

ORDINANCE NO. 800

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY CALIFORNIA AMENDING CHAPTER 5.88 OF THE CATHEDRAL CITY MUNICIPAL CODE TO ALLOW ADULT-USE CANNABIS BUSINESSES AND MAKE OTHER AMENDMENTS RELATED TO LICENSING OF CANNABIS BUSINESSES

WHEREAS, in 1996, California voters enacted Proposition 215, which was entitled the Compassionate Use Act (the "CUA") of 1996, and was codified in California Health and Safety Code Section 11362.5, which decriminalized the possession and cultivation of medicinal marijuana for limited personal medicinal purposes; and

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

WHEREAS, on October 9, 2015, Assembly Bills 243 and 266 and Senate Bill 643 (collectively, the "Medicinal Cannabis Regulation and Safety Act" or "MCRSA") were enacted to create a state regulatory and licensing system governing the cultivation, testing, and distribution of medicinal cannabis, the manufacturing of medicinal cannabis products, and physician recommendations for medicinal cannabis; and

WHEREAS, MCRSA expressly preserved local control over medicinal cannabis facilities and land uses; and

WHEREAS, on November 8, 2016, the voters of the State of California approved Proposition 64, entitled the "Control, Regulate and Tax Adult Use of Marijuana Act" (the "AUMA"), which legalizes and regulates the adult use of non-medicinal marijuana in California; and,

WHEREAS, on June 27, 2017, the Governor signed Senate Bill 94, which repealed MCRSA and included certain provisions from MCRSA regarding medicinal marijuana in the AUMA; and

WHEREAS, Senate Bill 94 renamed the AUMA as the Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA"); and

WHEREAS, Business and Professions Code section 26200, which is part of MAUCRSA, expressly recognizes the ability of cities to adopt and enforce ordinances to regulate cannabis businesses, including, but not limited to, local licensing requirements; and,

WHEREAS, Article XI, Section 7 of the California Constitution provides a city may make and enforce within its limits all police, sanitary and other ordinances and regulations not in conflict with general laws; and

WHEREAS, Cathedral City licenses and regulates medicinal cannabis businesses as permitted by state law;

WHEREAS, Cathedral City desires to amend its existing licensing regulations to allow cannabis businesses that engage in adult-use related activities in addition to medicinal cannabis businesses as permitted by state law;

WHEREAS, it is the purpose and intent of this ordinance to regulate cannabis businesses in a manner that is consistent with State law and which promotes the health, safety, and general welfare of citizens of Cathedral City and limits impacts associated with such businesses; and

WHEREAS, nothing in this ordinance shall be construed to allow persons to engage in conduct that endangers others or causes a public nuisance or allow any activity that is otherwise illegal under California state law.

THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY DOES ORDAIN AS FOLLOWS:

SECTION 1. Amendment of Chapter 5.88.

Chapter 5.88 of the Cathedral City Municipal Code is hereby renamed "Cannabis Businesses" and the Chapter is hereby repealed in its entirety and replaced with the provisions shown in Exhibit A to this Ordinance.

SECTION 2. CEQA.

The adoption of this Ordinance is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to California Business and Professions Code section 26055(h), which provides that CEQA "does not apply to the adoption of an ordinance, rule, or regulation by a local jurisdiction that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity."

SECTION 3. Effect on Existing Licenses.

Upon the effective date of this Ordinance, any valid license previously approved by the City under Chapter 5.88 for a medicinal cannabis business shall be deemed to allow the use to engage in commercial cannabis activity related to adult-use of cannabis consistent with State law and the use's conditional use permit from the City.

SECTION 4. Effective Date.

This Ordinance shall be effective 30 days from and after its final passage.

SECTION 5. Severability.

If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, then such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Cathedral City hereby declare they would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that anyone or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 6. Publication.

The City clerk is authorized and directed to cause this Ordinance to be published within fifteen (15) days after its passage in a newspaper of general circulation and circulated within the City in accordance with Government Code Section 36933(a) or, to cause this Ordinance to be published in the manner required by law using the alternative summary and pasting procedure authorized under Government Code Section 39633(c).

INTRODUCED at the regular meeting of Cathedral City City Council on the 11th day of October, 2017.

APPROVED AND ADOPTED this 25th day of October, 2017 by the following vote:

Ayes: Council Members Aguilar, Carnevale and Kaplan; Mayor Pro Tem Pettis and Mayor Henry

Noes: None

Abstain: None

Absent: None



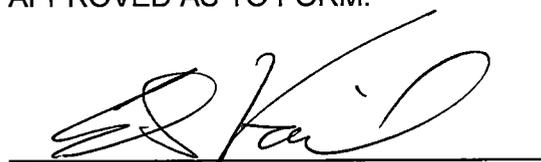
Stanley E. Henry, Mayor

ATTEST:



Gary F. Howell, City Clerk

APPROVED AS TO FORM:



Eric S. Vail, City Attorney

EXHIBIT "A"

Chapter 5.88 CANNABIS BUSINESSES

5.88.010 Purpose and intent.

A. This chapter shall provide for the regulation and licensing of medicinal and adult-use cannabis businesses throughout the city in conformance with applicable state and local laws and regulations pertaining to medicinal and adult-use cannabis.

B. The city council finds that it is necessary for Cathedral City to adopt local licensing standards for medicinal and adult-use cannabis businesses for the purpose of controlling and regulating the cultivation, distribution, transport, storage, manufacturing, processing, and sale of medicinal cannabis and medicinal cannabis products to qualified patients, and adult-use cannabis and adult-use cannabis products to adults 21 years of age and over.

C. The purpose of this chapter is to regulate all commercial cannabis activity in Cathedral City, as defined in the MAUCRSA, to the extent authorized by state law and in a manner designed to minimize negative impacts on the city and neighboring uses, and promote the health, safety, morals, and general welfare of residents and businesses within the city.

5.88.015 Findings.

The city council finds and determines that local licensing standards pertaining to cannabis business activities are necessary to protect the public health and safety. The city council further finds that public health and safety is best served by the adoption of the ordinance codified in this chapter.

5.88.020 Relationship to other laws.

A. Except as otherwise specifically provided herein, this chapter incorporates the requirements and procedures set forth in the MAUCRSA. In the event of any conflict between the provisions of this chapter and the provisions of the MAUCRSA or any other applicable state or local law, the more restrictive provision shall control.

B. Except as expressly stated herein, cannabis businesses must comply with all other city codes and regulations. Nothing in this chapter shall be construed as permitting a cannabis business to operate at any time in a manner that is in violation of all other applicable state and local laws.

5.88.025 Definitions.

Unless otherwise defined herein, the terms in this chapter shall have the same meaning as set forth in the MAUCRSA and any rules promulgated pursuant thereto. In addition, the following terms shall be defined as follows:

"Cannabis business" means any person engaged in commercial cannabis activity.

“Certificate of accreditation” means a certificate issued by an accrediting body to a licensed testing laboratory, entity, or site to be registered in the state.

“City” means Cathedral City, California.

“City manager” shall mean the city manager of the city or duly authorized designee.

“Community development director” shall mean the community development director of the city or duly authorized designee.

“Dispensary” means a cannabis business that engages in the retail sale and delivery of cannabis or cannabis products to customers. A dispensary, as that term is used in this code, is a “retailer” under the MAUCRSA.

“Distributor” means a cannabis business that engages in the distribution and transportation of cannabis and cannabis products to other cannabis businesses.

“Distribution site” means a facility where cannabis and cannabis products are stored or inspected by a distributor for the purposes of distribution.

“Good cause” for purposes of denying an initial local license issuance, for suspending or revoking a local license, or for denying a local license renewal, means:

1. The applicant or licensee has violated any of the terms, conditions or provisions of this chapter, of state law, of any regulations and rules promulgated pursuant to state law, any applicable local rules and regulations, or any special terms or conditions placed upon its conditional use permit, state license, or local license;
2. The premises has been or is proposed to be operated in a manner that adversely affects the public health, safety or welfare or the safety of the immediate neighborhood in which the establishment is located;
3. The applicant or licensee has knowingly made false statements, misrepresentations or material omissions on an application form, renewal form, or any other document submitted to the city;
4. The criminal history of the applicant’s or licensee’s owner(s) indicates that one or more of the owner(s) lack good moral character;
5. An owner of the applicant or licensee is a licensed physician providing physician’s recommendation to qualified patients for medicinal cannabis;
6. The applicant or licensee, or any owner of the applicant or licensee, operated a cannabis business in violation of this chapter or chapter 9.108 of the code;
7. The applicant or licensees, or any owner of the applicant or licensee, is a person who is prohibited from holding the license under this chapter.

8. The premises proposed to be licensed or the licensed premises is located on land that is owned by the United States and held in trust for any federally-recognized Indian tribe or any member of the tribe, or that is subject to a restriction on alienation imposed by the United States.

9. For renewals, suspensions and revocations, the licensee has allowed a person whose criminal history indicates that person is not of good moral character to work within the premises as an employee, independent contractor, or volunteer; or

10. For renewals, suspensions and revocations, the licensee fails to allow inspection of the security recordings, activity logs, or business records of the licensed premises by city officials;

“Good moral character” means having a personal history that demonstrates the propensity to serve the public in the licensed area in a manner that reflects openness, honesty, fairness, and respect for the rights of others and for the law. In determining good moral character, the following standards shall apply:

1. A person who has been convicted of any of the following offenses shall not be considered to be of good moral character:

- a. A violent felony, as specified in Penal Code section 667.5(c);
- b. A serious felony, as specified in Penal Code section 1192.7(c);
- c. A felony conviction involving fraud, deceit, or embezzlement;
- d. A felony conviction for hiring, employing, or using a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling, any controlled substance to a minor;
- e. A felony conviction for selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor;
- f. A felony conviction for drug trafficking with enhancements pursuant to Section 11370.4 or 11379.8 of the Health and Safety Code.

2. Except as provided in paragraph 1 of this definition, and notwithstanding Chapter 2 of Division 1.5 of the California Business and Professions Code, a prior conviction where the sentence, including any term of probation, incarceration, or supervised release is completed for possession of, possession for sale, sale, manufacture, transportation, or cultivation of cannabis shall not be the sole ground for a determination that a person lacks good moral character

3. An owner of a licensee who is convicted of any controlled substance felony subsequent to issuance of a local license shall be deemed to lack good moral character.

“Identification card” or “ID card” means a valid identification card issued pursuant to Section 11362.7 et seq., of the California Health and Safety Code.

"Identification card holder" or "ID card holder" means an individual who is a qualified patient who has applied for and received a valid ID card pursuant to Article 2.5 of Chapter 6 of Division 10 of the California Health and Safety Code.

"Licensed premises" means a premises for which a local license has been issued pursuant to this chapter.

"Licensee" means a person who has been issued a local license pursuant to this chapter.

"Limited access area" means a building, room or other area that is part of the licensed premises where cannabis is grown, cultivated, stored, weighed, displayed, packaged, or sold to other cannabis businesses with limited access to only authorized personnel.

"Local license" means a license granted by the local licensing authority, pursuant to this chapter.

"Local licensing authority" means the city manager.

"Manufacturing site" means a premises where a manufacturer engages in the manufacture of cannabis products.

"Medicinal cannabis patient" means both a qualified patient without an identification card and an ID card holder.

"Medicinal and Adult-Use Cannabis Regulation and Safety Act" or "MAUCRSA" means Division 10 of the California Business and Professions Code.

"Owner" means any of the following:

(1) A person with an aggregate ownership interest of 10 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 of a nonprofit or other entity.

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

(4) An individual who will be participating in the direction, control, or management of the person applying for a license.

"Physician," as used in this chapter, shall mean an individual who possesses a license in good standing to practice medicine or osteopathy from the state of California.

"Primary caregiver" shall have the meaning set forth in Section 11362.7(d) of the California Health and Safety Code.

"Qualified patient" shall have the meaning set forth in Section 11362.7(f) of the California Health and Safety Code.

“Seed to sale software” means the track and trace inventory control system established pursuant to Section 26067 of the California Business and Professions Code that utilizes a unique identifier pursuant to Section 26069 of the California Business and Professions Code and tracks transfers of cannabis from seed through sale. Until such a time that the state of California implements Section 26067 of the California Business and Professions Code, the “seed to sale software” shall refer to the third-party tracking software required by Section 5.88.065(P) of this chapter.

“State law(s)” shall mean and include California Health and Safety Code Section 11362.5 (Compassionate Use Act of 1996); California Health and Safety Code Sections 11362.7 to 11362.85 (Medicinal Marijuana Program Act); the MAUCRSA, and all other applicable laws and regulations of the state of California.

“State license” means a state license issued under MAUCRSA, and includes both an A-license and an M-license, as well as a testing laboratory license.

“State licensing authority” shall mean the state agency responsible for the issuance, renewal, or reinstatement of a state license, or the state agency authorized to take disciplinary action against a state licensee.

5.88.030 Local license in addition to business license or other permit.

The local license required by this chapter shall be in addition and supplemental to any other business license or any permit required by any ordinance of the city.

5.88.035 Local license required.

A. It is unlawful to operate any cannabis business in Cathedral City without first having obtained a local license under this chapter.

B. Beginning January 1, 2018, it is unlawful for a cannabis business to operate in the city unless it has been granted the appropriate temporary or permanent state license(s) for its commercial cannabis activities. Notwithstanding the foregoing, any licensee operating in the city prior to January 1, 2018 may continue to operate without a state license provided that it applies for the appropriate temporary or permanent license(s) from the state no later than forty-five (45) days from the date that the State begins accepting applications. If the state denies the application for a temporary or permanent license(s) for any reason, the cannabis business must cease operations until such time as it obtains the appropriate temporary or permanent state license(s).

C. The city may grant a local license prior to the applicant having obtained a state license. A cannabis business must possess the requisite state and local licenses prior to receiving a certificate of occupancy from the city.

5.88.040 Local license application process.

A. The local licensing authority shall not accept an application for a dispensary proposed to be located south of Interstate 10 after November 23, 2016.

B. All applications for local licenses required pursuant to this chapter shall be made upon current forms prescribed by the local licensing authority. All applications for local licenses must be accompanied by the application fee as established by resolution of the city council as amended from time to time.

C. An applicant shall file with the local licensing authority the following at the time of application for a local license:

1. An operating plan for the proposed cannabis business including the following information:

a. A general description of the types of products and services to be provided by the facility;

b. A floor plan designating all interior dimensions of the licensed premises and the layout of the cannabis business, including all limited access areas, areas of ingress and egress, and all security cameras. Such floor plan shall also show the principal uses of the floor area depicted therein. For cultivation sites, such floor plan shall distinguish all dimensions of areas in which plants are located;

c. An employee, independent contractor, and volunteer list, if one exists; and

d. For a dispensary, a statement confirming whether delivery service of cannabis to any location outside the premises will be provided and the extent of such service, and in the event delivery is provided, a detailed delivery plan detailing how the dispensary will comply with all requirements of this chapter, MAUCRSA, and any other applicable state or local laws.

2. Authorization for the local licensing authority and community development director to seek verification of the information contained within the application and authorization for the chief of police to conduct background checks of the owner(s).

3. Proof of the nature of the cannabis business's organizational status, such as articles of incorporation, by-laws, organizational minutes, partnership agreements, and other documentation may be required by the city.

4. Proof that the applicant is, or will be, entitled to possession of the premises for which application is made. Evidence of lawful possession consists of properly executed deeds of trust, leases, evidence of ownership of the licensed premises, or other written documents acceptable to the local licensing authority. The applicant must disclose whether, to the applicant's knowledge, the premises is located on land that is owned by the United States and held in trust for any federally-recognized Indian tribe or any member of the tribe, or that is subject to a restriction on alienation imposed by the United States.

5. The applicant shall provide any additional information that the local licensing authority may request to process and fully investigate the application. Failure to provide such additional information may result in denial of the application.

D. If the application is incomplete, the applicant shall have an opportunity to cure the incompleteness within thirty days of written notice of incompleteness by the local licensing authority.

E. The chief of police or designee shall conduct a background check of any owner of the cannabis business, as "owner" is defined in MAUCRSA, and shall prepare a report to the local licensing authority on the acceptability of the background of the owner(s).

F. The local licensing authority shall issue a license to any applicant who has submitted a complete application and paid the application fee unless the local licensing authority finds that good cause exists to deny the license. A local license shall not be issued to a dispensary that is proposed to be located south of Interstate 10 unless the application for the license was made on or before November 23, 2016.

G. Upon the approval of a local license, and as a condition of the license becoming effective, the applicant shall pay to the city the regulatory licensing fee, if any, established by resolution of the City Council.

H. A local license issued pursuant to this chapter shall specify the date of issuance, the period of licensure, the name of the licensee, the address of the licensed premises, and the nature of the cannabis business licensed. All local licenses are valid for one year.

5.88.045 Conditions of approval, administrative rules.

A. The local licensing authority may place conditions upon the approval of any local license which are, in the opinion of the local licensing authority, reasonably related to the protection of the health, safety and welfare of the neighborhood in which the proposed licensed premises is to be located and of the general public.

B. The local licensing authority is authorized to make rules, policies and procedures consistent with the intent and spirit of this chapter concerning the applications, the application process, the information required of applicants, the application procedures, and the administration and procedures to be used and followed in the application process.

5.88.050 Changes and modifications of local licenses.

In addition to any requirements in Chapters 9.108 and 9.72 of this code, the following requirements apply for transfers of or changes to the ownership of a licensee, modifications to a licensed premises, and changes of location of a cannabis business.

A. *Change of Ownership.* Subsequent to the issuance of a local license, the licensee shall report any transfer of ownership in the cannabis business to the local licensing authority on forms prescribed by the local licensing authority and pay the processing fee established by resolution of the city council. A change of ownership that solely involves a previously approved owner no longer being an owner of the cannabis business shall be reported to the local licensing authority within thirty (30) days of the change. A change in ownership that involves adding a new owner to the previously approved ownership must be approved by the local licensing authority in advance. All proposed new owners must submit to a background check conducted by the chief of police. The local licensing authority shall approve the change in ownership unless there is good cause to deny the change.

B. *Modification of Licensed Premises.* A licensee shall not make physical changes, alterations, or modifications to the licensed premises that materially or substantially alters the licensed premises from the plans approved by the local licensing authority without the prior written approval of the local licensing authority. Material changes include, but are not limited to: an increase or decrease in the total square footage of the licensed premises or the addition, sealing off, or relocation of a wall, common entryway, doorway, or other means of public ingress and/or egress. Applications for modifications of licensed premises shall be made on forms prescribed by the local licensing authority and shall be accompanied by the processing fee established by resolution of the city council. The local licensing authority shall approve the proposed modification if it meets all requirements of this chapter and all other applicable state laws and city codes and ordinances, and will not present a threat to the public health, safety or welfare.

C. *Change of Location.*

1. A licensee may apply to the local licensing authority to change the location previously approved for such local license to any other place in Cathedral City, but it is unlawful to cultivate, manufacture, distribute, test, store or sell cannabis at any such place or location until express permission to do so is granted by local licensing authority and the city has issued a conditional use permit to the licensee at the new location. Applications for changes of location shall be made on forms prescribed by the local licensing authority and be accompanied by the processing fee established by resolution of the city council.

2. In permitting a change of location, the local licensing authority may change any existing conditions of approval on the license and/or add new conditions of approval as determined appropriate by the local licensing authority.

3. The local licensing authority may permit a dispensary that is located south of Interstate 10 to relocate to a new location north or south of Interstate 10. A dispensary that is located north of Interstate 10 may only relocate to a new location that is north of Interstate 10.

5.88.055 Renewal of a local license.

A. A cannabis business that desires to renew its license shall apply for the renewal no less than thirty days prior to the local license's expiration date. If the cannabis business files a renewal application within thirty days prior to expiration; the cannabis business must provide a written explanation detailing the circumstances surrounding the late filing. The local licensing authority may accept or reject such late filing in its discretion. The local licensing authority may elect to administratively continue a local license past its expiration date, provided that the licensee has submitted a renewal application that is pending final action.

B. An application for renewal shall be submitted on forms provided by the local licensing authority, accompanied by the processing fee established by resolution of the city council. The following information shall be submitted as a part of the renewal application:

1. An up to date list of the employees, independent contractors, and volunteers working at the licensed premises.

2. Proof that no changes to the ownership of the licensee has occurred since last approved by the local licensing authority.

3. Proof that the licensee is still entitled to the possession and use of the licensed premises.

4. Any other information that the local licensing authority deems necessary to determine whether to renew the local license.

C. All owners of the cannabis business must be fingerprinted each year at renewal if required in the discretion of the local licensing authority.

D. The local licensing authority shall renew a local license if the licensee has submitted a complete application and paid the application processing fee, unless the local licensing authority finds that good cause exists to deny the license renewal. Notwithstanding the foregoing, the local licensing authority in its discretion may elect not to renew any local license if it determines that the licensed premises has not been used for a cannabis business, without reasonable cause as determined by the local licensing authority, for a period of at least one year.

E. Unless administratively continued pursuant to subsection A, a local license is immediately invalid upon expiration and the cannabis business shall cease operations. If a local license expires, the local licensing authority may approve a renewal of the expired license at any time up to three (3) months from the expiration date of the license. After the license has been expired for three (3) months, the license may not be renewed by the local licensing authority, and the holder of the expired license must apply for and obtain a new cannabis license to resume operations.

5.88.060 Appeal of decision on local license.

Any decision regarding the local licensing authority's approval, conditional approval, denial, of an initial local license, renewal thereof, or a change to the license requested under Section 5.88.050 may be appealed to the city council in accordance with the provisions of Section 2.04.100 et seq., of this code.

5.88.065 Cannabis business operational requirements.

All cannabis business must comply with the requirements set forth in this section..

A. *General Obligation to Operate in Compliance.* A cannabis business shall operate in compliance with all applicable state and local laws and regulations governing cannabis businesses.

B. *General Obligation to Pay Taxes.* A cannabis business must pay all applicable taxes pursuant to federal, state, and local law, including but not limited to, the cannabis tax required by Chapter 3.48, state and local sales and use taxes, and state excise taxes.

C. *General Obligation for Compliant Facilities.* The licensed premises shall fully comply with all applicable rules, regulations, and laws including, but not limited to, building and safety codes, and the Americans with Disabilities Act.

D. *Background Checks.* Prior to commencing any work within or on behalf of a cannabis business, each employee, independent contractor or volunteer must undergo a background check that demonstrates they are of good moral character. The background check must include fingerprinting for criminal history conducted by the Cathedral City police department or any other entity determined to be satisfactory by the Cathedral City police department. A cannabis business shall notify the local licensing authority in writing of any felony criminal charge or felony conviction against any owner, employee, independent contractor, or volunteer of the cannabis business within ten days of such individual's arrest or felony summons. Failure to make proper notification to the local licensing authority may be grounds for disciplinary action. Licensees shall cooperate in any investigation conducted by the local licensing authority.

E. *Worker Register.* Cannabis businesses must maintain a complete register of the all persons that work at the licensed premises, whether as an employee, independent contractor, or volunteer. This register must include:

1. The individual's complete name, address, and last known telephone number;
2. The individual's hire date and, if applicable date of termination;
3. A copy of each background check required under subsection (D);
4. A copy of the written notification provided to the city manager after any felony criminal charge or conviction pursuant to subsection (D).

The register and required records must be made available for inspection by any city officer or official for purposes of determining compliance with the requirements of this chapter during standard business hours of the licensed facility or at any other reasonable time.

F. *Employees and Volunteers Age Requirement.* A cannabis business shall not employ an individual less than twenty-one years of age, nor may a cannabis business permit an individual less than twenty-one years of age to volunteer at the cannabis business. Notwithstanding the foregoing, a cannabis business may employ and allow persons eighteen years of age or older to volunteer at the cannabis business if the business holds an M-license from the state and the state expressly permits such persons to work within the business.

G. *Age Restrictions.* A cannabis business may not permit an individual less than twenty-one years of age to enter, or be within, its licensed premises, except that a cannabis business with an M-license from the state may allow persons 18 years of age or older within the licensed premises if they are an ID card holder or qualified patient with physician's recommendation from a licensed physician.

H. *Secure Storage of Product.* Cannabis and cannabis products possessed by a cannabis business shall be kept and stored in a secured manner at all times.

I. *Cannabis Consumption on Licensed Premises.* Smoking, vaporizing, ingesting, or otherwise consuming cannabis and cannabis products at a licensed premises is prohibited. "Licensed premises" as used in this subsection includes the actual building, as well as any accessory structures, common areas and parking areas. A sign shall be posted at each

entrance to a licensed premises that clearly and legibly states, "Smoking, vaporizing, ingesting, or otherwise consuming cannabis or cannabis products on these premises or in their vicinity is prohibited and a violation of the Cathedral City Municipal Code."

J. *Prohibition on Alcohol and Tobacco Sales, Distribution, or Consumption on Licensed Premises.* A cannabis business shall not sell, provide, store, or distribute any alcoholic beverages or tobacco products, or allow such products to be consumed on the licensed premises.

K. *On-Site Signage.* On-site signage for a cannabis business that is viewable from the exterior of the cannabis business shall comply with all local signage laws applicable to the licensed premises, including Chapter 9.62 of this code. Signage may not be designed to appeal to children, or contain any false or misleading statements, or make any misrepresentations.

L. *Advertising.* A cannabis business shall not advertise in a manner intended to encourage persons under twenty-one years of age to consume cannabis or cannabis products. It shall be unlawful for any cannabis business to make any claims that a product is safe because it is tested. All advertisements, including off-site advertising signs, shall comply with Chapter 15 of MAUCRSA.

M. *Display of License.* A cannabis business shall display a copy of its local license issued pursuant to this chapter in a conspicuous place at or near the entrance to the licensed premises.

N. *No Physician Evaluations on Licensed Premises.* A cannabis business shall not permit a physician to evaluate potential medicinal cannabis patients or to provide a physician's recommendation for medicinal cannabis within its licensed premises. Cannabis businesses shall not offer or provide any form of remuneration to a physician who provides physician's recommendations for medicinal cannabis.

O. *Community Relations Designee.* A cannabis business must provide the community development director with the name, phone number, facsimile number, and email address of an on-site community relations representative or staff member or other representative to whom the city can provide notice if there are operating problems associated with the cannabis business or refer members of the public who may have complaints or concerns regarding the cannabis business. The cannabis business shall also provide this contact information to all neighboring businesses located within one hundred feet of the cannabis business, as measured in a straight line without regard to intervening structures, between the front doors of each establishment.

P. *Seed to Sale Tracking Required.* Until such a time that the state of California fully implements the track and trace program required by Section 26067 of the Business and Professions Code, a cannabis business must utilize seed to sale software, third-party software that tracks all sales, transfers, purchases, receipts, deliveries of cannabis and cannabis products. The software must be capable of producing electronic shipping manifests, tracking all cannabis inventory in possession of the cannabis business, promptly identifying a discrepancy in the stock, and tracking cannabis from the end purchaser back to its source in the event of a serious adverse event.

Q. *Accurate Weights and Measures.* Scales and weighing mechanisms used by a cannabis business to weigh non-waste products must be able to weigh to within 1/100th of a gram, shall be maintained in good working order and shall be subject to annual inspection by either a Riverside County agricultural commissioner's office weights and measures official or a licensed scale company.

R. *Waste Disposal.*

1. *Chemical, Dangerous and Hazardous Waste.* Disposal of chemical, dangerous or hazardous waste must be conducted in a manner consistent with federal, state and local laws, regulations, rules or other requirements. This may include, but is not limited to, the disposal of all pesticide or other chemicals used in the cultivation process, certain solvents or other chemicals used in the production of cannabis concentrate.

2. *Cannabis Waste.* Cannabis waste must be made unusable and unrecognizable prior to leaving the licensed premises by grinding it and incorporating it with fifty percent non-medicinal cannabis waste. If necessary to protect the health and safety of individuals working on a licensed premises, a cannabis business may grind the stalk of a cannabis plant outside of its licensed premises provided all grinding activities occur within twenty feet of the licensed premises and cannot be seen from any public street.

3. *Composting.* A cannabis business may compost cannabis waste onsite, in accordance with this provision and all other applicable laws, rules, and regulations.

S. *General Sanitary Requirements.* A cannabis business must ensure that its licensed premises are maintained in a sanitary manner and activities on its licensed premises are conducted in a sanitary manner.

1. All facilities of a cannabis business must have adequate and sufficient access to bathrooms and hand-washing facilities with running water at a suitable temperature.

2. Hand-washing facilities shall be located where good sanitary practices require workers to wash or sanitize their hands, and provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices.

3. All workers that engage in the preparation or dispensing of edible cannabis products must comply with the provisions of all relevant state and local laws regarding the preparation, distribution, and sale of food.

T. *Security Requirements.* The licensed premises of a cannabis business must comply with all of the following security requirements:

1. *Video Surveillance.* The licensed premises must be equipped with a video surveillance system that meets all of the requirements set forth in this subsection.

a. Security cameras and digital storage of recordings shall be maintained in good condition and used in an on-going manner, twenty-four hours per day, seven days per week.

b. The security system must maintain at least one hundred twenty concurrent hours of digitally recorded video for each security camera in the licensed premises. Security footage should be stored in an MPEG4, MJPEG, H.264, or another format approved by the local licensing authority in writing.

c. Security cameras must provide adequate and sufficient coverage for the facility, which must include, but need to be limited to, all limited access areas, all areas of ingress and egress, point of sale, the public areas, storage areas, and any other areas as required by this chapter and the MAUCRSA.

d. The video surveillance system must be equipped with a failure notification system that provides prompt notification to the manager of record of the licensed premises of the cannabis business of any surveillance interruption or complete failure of the surveillance system that lasts longer than fifteen minutes.

e. The video surveillance system shall have sufficient battery backup to support a minimum of fifteen minutes of recording in the event of a power outage.

2. *Alarm System.* The licensed premises shall have an audible interior and exterior security alarm system installed on all perimeter entry points and perimeter windows, operated, and monitored by a security company licensed by the Department of Consumer Affairs, Bureau of Security and Investigative Services.

3. *Signage Requirement.* The licensed premises must comply with the following signage requirements.

a. A sign shall be posted in a conspicuous place near each point of public access which shall be not less than twelve inches wide and twelve inches long, composed of letters not less than one inch in height, stating "All Activities Monitored by Video Camera."

b. Limited access areas shall be clearly identified by the posting of a sign which shall be not less than twelve inches wide and twelve inches long, composed of letters not less than one-half inch in height, which shall state, "Limited Access Area—Authorized Personnel Only."

4. *Lighting.* The business entrance(s) and all window areas shall be illuminated during evening hours. The cannabis business shall comply with the city's lighting standards regarding fixture type, wattage, illumination levels, and shielding.

5. *Commercial-Grade Locks.* All points of ingress and egress to a licensed premises shall ensure the use of commercial-grade, nonresidential door locks or window locks.

6. *Notification of Local Licensing Authority and Law Enforcement.* A cannabis business shall notify the local licensing authority and the appropriate law enforcement authorities within twenty-four hours after discovering any of the following:

a. Significant discrepancies identified during inventory;

b. Diversion, theft, loss, or any criminal activity involving the dispensary or any employee or agent of the dispensary;

c. The loss or unauthorized alteration of records related to cannabis, cannabis patients, primary caregivers, or dispensary employees or agents; or

d. Any other breach of security.

U. *Subletting Prohibited.* Licensees are not authorized to sublet any portion of a licensed premises for any purpose, unless all necessary applications to modify the existing licensed premises to accomplish any subletting have been approved by the local licensing authority.

V. *Recordkeeping.* Cannabis businesses shall keep and maintain all records specified in Chapter 16 of the MAUCRSA and shall make the same available for inspection and examination of the local licensing authority or its duly authorized representatives during standard business hours of the licensed facility or at any other reasonable time. Cannabis businesses are required to exercise due diligence in preserving and maintaining all required records.

W. *Transactions.* Licensees shall only do business with cannabis businesses that licensed or permitted to do business in their respective jurisdictions.

5.88.070 Dispensary operational requirements.

In addition to the operation requirements in Section 5.88.065, a dispensary must comply with the requirements set forth in this section.

A. *Limited Hours of Operation.* A dispensary may only be open to the public and engage in sales between the hours of eight a.m. and ten p.m.

B. *Product Not Visible To Public.* The display of cannabis and cannabis products for sale shall not be visible from outside the licensed premises.

C. *Age Restricted Entry.* A dispensary may not permit an individual less than twenty-one years of age into the licensed premises, except a dispensary with an M-license from the state may permit an individual aged eighteen years or older into the licensed premises if the dispensary verifies the individual is an ID card holder or qualified patient with a physician's recommendation.

D. *Cannabis Paraphernalia Sales.* Dispensaries may sell or otherwise provide equipment, supplies, and paraphernalia used to consume cannabis and cannabis products.

E. *Electronic Point-of-Sale System Required.* Dispensaries must have an electronic point of sale system that is either part of their seed to sale software or integrates with their seed to sale software. The electronic point of sale system must be capable of producing an electronic or automatic paper record for all transactions associated with any product sold, rented, or otherwise provided to the customer.

F. *No Sales of Expired Product.* A dispensary may not sell any expired products, cannabis or cannabis products. A dispensary shall not alter, edit, or adjust in any manner an expiration date on any item or product once affixed by its manufacturer.

G. *Acceptable Forms of Payment.* The local licensing authority may adopt regulations that prohibit a dispensary from accepting certain forms of payment from customers for cannabis and cannabis products. A dispensary may accept cash payments unless the local licensing authority has adopted a regulation prohibiting the acceptance of cash.

H. *Handling of Edible Cannabis Products.* A dispensary that possesses edible cannabis products shall comply with the provisions of all relevant state and local laws regarding the storage, handling, and sale of food.

I. *Sale of Untested Products.* A dispensary may sell cannabis or cannabis products that have not been tested by a testing laboratory from January 1, 2018 until such time as determined by the state. Thereafter, all cannabis and cannabis products sold by a dispensary must be tested by a testing laboratory prior to sale to a purchaser in accordance with MAUCRSA.

J. *Delivery of Cannabis and Cannabis Products.* A dispensary that provides delivery service shall comply with the following requirements:

1. The dispensary shall not delivery cannabis or cannabis products to any location outside of California or to any location within California where the delivery of cannabis or cannabis products has been prohibited by the city or county.

2. The delivery service must be approved by the local licensing authority as a part of the licensing process. The deliveries must be conducted in accordance with any relevant state laws, this code, any applicable local laws in the delivery location, and any conditions imposed upon the license.

3. The dispensary must keep in place standard operating procedures that ensure the safety and security of those individuals engaging in delivery and the and security of all cannabis being delivered, including procedures to prevent diversion.

4. A dispensary may only deliver cannabis to a specific street address requested by the purchaser. Deliveries to public parks and schools are expressly prohibited.

5. Upon arrival at the delivery address and prior to transferring any cannabis or cannabis products, the delivery person must verify and confirm that the identity of the recipient is the same as the person who requested the delivery and that the person is either twenty-one years of age or a qualified patient or primary caregiver.

6. A dispensary shall report to the local licensing authority and local law enforcement any vehicle accidents, diversions, losses, or other reportable incidents such as thefts or suspicious activity, that occur during transportation and delivery, within twenty-four hours.

7. The delivery shall keep a delivery manifest that includes the following information:

- a. All cannabis that will be transported, accurately inventoried;
- b. Departure date and approximate time of departure;
- c. Arrival date and approximate time of arrival;
- d. Name, address, local license number and CUP number of the originating cannabis business;
- e. Name and address of the individual requesting the delivery;
- f. Delivery vehicle make, model, and license plate number; and
- g. Name and signature of the individual transporting the cannabis.

5.88.075 Manufacturing site operational requirements.

In addition to the operational requirements in Section 5.88.065, manufacturers must comply with the requirements set forth in this section.

A. *Edible Cannabis Products.* Edible cannabis products shall be manufactured, packaged and labeled in compliance with MAUCRSA and any implementing regulations adopted by the state.

1. Edible cannabis products must be individually packaged and ready for sale by the manufacturer prior to sale or transfer to another cannabis business.

2. Any person that is involved in the manufacture of edible cannabis products must be a state certified food handler. The valid certificate number of such person must be on record at the manufacturing site where that individual produces edible cannabis products.

3. Any facility used by a cannabis business to manufacture edible cannabis products shall be constructed, operated and inspected in accordance with the applicable building code and applicable food safety requirements.

4. A cannabis business that manufactures edible cannabis products must comply with the provisions of all relevant state and local laws regarding the preparation, distribution, and sale of food; which shall include, but not be limited to, hand-washing requirements, use of gloves for packaging, and policies prohibiting individuals suffering from symptoms associated with communicable diseases or infections from engaging the production of edible cannabis products.

B. *Expiration Date.* A cannabis business engaged in the manufacture of cannabis products, including an edible cannabis product, that is perishable shall assign an expiration-date or use-by date, whichever is appropriate, to all perishable cannabis products. Once an expiration date or use-by date is assigned to cannabis products, it shall be unlawful for a person to alter that date or affix a new label with a later use-by or expiration date.

C. *Extraction Requirements.*

1. A manufacturer engaged in extraction may only engage in type of extraction approved by the local licensing authority in its application for a local license. The licensee shall not make any modifications to the method of extraction without first obtaining a modification of its local license.

2. Within the limitations set forth by state law, a cannabis business that extracts cannabis or produces cannabis concentrate using a solvent must use a professional-grade, closed-loop extraction system capable of recovering the solvent used and must only use a solvent that is permissible under the MAUCRSA and the manufacturer's state license.

5.88.080 Cultivation operational requirements.

In addition to the operational requirements in Section 5.88.065, a cultivator must comply with the requirements set forth in this section.

A. Cultivators must comply with the Federal Worker Protection Standard (40 CFR 170).

B. The cultivation of cannabis must be conducted in accordance with all applicable federal, state, and local laws and regulations governing the use of pesticides.

C. The use of pesticides must be recorded in a log in accordance with 16 CCR Section 1970.

D. The cultivation of cannabis shall be conducted in a secure manner and shall not be visible from a public right of way. As used in this subsection (D), the term "visible" means capable of being seen without visual aid by an individual of normal acuity.

E. A licensee may not distribute, sell, dispense, or administer cannabis on the licensed premises of a cultivation site except for as authorized by the MAUCRSA and other applicable state law.

5.88.085 Distribution operational requirements.

In addition to the operational requirements in Section 5.88.065, distributors shall comply with the requirements of this section.

A. *Quality Assurance and Testing.*

1. Prior to distribution, the distributor shall inspect cannabis for quality assurance as required by MAUCRSA and to ensure the labeling and packaging of the cannabis and cannabis products conforms to the requirements of this chapter and MAUCRSA.

2. Distributors shall ensure that cannabis and cannabis products in its custody are tested by a licensed testing laboratory in accordance with MAUCRSA prior to distributing the cannabis and cannabis products to a dispensary.

B. *Transportation.*

1. A distributor may not transport cannabis to or from another cannabis business outside the state of California.

2. An individual may only transport cannabis on behalf of a distributor if the individual:

a. Is an employee of the distributor and is listed on the distributor's employee list;

b. Possesses a copy of the distributor's local license; and

c. Possesses a copy of a transportation manifest that meets all the requirements of MAUCRSA and subsection B.3.

3. *Transportation Manifest.*

a. A cannabis business must create a transportation manifest in accordance with this chapter for every transport and delivery of cannabis. A cannabis business must ensure that a copy of the appropriate transportation manifest accompanies every transport and delivery of cannabis and is kept for retention by the originating cannabis business.

b. If a cannabis businesses makes multiple pick-ups or deliveries during a single trip, then a separate transportation manifest shall be required for each pick-up or delivery.

c. A transportation manifest will be deemed sufficient if it accurately reflects:

i. All cannabis that will be transported to the address reflected on the manifest, accurately inventoried to include the weight of any raw cannabis or cannabis concentrate and the number of individual cannabis products;

ii. Departure date and approximate time of departure;

iii. Arrival date and approximate time of arrival;

iv. Name, address, local license number and CUP number (or, for cannabis businesses outside of Cathedral City, a similar number issued by the cannabis business's local jurisdiction) of the originating cannabis business;

v. Name, address, local license and CUP number (or, for cannabis businesses outside of Cathedral City, a similar number issued by the cannabis business's local jurisdiction) of the receiving cannabis business;

vi. Delivery vehicle make, model, and license plate number;

and

vii. Name and signature of the individual transporting the cannabis.

4. A cannabis business with a local license may only transport cannabis between licensed premises by way of motor vehicle, unless the transport is between two licensed premises that are within the same building or at the same street address.

5. A cannabis business with a local license shall transport cannabis in a manner that is secure and not visible from outside the vehicle.

6. An employee transporting cannabis pursuant to this chapter must take a direct route from the distributor to the destination of the other cannabis business(es) and may not make any stops other than those necessary in the ordinary course of business.

C. *Bonding.* Transporters shall comply with applicable state laws and regulations, if any, requiring that they be bonded and insured.

D. *Preparation of Cannabis and Cannabis Products for Transportation.*

1. All cannabis and cannabis products must be appropriately and completely tracked in a cannabis business's inventory tracking system prior to transportation to another cannabis business. This must include verifying and documenting the weight of any raw cannabis or cannabis concentrate and the number of individual cannabis products being transported.

2. Preparations for the transport of cannabis and cannabis products must be conducted in a limited access area on camera.

E. *Receiving Cannabis and Cannabis Products.*

1. A distributor may not receive cannabis or cannabis products unless accompanied by a transportation manifest that meets all of the requirements set forth in subsection B.3. The distributor must retain copies of transportation manifests associated with all deliveries of cannabis.

2. Immediately upon receipt, all cannabis and cannabis products must be appropriately and completely tracked in the distributor's inventory tracking system. This must include verifying and documenting the weight of any raw cannabis or cannabis concentrate and the number of individual cannabis products being transported.

F. *Perishable Cannabis Products.* A cannabis business must provide adequate refrigeration when engaged in the transportation of perishable cannabis products.

5.88.090 Testing laboratory operational requirements.

In addition to the operational requirements in Section 5.88.065, a testing laboratory shall comply with the requirements of this section.

A. *No Other Ownership.* An owner of a testing laboratory shall not have an ownership or other direct financial interest in any other commercial cannabis business license type.

B. *Accreditation.* A testing laboratory shall obtain and maintain ISO/IEC 17025 accreditation.

C. *Operating Procedures.* A testing laboratory shall adopt and adhere to standard operating procedures to ensure the reporting of accurate test results, including but not limited to equipment, calibration, and methodology standards, that are consistent with its ISO/IEC 17025 accreditation.

1. A testing laboratory shall obtain samples of cannabis and cannabis products for testing in accordance with a statistically valid method designed to ensure that a sample is representative of the whole. Sampling methods should have at least a 95% confidence rate.

2. A testing laboratory shall destroy and safely dispose of the remains of any samples of cannabis or cannabis products tested upon completion of the analysis and the expiration of any retention time pursuant to its standard operating procedures.

3. A testing laboratory shall maintain all testing results as a part of their respective business records and must keep such records pursuant to Section 5. 88. 065(V).

5.88.095 Packaging and labeling.

A. *Compliance with State Law.* All packaging and labeling of cannabis and cannabis products by a cannabis business must, at a minimum meet the requirements of Chapter 12 of MAUCRSA and any implementing regulations, as the same may be amended from time to time or superseded or replaced by subsequent state legislation or by any state department or division.

B. *Tamper-Evident, Child-Resistant Packaging Required.* Prior to delivery or sale at a dispensary to a purchaser, cannabis and cannabis products shall be labeled and placed in a resealable, tamper-evident, child-resistant package and shall include a unique identifier for the purposes of identifying and tracking cannabis and cannabis products.

C. *Cannot Be Attractive to Children.* Cannabis packaging and labeling shall not be designed to appeal to children, including, but not limited to, cartoon characters or similar images.

D. *State-Mandated Warnings and Information.* All cannabis and cannabis product labels and inserts shall include the state-mandated warnings and information contained in Business and Professions Code section 26120(c). Notwithstanding the foregoing, during the period of time that the state permits untested cannabis and cannabis products to be sold to purchasers, all cannabis and cannabis products must have a label affixed to each package that clearly states "This product has not been tested as required by the Medicinal and Adult-Use Cannabis Regulation and Safety Act" and must comply with any other labeling requirements imposed by the state.

5.88.100 Visitor requirements.

A. *Visitors.* Any individual permitted to enter a limited access area who is not a person that has undergone a background check in accordance with this chapter and is listed on the licensed premises worker list shall be considered a visitor. Notwithstanding the foregoing, state and local employees, or their official designees, shall not be considered a visitor provided the individual is on the licensed premises for purposes of official government business.

B. *Visitors Identification and Record Requirements.* Prior to permitting a visitor into a limited access area, a cannabis business must check the individual's valid government issued identification. The visitor shall be required to sign the cannabis business's visitor log, which must include the individual's name, date of entry, and purpose for entry.

C. *Visitors Must Be at Least Twenty-One Years of Age.* A cannabis business may not permit a visitor who is less than twenty-one years of age to enter a limited access area.

D. *Visitors Prohibited Conduct.* A visitor shall not be permitted to engage in the cultivation, preparation, processing, manufacturing, packaging, labeling, transportation, or sale of cannabis.

5.88.105 Limitations on city's liability.

To the fullest extent permitted by law, the city shall not assume any liability whatsoever, with respect to approving any local license pursuant to this chapter or the operation of any cannabis business approved for such local license pursuant to this chapter. As a condition of approval a local license granted under this chapter, the applicant or its legal representative shall:

A. Execute an agreement indemnifying and holding the city harmless from any and all claims, damages, legal or enforcement actions, including, but not limited to, any actions or claims associated with violation of federal law associated with the operation of the cannabis business and delivery of cannabis as provided in this chapter; and

B. Maintain insurance in the amounts and of the types that are acceptable to the city pursuant to guidelines and policies set forth by the local licensing authority; and

C. Name the city as an additionally insured on all city-required insurance policies;
and

D. Agree to defend, at its sole expense, any action against the city, its agents, officers, and employees related to the approval of a local license or conditional use permit or the operation of the cannabis business; and

E. Agree to reimburse the city for any court costs and attorney fees that the city may be required to pay as a result of any legal challenge (or federal enforcement action) related to the city's approval of a local license or conditional use permit. The city may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve the operator of its obligation hereunder.

5.88.110 Inspections.

A. Recordings made by security cameras at any cannabis business shall be made immediately available to the local licensing authority upon verbal request for law or regulatory enforcement and criminal investigation purposes. Such recordings shall be considered confidential and shall not be released to the public pursuant to Government Code section 6254(f) without the consent of the licensee.

B. The local licensing authority shall have the right to enter all cannabis businesses from time to time unannounced for the purpose of making reasonable inspections to observe and enforce compliance with this chapter. Such inspections shall be limited to observing the licensed premises for purposes of determining whether the cannabis business is being operated or maintained in compliance with this code, state law, and other applicable laws and regulations. Any cannabis business licensed pursuant to this chapter may be required to demonstrate, upon demand by the local licensing authority that the source and quantity of any cannabis or cannabis products found upon the licensed premises is in full compliance with any applicable local or state law or regulation.

C. The local licensing authority shall have the right to inspect records of medicinal cannabis patients and primary caregivers that have made purchases of medicinal cannabis or medicinal cannabis products from a dispensary for the sole purpose of determining whether any and all such individuals are qualified to make such purchases. Such inspections of records shall not be used for any other purposes, nor shall the records be removed off-site by the city without a court order.

D. The local licensing authority may delegate an act required to be performed pursuant to this section to any code enforcement officer or official of the city, including, without limitation, the chief of police, the fire chief, the building official, the finance director, the city attorney, or any designee of such officers or officials.

E. Applicants and licensees must cooperate with the local licensing authority and his designees who are conducting inspections or investigations relevant to the enforcement of laws and regulations related to this chapter.

5.88.115 Enforcement.

The provisions of this chapter may be enforced by the local licensing authority by any means provided for in Title 13 of this code in addition to any and all other remedies, civil, equitable or criminal, afforded to the city under the law.. The operation of a cannabis business in violation of this chapter or any conditions of approval placed on a licensee's local license is hereby deemed to be a public nuisance. As provided for in Title 13 of this code, the local licensing authority may issue administrative, infraction or misdemeanor citations, institute a summary abatement of a public nuisance that poses an immediate threat to the public health and safety, and/or institute proceedings to suspend, modify or revoke a local license.

5.88.120 Civil fines.

Any person convicted of an infraction or misdemeanor violation shall, for each separate violation of this chapter, be subject to the following civil fines in addition to any infraction or misdemeanor penalties:

A. A fine in an amount not to exceed two hundred fifty dollars for a first conviction of an offense;

B. A fine in an amount not to exceed five hundred dollars for a second conviction of the same offense within a twelve-month period of the date of the first offense;

C. A fine in an amount not to exceed seven hundred fifty dollars for a third conviction of the same offense within a twelve-month period of the date of the first offense; and

D. A fine of one thousand dollars for the fourth and subsequent convictions of the same offense within a twelve-month period of the date of the first offense.

5.88.125 Cathedral City cannabis task force.

The purpose of this section is to ensure that cannabis businesses in Cathedral City are conducted in a safe and orderly manner to protect the welfare of medicinal cannabis patients, primary caregivers, adult users, and the community.

A. *Cannabis Task Force Established.* The city manager shall appoint no less than nine members and no greater than fifteen members to the Cathedral City cannabis task force.

1. The city manager shall serve as the chair of the task force;

2. The cannabis task force shall consist of at least one representative from the following groups:

a. Cathedral City police department;

b. Cathedral City fire department;

c. Cathedral City planning department;

d. Cathedral City mayor's office;

e. A medicinal cannabis patient;

f. An owner of a dispensary;

g. An owner of a cultivation site;

h. An owner of a manufacturing site; and

i. An interested member of the Cathedral City community, who must be a resident.

B. *Bi-Annual Meetings Required.* The cannabis task force shall meet no less than twice per calendar year.

C. *Attendance Required.* A member of the cannabis task force shall be required to attend all task force meetings unless the chair of the task force excuses an absence.

D. *Task Force Duties.* The cannabis task force shall discuss and propose amendments to this code or any rules or regulations promulgated pursuant thereto to improve the efficacy of the regulatory system or public safety associated with the operation of cannabis businesses. In making recommendations, the task force shall consider the practicability of any recommendation for the city and cannabis businesses, reasonable and safe access to medicinal cannabis by medicinal cannabis patients, and impacts to the community.