabis business or elsewhere including, but not limited to, the public right-of-way. Illuminated signs shall not be lit during non-business hours.
 - (3) No signs placed on the premises of a commercial cannabis business shall obstruct any entrance or exit to the building or any window.
 - (4) Each entrance to a commercial cannabis business shall be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise

consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.

- (5) No banners, flags or other temporary or prohibited signs may be used at any time.
- (f) Odor control devices and techniques shall be incorporated in all commercial cannabis businesses to ensure that odors from cannabis are not detectable off-site. Commercial cannabis businesses shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the facility that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis business. As such, commercial cannabis businesses must install and maintain equipment which the city determines would satisfy this requirement. This equipment would potentially include, but not be limited to, the following:
 - (1) An exhaust air filtration system with odor control that prevents internal odors from being emitted externally; and
 - (2) An air system that creates negative air pressure between the commercial cannabis business's interior and exterior so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.
- (g) The original copy of the commercial cannabis permit issued by the City of Salinas pursuant to this article, any land-use or planning-level approvals or permits issued pursuant to Chapter 37 of the Salinas Municipal Code, any licenses issued by the State of California, and the business license issued by the City of Salinas pursuant to the Salinas Municipal Code shall be posted inside the commercial cannabis business in a location readily visible to the public.
- (h) Any person issued a permit pursuant to this article must follow all local, state and federal requirements for solid waste and hazardous waste disposal. The Monterey County Environmental Health Bureau may inspect the commercial cannabis business at any time during business hours to ensure compliance with this section.
- (i) The owner and/or operator of a commercial cannabis business shall prohibit loitering by persons outside the facility both on the premises and within fifty feet of the premises.
- (j) All weighing devices must be maintained in compliance with local, state or federal law and comply with applicable regulations regarding device registration with the agricultural commissioner.

(Ord. No. 2600 (NCS), § 1, 11-29-2017)

Sec. 5-07.30. Community relations.

- (a) Each commercial cannabis business shall provide the name, telephone number, and email address of a community relations contact to whom notices associated with the commercial

cannabis business can be provided. Each commercial cannabis business shall also provide the above information to all businesses and residences located within one hundred feet of the commercial cannabis business.

- (b) During the first year of operation pursuant to this article, the owner, manager, and community relations representative from each commercial cannabis business holding a permit issued pursuant to this article shall attend a quarterly meeting with the city manager or his/her designee to discuss costs, benefits, and other community issues arising as a result of implementation of this article. After the first year of operation, the owner, manager, and community relations representative from each such commercial cannabis business shall meet with the city manager or his/her designee when and as requested by the city manager or his/her designee.
- (c) Commercial cannabis businesses to which a permit is issued pursuant to this article shall develop and make available to youth organizations and educational institutions a public education plan that outlines the risks of youth addiction to cannabis and that identifies resources available to youth related to drugs and drug addiction.

(Ord. No. 2600 (NCS), § 1, 11-29-2017)

Division 6. ~~Dispensaries~~ Retail (Dispensary and Delivery)

Sec. 5-07.31. Limitation on the number of ~~dispensaries~~ retail facilities.

No more than ~~five~~ eight (8) ~~retail facilities~~ dispensaries may operate within the City of Salinas at any one time and no more than ~~five~~ eight (8) retail facility permits shall be issued by the City of Salinas ~~for dispensaries~~ to operate within the City of Salinas at any one time. A single facility may sell both medicinal and adult-use products under a single permit. Retail facilities can include a dispensary, a dispensary with accessory delivery service, or a stand-alone delivery service. A dispensary and stand-alone delivery service have differing operating requirements as specified in Sections 5-07.32 and 5-07.33.

(Ord. No. 2600 (NCS), § 1, 11-29-2017)

Sec. 5-07.32. ~~Accessory cannabis uses.~~

~~Upon approval by the City of Salinas, a permit authorizing a dispensary may also authorize the delivery products directly to customers in accordance with the requirements of division 8 of this article. Furthermore, a permit authorizing a dispensary may also authorize distribution at the facility, provided that said distribution shall be limited to transporting cannabis or cannabis product for retail sale by the dispensary. In neither case shall this accessory use require or be deemed a separate permit.~~

(Ord. No. 2600 (NCS), § 1, 11-29-2017)

Sec. 5-07.323. Dispensary operating requirements.

All dispensaries shall comply with the following operating requirements:

- (a) Upon approval by the City of Salinas, a permit authorizing a dispensary may also authorize the delivery products directly to customers in accordance with the requirements of division 8 of this article. Furthermore, a permit authorizing a dispensary may also authorize distribution at the facility, provided that said distribution shall be limited to transporting cannabis or cannabis product for retail sale by the dispensary. In neither case shall this accessory use require or be deemed a separate permit.
- (b) Dispensaries shall verify the age and all necessary documentation of each customer to ensure the customer is at least twenty-one years of age, except that patients purchasing cannabis or cannabis products for medicinal use may enter regardless of age if they possess a valid doctor's recommendation. Persons with an identification card that are under eighteen years of age must be accompanied by a parent or guardian.
- (~~c~~) Entrances into the dispensary shall be locked at all times with entry strictly controlled. A "buzz-in" electronic/mechanical entry system shall be utilized to limit access to and entry to the dispensary to separate it from the reception/lobby area. Individuals must show valid identification in order to gain access into the dispensary.
- (~~d~~) The entrance to the commercial cannabis business shall be clearly and legibly posted with a notice that no person under the age of eighteen years of age is permitted to enter upon the premises of the commercial cannabis business unless they are in the presence of their parent or guardian and such person is a person with an identification card.
- (~~e~~) Uniformed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities.
- (~~f~~) Doctor recommendations are not to be provided at the dispensary.
- (~~g~~) All restroom facilities shall remain locked and under the control of management.
- (~~h~~) Sales of cannabis and cannabis products shall occur only between the hours of 6:00 a.m. and 10:00 p.m., Monday through Sunday.
- (~~i~~) All cannabis and cannabis products sold shall have been cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the state and local regulations.
- (~~j~~) No edible cannabis products requiring refrigeration or hot-holding shall be sold or distributed. Baked products (e.g., brownies, bars, cookies, cakes), tinctures, and other non-refrigerated type items may be sold at the dispensary.
- (~~k~~) Any edible cannabis or edible cannabis product shall be labelled and in tamper-evident packaging which at least meets the requirements of California Business and Professions Code section 26120, as the same may be amended from time-to-time or superseded or replaced by subsequent state legislation or by any department or division of the State of California.
- (~~l~~) Any cannabis or cannabis product must be in an opaque (non-see-through) package, such as a bag, before it leaves the commercial cannabis business.

- (~~m~~) Prior to dispensing medicinal cannabis or medicinal cannabis products to any person, the business shall obtain additional voice verification from the recommending physician's office that the person requesting cannabis or cannabis products is a qualified patient.
- (~~n~~) The dispensary shall collect all sales and use taxes and/or transaction taxes required under local and/or state law, and shall remit those monies to the State of California for disbursement to the City of Salinas in accordance with established reporting principles. Any tax that has not been remitted to the city shall be deemed a debt owed to applicable state agencies and/or the City of Salinas by the person required to collect and remit the tax.
- (~~o~~) Any delivery operations conducted by the dispensary shall comply with the requirements specified for delivery businesses as stipulated in division 8.
- (~~p~~) The dispensary shall not engage solely in the adult-use market; a reasonable mix of medicinal cannabis and medicinal cannabis products shall be available for purchase to those with a physician's recommendation.

(Ord. No. 2600 (NCS), § 1, 11-29-2017) Ord. No. 2614 (NCS), § 1, 1-8-19)

Sec. 5-07.337. ~~Limitation on the number of delivery businesses~~ Delivery service operating requirements.

All delivery service shall comply with the following operating requirements:

~~No more than three stand alone delivery services (i.e., those without a publically accessible storefront) may operate within the City of Salinas at any one time and no more than three permits shall be issued by the City of Salinas for stand alone delivery services to operate within the City of Salinas at any one time.~~

- (a) A delivery service may operate either as a part of and in conjunction with a dispensary permitted pursuant to this article or as a stand-alone operation without direct public access. Delivery services permitted as accessory to a dispensary use shall comply with all of these requirements of this division; however, a separate permit for delivery is not required. And the business shall not count towards the maximum number of delivery businesses.

(Ord. No. 2600 (NCS), § 1, 11-29-2017)

Sec. 5-07.38 Accessory cannabis uses.

- (b) Upon approval by the City of Salinas, a permit authorizing a delivery business may also authorize accessory distribution at the facility, provided that said distribution shall be limited to acquiring product for inventory and sale. This accessory use will not require or be deemed a separate permit.

(Ord. No. 2600 (NCS), § 1, 11-29-2017)

~~Sec. 5-07.39. Operating requirements.~~

All mobile delivery businesses (including those accessory to a dispensary) shall comply with the following requirements:

- (ca) All cannabis and cannabis products sold shall have been cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the state and local regulations.
- (db) The delivery company service shall collect all sales and use taxes and/or transaction taxes required under local and/or state law, and shall remit those monies to the State of California for disbursement to the City of Salinas in accordance with established reporting principles. Any tax that has not been remitted to the City shall be deemed a debt owed to applicable state agencies and/or the City of Salinas by the person required to collect and remit the tax.
- (ee) Any cannabis or cannabis product must be in an opaque (non-see-through) package, such as a bag, at the time of delivery.
- (fd) No edible cannabis products requiring refrigeration or hot-holding shall be sold or distributed. Baked products (e.g., brownies, bars, cookies, cakes), tinctures, and other non-refrigerated type items may be sold.
- (ge) The business shall make all records related to testing laboratory results for the cannabis or cannabis product being delivered available to the consumer upon request.
- (hf) Any edible cannabis or edible cannabis product shall be labelled and in tamper-evident packaging which at least meets the requirements of California Business and Professions Code section 26120, as the same may be amended from time-to-time or superseded or replaced by subsequent state legislation or by any department or division of the State of California.
- (ig) Prior to dispensing medicinal cannabis or medicinal cannabis products to any person, the business shall obtain additional voice verification from the recommending physician's office that the person requesting cannabis or cannabis products is a qualified patient.
- (jh) ~~For a~~ The delivery company not engaged solely in the adult-use market; a reasonable mix of medicinal cannabis and medicinal cannabis products shall be available for purchase to those with a physician's recommendation.

(Ord. No. 2600 (NCS), § 1, 11-29-2017)

Division 7. Cultivation Facilities

Sec. 5-07.34. Limitation on the number of cultivation facilities.

No more than five cultivation facilities may operate within the City of Salinas at any one time and no more than five commercial cannabis permits shall be issued by the City of Salinas for cultivation facilities to operate within the City of Salinas at any one time.

(Ord. No. 2600 (NCS), § 1, 11-29-2017)

Sec. 5-07.35. Accessory cannabis uses.

~~Upon approval by the City of Salinas, a permit authorizing a cultivation facility may also authorize distribution at the facility, provided that said distribution shall be limited to the transport of cannabis plants or plant components that have been or will be grown on site. This accessory use will not require or be deemed a separate permit.~~

~~(Ord. No. 2600 (NCS), § 1, 11-29-2017)~~

Sec. 5-07.356. Cultivation Operating requirements.

All cultivation facilities shall comply with the following operating requirements:

- (a) ~~Sec. 5-07.35. Accessory cannabis uses.~~ Upon approval by the City of Salinas, a permit authorizing a cultivation facility may also authorize distribution at the facility, provided that said distribution shall be limited to the transport of cannabis plants or plan components that have been or will be grown on-site. This accessory use will not require or be deemed a separate permit.

~~Upon approval by the City of Salinas, a permit authorizing a cultivation facility may also authorize distribution at the facility, provided that said distribution shall be limited to the transport of cannabis plants or plant components that have been or will be grown on site. This accessory use will not require or be deemed a separate permit.~~

~~(Ord. No. 2600 (NCS), § 1, 11-29-2017)~~

- (b) Cultivation of cannabis must occur within a building or greenhouse. All outdoor cultivation is prohibited.
- ~~(c)~~ (c) In no case shall cannabis plants be visible from a public or private road, sidewalk, park or any common public viewing area.
- ~~(d)~~ (d) If a dispensary includes cultivation activities, the dispensary may have only one cultivation site upon which cannabis is cultivated, produced, stored, harvested, manufactured, or packaged, and each of the dispensary and the cultivation sites must be separately permitted pursuant to this article.
- ~~(e)~~ (e) The business shall make all records related to testing laboratory results for the cannabis or cannabis product being delivered available to the consumer upon request.
- ~~(f)~~ (f) The cultivation of cannabis shall at all times be operated in such a way as to ensure the health, safety, and welfare of the public, the employees working at the commercial cannabis business, visitors to the area, neighboring properties, and the end users of the cannabis being cultivated, to protect the environment from harm to streams, fish, and wildlife; to ensure the security of the cannabis being cultivated; and to safeguard against the diversion of cannabis for unlicensed purposes. All cannabis shall only be sold or distributed to licensed facilities that maintain operations in full conformance with the state and local regulations.

(gf) Any person issued a permit pursuant to this article must follow all pesticide use requirements of local, state and federal law. Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through leakage or inadvertent damage. The cultivation facility shall comply with any and all laws and regulations regarding the runoff of pesticide residue into the storm drain or sewer systems. The Monterey County Agricultural Commissioner may inspect the commercial cannabis business at any time during business hours to ensure compliance with this section.

~~(Ord. No. 2600 (NCS), § 1, 11-29-2017)~~

Division 8. Delivery Services

Sec. 5-07.37. Limited on the number of delivery businesses.

~~No more than three stand-alone delivery services (i.e., those without a publically accessible storefront) may operate within the City of Salinas at any one time and no more than three permits shall be issued by the City of Salinas for stand-alone delivery services to operate within the City of Salinas at any one time.~~

~~A delivery services may operate either as a part of and in conjunction with a dispensary permitted pursuant to this article or as a stand-alone operation without direct public access. Delivery services permitted as accessory to a dispensary use shall comply with all of these requirements of this division; however, a separate permit for delivery is not required, and the business shall not count towards the maximum number of delivery businesses.~~

~~(Ord. No. 2600 (NCS), § 1, 11-29-2017)~~

Sec. 5-07.38. Accessory cannabis uses.

~~Upon arrival by the City of Salinas, a permit authorizing a delivery business may also authorize distribution at the facility, provided that said distribution shall be limited to acquiring product for inventory and sale. This accessory use will not require or be deemed a separate permit.~~

~~(Ord. No. 2600 (NCS), § 1, 11-29-2017)~~

Sec. 5-07.39. Operating requirements.

~~All mobile delivery businesses (including those accessories to a dispensary) shall comply with the following requirements:~~

- ~~a) All cannabis and a=cannabis products sold shall have been cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the state and local regulations.~~
- ~~b) The delivery company shall collect all sales and use taxes and/or transaction taxes required under the local and. Or state law and shall remit those monies to the state of California for disbursement to the City of Salinas in accordance with established~~

~~reporting principles. Any tax that has not been remitted to the city shall be deemed a debt owed to applicable state agencies and/ or the City of Salinas by the person required to collect and remit the tax.~~

- ~~e) Any cannabis or cannabis product must be in an opaque (non see through) package, such as a bag, at the time of the delivery.~~
- ~~d) No edible cannabis products requiring refrigeration or hot holding shall be sold or distributed. Baked products (e.g., brownie, bars, cookies, cakes), tinctures, and other non-refrigerated type items may be sold.~~
- ~~e) The business shall make all records related to testing laboratory results for the cannabis or cannabis product being delivered available to the consumer upon request.~~
- ~~f) Any edible cannabis or edible cannabis product shall be labelled and in tamper evident packaging which at least meets the requirements of California Business and professions Code section 26120, as the same may be amended from time to time or superseded or replaced by subsequent state legislation or by any department or division of the State of California.~~
- ~~g) Prior to dispensing medicinal cannabis or medicinal cannabis products to any person, the business shall obtain additional voice verification from the recommending physician's office that the person requesting cannabis or cannabis products is a qualified patient.~~
- ~~h) The delivery company not engage solely in the adult use market; a reasonable mix of medicinal cannabis and medicinal cannabis products shall be available for purchase to those with a physician's recommendation.~~

~~(Ord. No. 2600 (NCS), § 1, 11-29-2017)~~

Sec. 5-07.4036. Reserved.

Sec. 5-07.4137. Delivery point of sale requirements.

All deliveries of cannabis and cannabis product shall be conducted in accord with the following requirements:

- (a) No livery business shall make any deliveries within one thousand feet of any school, park, or daycare center, except that deliveries may be made to an individual at their place of residence.
- (b) The delivery company shall verify the identity of the recipient via the presentation of a valid identification card issued by a governmental agency that includes the recipient's name, date of birth, and photograph (unless the State of California designates alternative forms of identification to be acceptable for this purpose).
- (c) The delivery company shall not deliver any cannabis or cannabis products to any person under the age of twenty-one years, except a person with an identification card. Deliveries shall be made directly to the person placing the request for delivery, and may not be delivered to another individual at the site, regardless of whether that person meets the criteria in subsection (b), except that deliveries to a caretaker are permitted, and deliveries to a minor may be made to that minor's parents or legal guardians.
- (d) Prior to the sale of any cannabis or cannabis product to a minor, the delivery company shall obtain the consent of the minor's parents or legal guardians. This may include a one-time blanket approval provided that the terms of the approval are clearly articulated.

SECTION 3. CEQA CONSIDERATIONS. The adoption of this Ordinance is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. It can be seen with certainty that the adoption of this Ordinance there is no possibility that the activity in question may have a significant effect on the environment. [CEQA Guidelines Section 15061(b)(3).]

SECTION 4. SEVERABILITY. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held invalid by a court of competent jurisdiction, such a decision shall not affect the validity of the remaining portions of this Ordinance. The City Council declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses, or phrases, be declared invalid.

SECTION 5. EFFECTIVE DATE. This Ordinance shall become effective on the thirty-first day following its adoption.

PASSED AND ADOPTED THIS _____ day of _____ 2023, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED

Kimbley Craig, Mayor

ATTEST

Patricia Barajas, City Clerk

APPROVED AS TO FORM

Christopher A. Callihan, City Attorney