ORDINANCE NO. 1488

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARCATA AMENDING ZONING REGULATIONS PERTAINING TO MEDICAL MARIJUANA REGULATION

The City Council of the City of Arcata does hereby ordain as follows:

Section 1. Amendment to Table 1-1 – Zoning Districts: The Zoning Districts as shown in Table 1-1 of Title IX, Planning and Zoning, Chapter 1, Planning and Zoning Standards, Section 9000, Land Use Code, Article 1, Land Use Code Applicability, Section 9.12.020 Zoning Map and Zoning Districts, are hereby amended to add Industrial – General as a General Plan Designation Implemented by Zoning District to the :MMIZ Combining Zone as shown in the following strike through and bold double underscore text (unchanged text within the Table is omitted and is shown by “* * *”):

<table>
<thead>
<tr>
<th>Zoning District Symbol</th>
<th>Name of Zoning District</th>
<th>General Plan Designation Implemented by Zoning District</th>
</tr>
</thead>
<tbody>
<tr>
<td>:CD</td>
<td>Creamery District</td>
<td>Industrial - Limited</td>
</tr>
<tr>
<td>:HL</td>
<td>Historic Landmark</td>
<td>All</td>
</tr>
<tr>
<td>:MMIZ</td>
<td>Medical Marijuana Innovation Zone</td>
<td>Specific Industrial – Limited and Industrial – General Properties - See Section 9.28.130, Figure 2-25.</td>
</tr>
</tbody>
</table>

* * *

Section 2. Amendment to Allowable Land Uses; Table 2-10. The Allowable Land Uses for the Commercial, Industrial, and Public Facility Zoning Districts depicted in Table 2-10 of Title IX, Planning and Zoning, Chapter 1, Planning and Zoning Standards, Section 9000, Land Use Code, Article 2, Zoning Uses, Section 9.26.030 Commercial, Industrial, And Public Facility Zoning District Allowable Land Uses, are hereby amended by the revisions to the permit requirements for Agricultural cultivation - Medical Marijuana as shown in the following strike through and bold double underscore text (unchanged text within the Table is omitted and is shown by “* * *”):
Table 2-10 –
Allowable Land Uses and Permit Requirements for Commercial, Industrial, And Public Facility Zoning Districts

<table>
<thead>
<tr>
<th>Table 2-10</th>
<th>Permitted Use, Zoning Clearance required</th>
</tr>
</thead>
<tbody>
<tr>
<td>MUP</td>
<td>Minor Use Permit required</td>
</tr>
<tr>
<td>UP</td>
<td>Use Permit required (2)</td>
</tr>
<tr>
<td>S</td>
<td>Permit determined by specific use regulations</td>
</tr>
<tr>
<td>—</td>
<td>Use not allowed</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>LAND USE (1)</th>
<th>PERMIT REQUIRED BY DISTRICT</th>
<th>Specific Use Regulations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CC</td>
<td>CG</td>
</tr>
</tbody>
</table>

INDUSTRY, MANUFACTURING & PROCESSING, WHOLESALING

<table>
<thead>
<tr>
<th>Land Use</th>
<th>P</th>
<th>MUP</th>
<th>UP(9)</th>
<th>UP(9)</th>
<th>UP/P (Ω)</th>
<th>UP/P (Ω)</th>
<th>9.28.130 and 9.42.105</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural cultivation - Medical Marijuana</td>
<td>UP(9)</td>
<td>UP(9)</td>
<td>—</td>
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<tr>
<td>Agricultural processing - Very low impact</td>
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<td>—</td>
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<tr>
<td>Agricultural processing - Low impact</td>
<td>MUP(4)</td>
<td>MUP(4)</td>
<td>—</td>
<td>—</td>
<td>P</td>
<td>P</td>
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<tr>
<td>Biodiesel production</td>
<td>—</td>
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<td>—</td>
<td>—</td>
<td>UP</td>
<td>UP</td>
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<tr>
<td>Composting</td>
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<td>—</td>
<td>—</td>
<td>MUP</td>
<td>MUP</td>
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<tr>
<td>Construction contractors</td>
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<td>—</td>
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<tr>
<td>Furniture and fixtures manufacturing, cabinet shop</td>
<td>—</td>
<td>UP</td>
<td>—</td>
<td>—</td>
<td>P</td>
<td>P</td>
<td>—</td>
</tr>
<tr>
<td>Laboratory - Medical, analytical, R&amp;D</td>
<td>—</td>
<td>P(10)</td>
<td>—</td>
<td>—</td>
<td>P(10)</td>
<td>P(10)</td>
<td>—</td>
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<tr>
<td>Laundry, dry cleaning plant</td>
<td>—</td>
<td>UP</td>
<td>—</td>
<td>UP</td>
<td>P</td>
<td>P</td>
<td>—</td>
</tr>
<tr>
<td>Manufacturing/processing - Low impact</td>
<td>MUP(4)</td>
<td>MUP(4)</td>
<td>—</td>
<td>—</td>
<td>P</td>
<td>P</td>
<td>—</td>
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<tr>
<td>Manufacturing/processing - Moderate impact</td>
<td>—</td>
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<td>—</td>
<td>MUP</td>
<td>MUP</td>
<td>—</td>
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<tr>
<td>Manufacturing/processing - High impact</td>
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<tr>
<td>Media production</td>
<td>P</td>
<td>P</td>
<td>—</td>
<td>—</td>
<td>P</td>
<td>P</td>
<td>—</td>
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<tr>
<td>Printing and publishing</td>
<td>P</td>
<td>P</td>
<td>—</td>
<td>—</td>
<td>P</td>
<td>P</td>
<td>—</td>
</tr>
<tr>
<td>Recycling - Processing facility</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>MUP</td>
<td>P</td>
<td>—</td>
</tr>
<tr>
<td>Recycling - Reverse vending machines</td>
<td>—</td>
<td>P</td>
<td>P</td>
<td>—</td>
<td>P</td>
<td>P</td>
<td>—</td>
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<tr>
<td>Recycling - Scrap and dismantling yards</td>
<td>—</td>
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<tr>
<td>Recycling - Small collection facility</td>
<td>—</td>
<td>MUP</td>
<td>—</td>
<td>—</td>
<td>MUP</td>
<td>P</td>
<td>P</td>
</tr>
<tr>
<td>Solid waste disposal transfer station</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>UP</td>
<td>UP</td>
<td>—</td>
</tr>
<tr>
<td>Storage - Business records</td>
<td>MUP</td>
<td>MUP</td>
<td>—</td>
<td>—</td>
<td>MUP</td>
<td>MUP</td>
<td>—</td>
</tr>
<tr>
<td>Storage - Outdoor</td>
<td>MUP</td>
<td>MUP</td>
<td>MUP</td>
<td>MUP</td>
<td>P</td>
<td>P</td>
<td>P</td>
</tr>
<tr>
<td>Storage - Personal storage facility (mini-storage)</td>
<td>—</td>
<td>UP</td>
<td>—</td>
<td>—</td>
<td>P</td>
<td>P</td>
<td>—</td>
</tr>
<tr>
<td>Storage - Warehouse, indoor storage</td>
<td>—</td>
<td>UP</td>
<td>—</td>
<td>—</td>
<td>P</td>
<td>P</td>
<td>—</td>
</tr>
<tr>
<td>Wholesaling and distribution</td>
<td>—</td>
<td>P</td>
<td>—</td>
<td>—</td>
<td>P</td>
<td>P</td>
<td>—</td>
</tr>
</tbody>
</table>

SERVICES - BUSINESS, FINANCIAL, PROFESSIONAL

<table>
<thead>
<tr>
<th>Land Use</th>
<th>P</th>
<th>MUP</th>
<th>UP</th>
<th>UP</th>
<th>UP</th>
<th>—</th>
<th>—</th>
<th>—</th>
<th>9.42.105</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical services - Medical marijuana cooperative or collective - dispensary</td>
<td>UP</td>
<td>UP</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>9.42.105</td>
</tr>
</tbody>
</table>

** * * **
Notes:
(1) See Article 10 (Glossary) for land use definitions.
(2) Use Permit required for any proposed retail use with either: (a) a floor greater than 30,000 square feet; or (b) physical alteration of eight or more acres; or (c) generation of 1,000 or more vehicle trips per day. See also Section 9.26.060.
(3) Residential units should only be located above nonresidential uses or at ground level behind the street-fronting nonresidential uses pursuant to Section 9.42.110.
(4) Allowed only in conjunction with the on-site retail sale of products produced on the site.
(5) More than one caretaker/employee unit per parcel requires a Use Permit pursuant to Section 9.72.080.
(6) Principally permitted if the standards of Section 9.42.070 are met; otherwise a Minor Use Permit (MUP) is required.
(7) Permitted Use in IL-2 Creamery District Overlay Zone Subarea A only. Subarea B requires either a MUP or UP as specified in Table 2-10.
(8) Permitted Use in IL-2 Creamery District Overlay Zone Subarea B only. Subarea A requires either a MUP or UP as specified in Table 2-10.
(9) Cultivation allowed only in conjunction with a dispensary pursuant to 9.42.105
See Section 9.28.130, Medical Marijuana Innovation Zone (:MMIZ) Combining Zone, for allowable cultivation areas.
(10) Commercial Cannabis Activity Permit required for a state licensed cannabis testing laboratory.

Section 3. Zoning Text Amendment, Amendment to Combining Zone. The Combining Zone of Title IX, Planning and Zoning, Chapter 1, Planning and Zoning Standards, Section 9000, Land Use Code, Article 2, Zoning Uses, Section 9.28.130 Medical Marijuana Innovation Zone (:MMIZ) Combining Zone are hereby amended by the revisions to the text as shown in the following strike through and bold double underscore text:

9.28.130 – Medical Marijuana Innovation Zone (:MMIZ) Combining Zone

A. Purpose. The :MMIZ combining zone is applied to all sites and areas identified in Figure 2-25. The intent of the :MMIZ Combining Zone is to establish an area where niche manufacturing businesses can safely produce medical marijuana-related products such as edibles, oils, tincture sprays, lotions, and a variety of other products can be safely produced. Medical marijuana cultivation, processing, and warehousing research and testing are also allowed. Research, testing, and a new medical marijuana product development is strongly encouraged. The :MMIZ Combining Zone was created to stimulate investment, new business creation, and to eliminate blight. Since the closure of the former Humboldt Flakeboard plant, Assessor Parcel Numbers’ (APN’s) 507-081-043, 507-121-013, and 507-081-050 have rapidly deteriorated into a state of blight. The establishment of the :MMIZ combining zone on those parcels, will assist with the removal of blight from the properties. The :MMIZ Combining Zone establishes special standards to address the unique legal, social, security, enforcement, and environmental concerns that have been well-documented to be associated with medical marijuana while maintaining compatibility with the other uses that either currently exist or are allowed in the primary zone likely to exist in the area immediately around the :MMIZ.

B. Applicability. The :MMIZ Combining Zone is comprised applies to commercial cannabis activities in Areas 1 and 2 as shown in Figure 2-25, and applies only to those parcels specifically identified in Figure 2-25. Additions or deletions from the :MMIZ require an amendment to Figure 2-25.

C. Permit requirements. In addition to any planning permits required in Table 2-10 and any other Federal, State, or local approval, a City of Arcata Commercial Cannabis Activity Permit is required for Areas 1 and 2. A Zoning Clearance is required for Area 1 and a Conditional Use Permit is required for All commercial cannabis activities in Area 2 require a Use Permit. The total number of active Use Permits in Area 2 is limited to twenty (20). The total number of Conditional use Permits for Area 2 shall be limited to four (4).

D. Land use and development standards. Proposed development and new land uses within the :MMIZ Combining Zone shall comply with the requirements of the primary zoning district, and all
other applicable provisions of this Land Use Code, except that each parcel. In addition, the following specific regulations apply within the :MMIZ Combining Zone:

1. Shall be limited to cultivating medical marijuana on no more than 25 percent of the total building floor area per parcel without a Conditional Use Permit. For the purposes of this section, the term “cultivation" includes all growing processes from seed to cutting. Cultivation does not include the area where drying or storing of harvested plant or plant material occurs.

2. Shall not have an area utilized for cultivation that is greater 4,000 square feet per lease/business without a conditional use permit.

3. Shall have at least one 600 square foot or greater in size commercial food grade manufacturing area, laboratory, or other comparable improved space that meets state requirements ready for occupancy, prior to receiving a final building permit for cultivation on a parcel. This requirement shall not apply if no cultivation is taking place on the parcel.

4. No residential uses shall be allowed with the exception of one caretaker unit which is intended for security purposes.

The minimum lot area on APNs 507-081-043, 507-121-013, and 507-081-050 may be reduced to 10,000 square feet through the Land Use Code Subdivision Regulations and Procedures.

1. Medical marijuana cultivation is an allowable use pursuant to permit requirements indicated by Figure 2-25 and Table 2-10. For the purposes of this section, the term "cultivation" includes all growing processes from seed to cutting. Cultivation does not include the area where drying or storing of harvested plant or plant material occurs. Standards specific to parcels that have medical marijuana cultivation are as follows:

   a. Cultivation area shall be limited to no more than 25 percent of the total building floor area per parcel.

   b. Cultivation area shall be no more than 4,000 square feet per lease area or business.

   c. Limitations on cultivation area in section a. and b. above may be exceeded through the issuance of a Use Permit.

   d. Each parcel shall have at least one independently accessible, occupancy ready, commercial or industrial space designed and designated for allowable uses in the primary zone or :MMIZ Combining Zone that is 600 square feet or greater in size, and is not used for cannabis cultivation. This space must be provided prior to receiving a Certificate of Occupancy for cultivation on a parcel.

2. The minimum lot area on Assessor’s Parcel Number’s 507-081-043, 507-121-013, and 507-081-050 shall be reduced to 10,000 square feet.
Section 4. Zoning Text Amendment, Revision of 9.42.105. Title IX, Planning and Zoning, Chapter 1, Planning and Zoning Standards, Section 9000, Land Use Code, Article 4, Standards for Specific Land Uses, Section 9.42.105, Medical Marijuana: Cultivation and Dispensing, is hereby amended by the revisions to the text as shown in the following strike through and bold double underscore text:

9.42.105 Medical Marijuana: Cultivation and Dispensing

A. Purpose. The purpose and intent of this section is to regulate the cultivation and dispensing of medical marijuana in a manner that protects the health, safety and welfare of the community. This section is not intended to interfere with a patient’s right to medical marijuana, as provided for in the Compassionate Use Act (California Health & Safety Code Section 11362.5), the Medical Marijuana Program (Health and Safety Code Section 11362.7 et seq.) and the Medical Cannabis Regulation and Safety Act, codified at Chapter 3.5 of Division 8 of the California Business and Professions Code, Section 19300 et seq., nor does it criminalize medical marijuana possession or cultivation by specifically defined classifications of persons, in accordance with state law.

B. Applicability. No part of this ordinance 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. The cultivation, processing and dispensing of medical marijuana in the City of Arcata is controlled by the provisions of this section and Section 9.28.130 of the Land Use Code. Accessory uses and home occupations, where medical marijuana is involved shall be governed by the provisions of this section.

C. Release of Liability and Hold Harmless. The owner and permittee of a medical marijuana cooperative, collective dispensary or cultivation facility shall release the City of Arcata, and its agents, officers, elected officials, and employees from any injuries, damages, or liabilities of any kind that result from any arrest or prosecution of cooperative or collective dispensary or cultivation facility owners, operators, employees, or clients for violation of state or federal laws in a form satisfactory to the Director. In addition, the owner and permittee of each medical marijuana cooperative, collective dispensary or cultivation facility shall indemnify and hold harmless the City of Arcata and its agents, officers, elected officials, and employees for any claims, damages, or injuries brought by adjacent or nearby property owners or other third parties due to the operations at the cooperative, collective dispensary or cultivation facility, and for any claims brought by any of their clients for problems, injuries, damages, or liabilities of any kind that may arise out of the distribution, cultivation and/or on- or off-site use of medical marijuana provided at the cooperative, collective dispensary or cultivation facility in a form satisfactory to the Director.

D. Medical Marijuana for Personal Use. An individual qualified patient shall be allowed to cultivate medical marijuana within his/her private residence. A primary caregiver shall only cultivate medical marijuana at the residence of a qualified patient for whom he/she is the primary caregiver. Medical marijuana for personal use shall be in conformance with the following standards:

1. The medical marijuana cultivation area shall not exceed 50 square feet and not exceed ten feet (10') in height per residence;
   a. Medical marijuana cultivation lighting shall not exceed 1200 watts;

2. The sale of medical marijuana produced for personal use is prohibited. The use of gas products (CO2, butane, etc.) for medical marijuana cultivation or processing is prohibited;
3. No more than six (6) living plants may be planted, cultivated, harvested, dried, or processed within a single private residence or upon the grounds of that private residence at any one time. In accordance with Section 9.42.090.B.2., medical marijuana cultivation and sale is prohibited as a Home Occupation. Per Section 9.42.040, Accessory Uses, medical marijuana cultivation and sale is not considered an accessory use. No sale or dispensing of medical marijuana for personal use is allowed.

4. From a public right of way, there shall be no exterior evidence of medical marijuana cultivation either within or outside the residence;

   e. The qualified patient shall reside in the residence where the medical marijuana cultivation occurs;

   f. The qualified patient shall not participate in medical marijuana cultivation in any other residential location within the City of Arcata;

   g. The residence shall maintain kitchen, bathrooms, and primary bedrooms for their intended use and not be used primarily for medical marijuana cultivation;

5. The medical marijuana cultivation area shall be in compliance with the current, adopted edition of the California Building Code § 1203.4 Natural Ventilation or § 402.3 Mechanical Ventilation (or its equivalent(s)); and;

6. The medical marijuana cultivation area shall not adversely affect the health or safety of the nearby residents by creating dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, or other impacts, or be hazardous due to use or storage of materials, processes, products or wastes.

2. Any proposed medical marijuana cultivation by an individual qualified patient or primary caregiver that does not meet the grow area standard of Section 9.42.105 D. 1. shall require a Zoning Administrator Interpretation of the need for additional cultivation area. Documentation, such as a physician’s recommendation or verification of more than one qualified patient living in the residence, shall be submitted with the request showing why the cultivation area standard is not feasible. The request for Interpretation shall include written permission from the property owner. The Zoning Administrator shall review the submitted information and make an interpretation in accordance with Section 9.10.050. The Building Official may require additional specific standards to meet the California Building Code and Fire Code, including but not limited to installation of fire suppression sprinklers. Approved medical marijuana cultivation for personal use that exceeds 50 square feet shall conform to the following standards:

   a. Shall be in compliance with §9.42.105 D 1 a. - i. above; and

   b. The medical marijuana cultivation area shall not exceed an additional 50 square feet for the total of 100 square feet and not exceed ten feet (10’) in height per residence; and

   c. At a minimum, the medical marijuana cultivation area shall be constructed with a 1-hour firewall assembly of green board; and

   d. Cultivation of medical marijuana for personal use is limited to detached single family residential properties, or the medical marijuana cultivation area shall be limited to a garage or self-contained outside accessory building that is secured, locked, and fully enclosed.
E. **Permit requirements for Medical Marijuana Cooperatives or Collectives Dispensaries.** Medical marijuana cooperatives or collectives may be established only in those zoning districts listed in Table 2-10, "Allowable Land Uses and Permit Requirements for Commercial, Industrial, and Public Facility Zoning Districts." Medical marijuana cooperatives or collectives shall only be allowed with an approved Use Permit in conformance with Section 9.72.080 (Use Permit and Minor Use Permit). The fact that an applicant possesses other types of State or City permits or licenses does not exempt the applicant from the requirement of obtaining a Use Permit to operate a medical marijuana cooperative or collective. A medical marijuana cooperative or collective shall obtain a Commercial Cannabis Activity Permit from the City and any licenses required by the State of California that satisfy state law to act cooperatively or collectively in the acquisition and distribution of medical marijuana.

Notwithstanding the provisions of Chapter 9 (Nonconforming Uses, Structures, and Parcels), an existing cooperative or collective in operation as of the effective date of this ordinance shall be brought into full compliance with the provisions of this section within one year of the effective date of the ordinance establishing this section.

1. **Specific Regulations.** The following specific regulations apply to medical marijuana cooperatives or collectives:

   a. The total number of medical marijuana cooperatives or collectives within the City of Arcata shall be limited to four (4) until which time one (1) or two (2) of the four (4) cooperatives or collectives ceases to operate, then the total number shall be reduced to three (3) and ultimately two (2).

   b. In addition to Section 9.72.080 F (Use Permit Findings and decision), the review authority should give special consideration to approving cooperatives or collectives located:

   - within a 300 foot radius from any existing residential zoning district,
   - within 500 feet of any other medical marijuana cooperative or collective as defined in the glossary which is located either inside or outside the jurisdiction of the City, or
   - within 500 feet from any existing public park, playground, day care, or school.

   c. If the Use Permit authorizes on-site medical marijuana cultivation at the dispensary, on-site cultivation shall not exceed twenty-five (25) percent of the dispensary’s total floor area, and in no case shall cultivation area be greater than 1,500 square feet.

   c. **Source of medical marijuana.** A medical marijuana cooperative or collective shall only dispense marijuana from the following sources:

   (1) Permitted Cooperative or Collective. If the Use Permit authorizes limited, on-site medical marijuana cultivation at the cooperative or collective, permitted medical marijuana cooperatives’ on-site cultivation shall not exceed twenty-five (25) percent of the cooperatives’ total floor area, but in no case greater than 1,500 square feet and not exceed ten feet (10’) in height.

   (2) Off-site Permitted Cultivation. The cooperative or collective cultivates medical marijuana in an off-site location in accordance with applicable zoning regulations from the jurisdiction in which it is located. Zoning compliance documentation from the applicable jurisdiction shall accompany the Use Permit application and be updated annually.
(3) Qualified Patients. In the case of a medical marijuana cooperative or collective, the medical marijuana is acquired from an individual qualified patient who cultivated the medical marijuana in accordance with the standards in Section 9.42.105.D., the qualified patient received no monetary remittance, and the qualified patient is a member of the medical marijuana cooperative or collective. Pursuant to California Health and Safety Code §11362.765 (c) a collective or cooperative may credit its members for medical marijuana provided to the collective or cooperative, which they may allocate to other members.

d. Notwithstanding Section 9.72.080 (Use Permit and Minor Use Permit) a medical marijuana cooperative or collective application for a Use Permit shall include a detailed Operations Manual including but not necessarily limited to the following information:

(1) Authorization for the City, its agents and employees, to seek verification of the information contained within the application;

(2) A description of the staff screening process including appropriate background checks;

(3) The hours and days of the week the medical marijuana cooperative or collective will be open;

(4) Text and graphic materials showing the site, floor plan and facilities of the medical marijuana cooperative or collective. The material shall also show adjacent structures and land uses;

(5) A description of the security measures located on the premises, including but not limited to, lighting, alarms, and automatic law enforcement notification;

(6) A description of the screening, registration and validation process for qualified patients;

(7) A description of qualified patient records acquisition and retention procedures;

(8) The process for tracking medical marijuana quantities and inventory controls including on-site cultivation, processing, and/or medical marijuana products received from outside sources;

(9) Description of measures taken to minimize or offset energy use from the cultivation or processing of medical marijuana;

(10) Description of chemicals stored, used and any effluent discharged into the City’s wastewater and/or stormwater system; and

(11) Other information required by the Community Development Director.

2. Operating Standards. Medical marijuana cooperatives or collectives shall comply with all of the following operating standards.

a. No dispensing medical marijuana to an individual qualified patient or primary caregiver more than twice a day;

b. Medical marijuana cooperatives or collectives shall only dispense medical marijuana to an individual qualified patient who has a valid, verified physician’s-
recommendation. The medical marijuana cooperative or collective shall verify that the physician’s recommendation is current and valid;

c. Medical cooperatives or collectives shall display the client rules and/or regulations in a conspicuous place that is readily seen by all persons entering the cooperative or collective. The client rules and/or regulations shall include, but not limited to:

(1) Each building entrance to a medical marijuana cooperative or collective shall be clearly and legibly posted with a notice indicating that smoking, ingesting or consuming medical marijuana on the premises or in the vicinity of the cooperative or collective is prohibited unless specifically authorized with the Use Permit.

(2) The building entrance to a medical marijuana cooperative or collective shall be clearly and legibly posted with a notice indicating that persons under the age of eighteen (18) are precluded from entering the premises unless they are qualified patients and/or they are under the supervision of their parent or legal guardian.

d. The hours of operation for an approved medical marijuana cooperative or collective shall be limited to between 8:00 a.m. to 8:00 p.m. or as specified within the Use Permit.

d.e Medical marijuana cooperatives or collectives **dispensaries** shall not permit the use __smoking, ingestion, or consumption__ of medical marijuana on-site unless specifically authorized under the Use Permit.

e.f Medical marijuana cooperatives or collectives **dispensaries** shall not permit the on-site display of marijuana plants except for approved signs according to Chapter 9.38 (Signs).

f.g Medical marijuana cooperatives or collectives **dispensaries** shall only permit the distribution of live plants, starts and clones __only__ as allowed by the approved Use Permit. Such distribution shall be limited to qualified patients or primary caregiver;

h. Medical marijuana cooperatives or collectives shall only permit the on-site display or sale of marijuana paraphernalia used for the consumption of medical marijuana as allowed by the approved Use Permit;

i. Medical marijuana cooperatives or collectives shall comply with other conditions as outlined in the Use Permit;

j. Medical marijuana cooperatives or collectives shall maintain all necessary permits and pay all appropriate taxes. Medical marijuana cooperatives or collectives shall also provide invoices to vendors to ensure vendor’s tax liability responsibility;

k. Medical marijuana cooperatives or collectives shall implement procedures as outlined in their approved Operations Manual;

l. Medical marijuana cooperatives or collectives shall submit an "Annual Performance Review Report" for review and approval by the Community Development Director. The "Annual Performance Review Report" is intended to identify effectiveness of the approved Use Permit, Operations Manual, and Conditions of Approval, as well as the identification and implementation of additional procedures as deemed necessary. The Community Development Director may review and approve amendments to the approved "Operations Manual"; and the frequency of the "Annual Performance Review Report".
Review Report”. Medical marijuana cultivation and dispensing monitoring review fees pursuant to the current Planning and Zoning Fee Resolution shall accompany the “Annual Performance Review Report” for costs associated with the review and approval of the report.

3. Permit Revocation or Modification. A use permit may be revoked or modified according to Section 9.96.070 (Permit Revocation or Modification). Use Permit revocation proceedings may occur for non-compliance with one or more of the items 2.a. through l. above.

4. Transfer of Use Permit. The rights of an approved Use Permit to operate a medical marijuana cooperative or collective may be transferred to another cooperative or collective as a Use Permit modification according to Section 9.96.070 (Permit Revocation or Modification). (Ord. 1468, eff. 4/1/2016)

Section 5. Findings. Based upon the whole record, information received in public hearings, comments from responsible agencies, and the Arcata Planning Commission recommendation PC-17-03, dated May 9, 2017, the following findings are hereby adopted:

1. On January 18, 2017, the City Council received a report and heard testimony about the first year of the implementation of the Medical Marijuana Innovation Zone (:MMIZ) and the Medical Marijuana Regulatory Program.

2. The :MMIZ Combining Zone was created to be amended after a pilot period.

3. The proposed Land Use Code, text and map amendments are consistent with all other provisions of the General Plan and would not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

4. The affected sites are physically suitable for the proposed or anticipated uses and/or development.

5. A California Environmental Quality Act (CEQA) Negative Declaration was previously adopted by the City of Arcata City Council for the City’s medical marijuana regulatory program and the :MMIZ Combining Zone in accordance with the CEQA - State Clearinghouse #2016012039. The proposed LUC amendments are exempt from environmental review according to California Code of Regulations § 15061(b)3 as there is no possibility the activity will have a significant effect on the environment.

Section 6. Severability. If any provision of this ordinance is invalidated by any court of competent jurisdiction, the remaining provisions shall not be affected and shall continue in full force and effect.

Section 7. Limitation of Actions. Any action to challenge the validity or legality of any provision of this ordinance on any grounds shall be brought by court action commenced within ninety (90) days of the date of adoption of this ordinance.

Section 8. Effective Date. This ordinance shall become effective thirty (30) days after adoption.
DATED: June 21, 2017

ATTEST:

/s/ Bridget Dory
City Clerk, City of Arcata

/s/ Susan Ornelas
Mayor, City of Arcata

CLERK'S CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of Ordinance No. 1488, passed and adopted at a regular meeting of the City Council of the City of Arcata, County of Humboldt, State of California, on the 21st day of June, 2017, by the following vote:

AYES:  ORNELAS, PEREIRA, PITINO, WATSON, WINKLER

NOES:  NONE

ABSENT:  NONE

ABSTENTIONS:  NONE  

/s/ Bridget Dory
City Clerk, City of Arcata