



# CITY OF LONG BEACH

# R-20

DEPARTMENT OF CITY CLERK

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802 • (562) 570-6101 • FAX (562) 570-6789

September 1, 2015

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Receive and file the Medical Cannabis Task Force recommendations regarding the establishment of a medical cannabis regulatory ordinance. (Citywide)

## DISCUSSION

On February 17, 2015, the City Council adopted Resolution No. RES-15-0018, establishing a City of Long Beach Medical Cannabis Task Force for the purpose of providing the City Council with recommendations for the establishment of a medical cannabis regulatory ordinance within the City of Long Beach.

The Medical Cannabis Task Force has held eleven meetings beginning April 1, 2015, to review the City's proposed ordinance as approved by the Planning Commission, and provide recommendations for additional or alternative regulations.

Attached is a summary of actions from the Task Force with related Exhibits:

1. Exhibit A, is a list of recommendations voted on by the Task Force. The recommendations considered by the Task Force and voted to be forwarded to the City Council are listed in chronological order based on the date specific topics, such as zoning or public safety, were discussed;
2. Exhibit B, is a record of attendance;
3. Exhibit C, is the voting record of all Task Force members;
4. Exhibit D, is a copy of an alternative ordinance provided by a Task Force member. The Task Force voted to provide a copy of the ordinance to the City Council for purposes of review, but did not discuss whether to recommend any components of the alternative version;
5. Exhibit E, is a copy of the City's proposed regulatory ordinance, attached for your reference; and
6. Exhibit F, is the MBI Long Beach Medical Cannabis Task Force Summary.

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TIMING CONSIDERATIONS

None.

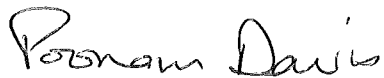
FISCAL IMPACT

None.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

A handwritten signature in black ink that reads "Poonam Davis". The signature is written in a cursive, flowing style.

POONAM DAVIS  
CITY CLERK

PD:ch

Attachments

## Task Force Recommendations

### Approved Recommendations:

1. Recommendation to equally distribute medical marijuana businesses throughout the City, with each district having the same maximum number of businesses.

**Yes: 9**

No: 3

Absent: 6

2. Recommendation to allow medical marijuana businesses in all zones except those that are exclusively residential, subject to established buffers.

**Yes: 7**

No: 5

Absent: 6

3. Recommendation to include 1,000 foot buffers from all schools in surrounding cities.

**Yes: 15**

No: 0

Absent: 3

4. Recommendation to require cultivation and/or processing sites be closed to the public.

**Yes: 15**

No: 0

Absent: 3

5. Recommendation to prohibit print advertising for medical marijuana businesses in newspapers and other circulations.

**Yes: 10**

No: 5

Absent: 3

6. Recommendation to allot two (2) points to individuals who successfully completed the LBMC 5.87 lottery.

**Yes: 9**

No: 6

Absent: 3

7. Recommendation to allot two (2) points to those operators who successfully completed the LBMC 5.87 lottery and who continue to possess the original location of their medical marijuana business.

**Yes: 8**

No: 7

Absent: 3

8. Recommendation to add 1000 foot buffers from libraries.

**Yes: 15**

No: 0

Absent: 3

9. Recommendation to add 1000 foot buffers from licensed child care facilities.

**Yes: 8**

No: 7

Absent: 3

10. Recommendation to consider high crime areas when determining which commercial zones are appropriate for medical marijuana business operations.

**Yes: 14**

No: 1

Absent: 3

11. Recommendation to keep buffers of 1,000 feet between medical marijuana businesses.

**Yes: 13**

No: 1

Absent: 4

12. Recommendation to prohibit co-location of medical marijuana businesses by maintaining 1000 foot buffers between marijuana businesses.

**Yes: 14**

No: 0

Absent: 4

13. Recommendation to allow home delivery by approved and permitted medical marijuana businesses.

**Yes: 13**

No: 1

Absent: 4

14. Recommendation to require testing by a third-party laboratory.

**Yes: 14**

No: 0

Absent: 4

15. Recommendation to allow testing facilities to determine the amount of marijuana necessary for testing.

**Yes: 13**

No: 1

Absent: 4

16. Recommendation that all applicable testing labs register with the City.

**Yes: 14**

No: 0

Absent: 4

17. Recommendation to allow medical marijuana businesses to share their product and supplies with other medical marijuana businesses in accordance with transportation and accounting regulations.

**Yes: 10**

No: 4

Absent: 4

18. Recommendation that the City Council determine the location of production facilities to create edibles and extracts.

**Yes: 13**

No: 1

Absent: 4

19. Recommendation to required LBPD and LBFD to maintain and track calls for services, recorded crime, and compare these statistics to surrounding cities.

**Yes: 7**

No: 5

Absent: 6

20. Recommendation that the City Council designate funding be provided for public safety requirements to the LBPD, LBFD, and City Attorney's Office.

**Yes: 12**

No: 0

Absent: 6

21. Recommendation to prohibit stationary security guards on the exterior of medical marijuana business dispensary sites during business hours.

**Yes: 12**

No: 0

Absent: 6

22. Recommendation to require surveillance video recordings be maintained by medical marijuana businesses for one year for the audit surveillance cameras and 30 days for all other surveillance cameras.

**Yes: 12**

No: 0

Absent: 6

23. Recommendation to determine the impact of legal challenges to the ordinance to medical marijuana businesses.

**Yes: 12**

No: 0

Absent: 6

24. Recommendation to require the City to comply with all federal law reporting requirements on cash receipts.

**Yes: 10**

No: 2

Absent: 6

25. Recommendation to add an annual regulatory fee to medical marijuana businesses be added to the ordinance.

**Yes: 11**

No: 0

Absent: 7

26. Recommendation to specify an application fee in the ordinance.

**Yes: 12**

No: 0

Absent: 6

27. Recommendation to maintain the City's ban until further action by the State.

**Yes: 7**

No: 6

Absent: 5

28. Recommendation to prohibit transfer of ownership of a medical marijuana business CUP, and to require a new Conditional Use Permit in the event of a change of ownership.

**Yes: 7**

No: 6

Absent: 5

29. Recommendation to present Task Force member Larry King's ordinance to the City Council.

**Yes: 9**

No: 4

Absent: 5

30. Recommendation to require the City to hold the CUP hearing within 60 days of an application being approved.

**Yes: 13**

No: 0

Absent: 5

**Failed Recommendations:**

31. Recommendation to allot two (2) points to applicants who have previously completed volunteer work prior to July 29, 2015 in the City of Long Beach.

**No: 11**

Yes: 4

Absent: 3

32. Recommendation that testing occur in a laboratory in Long Beach.

*This item did not receive a second for the motion to proceed to a vote.*

33. Recommendation that a phase-in approach be utilized to determine the ultimate cap on dispensaries.

*This item did not receive a second for the motion to proceed to a vote.*



34. Recommendation that medical marijuana businesses can procure marijuana directly from patients.

**No: 10**

Yes: 4

Absent: 3

35. Recommendation to permit cultivation outside of the City of Long Beach.

**No: 11**

Yes: 3

Absent: 4

36. Recommendation to focus the City's enforcement efforts on medical marijuana businesses in the CUP process.

**No: 7**

Yes: 6

Absent: 5

37. Recommendation to prohibit the LBPD from restricting patient activity in accordance with California law.

**No: 7**

Yes: 6

Absent: 5

38. Recommendation to require tax payments to the City be made by check.

**No: 8**

Yes: 4

Absent: 6

39. Recommendation to require the City to provide a letter of support to medical marijuana businesses facing an IRS audit.

**No: 11**

Yes: 1

Absent: 6

40. Recommendation to prohibit firearms at medical marijuana businesses.

**No: 9**

Yes: 3

Absent: 6

41. Recommendation to require the City Council members disclose all monies received from a medical marijuana business or affiliate.

**No: 9**

Yes: 4

Absent: 5

42. Recommendation to continue the ban on medical marijuana.

**No: 8**

Yes: 5

Absent: 5

43. Recommendation to require all applicants for a medical marijuana business CUP be residents of Long Beach for two (2) years prior to submitting an application.

**No: 10**

Yes: 2

Absent: 6

44. Recommendation to allow a maximum of three medical marijuana business CUPs per council district.

**No: 6**

Yes: 6

Absent: 6

MEDICAL CANNABIS TASK FORCE RECORD OF ATTENDANCE

	4/1	4/15	4/29	5/13	5/27	6/3	6/17	7/1	7/29	8/5	8/19
Chair Charlyn Bender, District 8	Y	N	Y	N	Y	Y*	N	Y	N	N	Y*
Vice Chair, Marc Greenberg, District 5	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Larry Bott, District 1	Y	Y	Y	Y*	N	N	Y	Y	Y	Y	N
Tony Rivera, District 1	Y	N	Y	N	Y	N	N	Y*	Y	N	Y
Adam Hijazi, District 2	Y	Y	Y	Y	Y	Y	Y	Y*	Y	Y	Y
Jack Smith, District 2	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sarah Sangmeister, District 3	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Denise Mester, District 3	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y*	Y
Joe Sopo, District 4	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Jan Ward, District 4	Y	Y	Y	Y	Y	Y	Y*	Y	Y	Y	N
Floyd Curry, District 5	A	Y	N	Y	N	Y	Y*	N	Y	Y	Y
Nick Morrow, District 6	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N
Greg Lefan, District 6	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Larry King, District 7	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y
Aaron Herzberg, District 7	Y	Y	Y*	N	Y	Y*	Y*	Y	Y*	N	N
Tunua Thrash-Ntuk, District 8	-	-	A	Y	Y	Y*	Y*	N	N	N	N
Kasia McDermott, District 9	Y	Y	Y	Y	Y	N	Y	Y	Y	Y*	Y
Aaron Blackburn, District 9	Y	Y	N	N	Y	N	N	N	N	N	N

Y = Attended as Task Force Member  
 Y\* = Attended, arrived late or left early  
 N = Absent  
 A = Attended prior to appointment as Task Force Member  
 - = Not yet appointed to Task Force

MEDICAL CANNABIS TASK FORCE VOTING RECORD

Task Force Recommendation Item	1	2	3	4	5	6	7	8	9	10	11
Chair Charlyn Bender, District 8	A	A	A	A	A	A	A	A	A	A	A
Vice Chair, Marc Greenberg, District 5	N	N	Y	Y	Y	N	N	Y	Y	Y	Y
Larry Bott, District 1	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y
Tony Rivera, District 1	A	A	Y	Y	Y	Y	N	Y	Y	Y	Y
Adam Hijazi, District 2	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y
Jack Smith, District 2	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sarah Sangmeister, District 3	N	N	Y	Y	Y	N	N	Y	Y	Y	Y
Denise Mester, District 3	A	A	Y	Y	Y	N	N	Y	Y	Y	Y
Joe Sopo, District 4	Y	Y	Y	Y	Y	N	Y	Y	N	Y	Y
Jan Ward, District 4	Y	N	Y	Y	Y	Y	N	Y	Y	Y	Y
Floyd Curry, District 5	N	N	Y	Y	Y	N	Y	Y	Y	Y	Y
Nick Morrow, District 6	Y	Y	Y	Y	N	Y	Y	Y	N	Y	Y
Greg Lefian, District 6	Y	Y	Y	Y	N	Y	Y	Y	N	Y	Y
Larry King, District 7	Y	Y	Y	Y	N	Y	N	Y	N	N	Y
Aaron Herzberg, District 7	Y	A	A	Y	N	N	N	Y	N	Y	A
Tunua Thrash-Ntuk, District 8	A	A	Y	A	A	A	A	A	A	A	A
Kasia McDermott, District 9	Y	Y	Y	Y	N	Y	N	Y	N	Y	N
Aaron Blackburn, District 9	A	A	A	A	A	A	A	A	A	A	A

Y = Yay  
 N = Nay  
 A = Absent or Abstained

Task Force Recommendation Item	12	13	14	15	16	17	18	19	20	21	22
Chair Charlyn Bender, District 8	A	A	A	A	A	A	A	A	A	A	A
Vice Chair, Marc Greenberg, District 5	Y	N	Y	N	Y	N	N	N	Y	Y	Y
Larry Bott, District 1	Y	Y	Y	Y	Y	N	Y	Y	A	A	A
Tony Rivera, District 1	Y	Y	Y	Y	Y	N	Y	A	Y	Y	Y
Adam Hijazi, District 2	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Jack Smith, District 2	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sarah Sangmeister, District 3	Y	Y	Y	Y	Y	N	Y	N	Y	Y	Y
Denise Mester, District 3	Y	Y	Y	Y	Y	Y	Y	Y	A	A	A
Joe Sopo, District 4	Y	Y	Y	Y	Y	Y	Y	A	Y	Y	Y
Jan Ward, District 4	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y
Floyd Curry, District 5	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Nick Morrow, District 6	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Greg Lefian, District 6	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Larry King, District 7	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Aaron Herzberg, District 7	A	A	A	A	A	A	A	A	A	A	A
Tunua Thrash-Ntuli, District 8	A	A	A	A	A	A	A	A	A	A	A
Kasia McDermott, District 9	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Aaron Blackburn, District 9	A	A	A	A	A	A	A	A	A	A	A

Y = Yay

N = Nay

A = Absent or Abstained

Task Force Recommendation Item	23	24	25	26	27	28	29	30	31	32	33
Chair Charlyn Bender, District 8	A	A	A	A	A	A	A	A	A	/	/
Vice Chair, Marc Greenberg, District 5	Y	Y	Y	Y	Y	Y	N	Y	N	/	/
Larry Bott, District 1	Y	N	Y	Y	Y	Y	Y	Y	N	/	/
Tony Rivera, District 1	A	A	A	A	A	A	A	A	A	/	/
Adam Hijazi, District 2	Y	Y	Y	Y	N	N	Y	Y	Y	/	/
Jack Smith, District 2	Y	Y	Y	Y	Y	Y	N	Y	Y	/	/
Sarah Sangmeister, District 3	Y	Y	Y	Y	Y	Y	Y	Y	N	/	/
Denise Mester, District 3	A	A	A	A	Y	Y	Y	Y	N	/	/
Joe Sopo, District 4	Y	Y	Y	Y	N	N	N	Y	N	/	/
Jan Ward, District 4	Y	Y	Y	Y	Y	Y	Y	Y	N	/	/
Floyd Curry, District 5	Y	Y	Y	Y	Y	Y	N	Y	N	/	/
Nick Morrow, District 6	Y	Y	Y	Y	N	N	Y	Y	N	/	/
Greg Leftan, District 6	Y	Y	A	Y	N	N	Y	Y	Y	/	/
Larry King, District 7	Y	N	Y	Y	N	N	Y	Y	Y	/	/
Aaron Herzberg, District 7	A	A	A	A	A	A	A	A	A	/	/
Tunua Thrash-Ntuli, District 8	A	A	A	A	A	A	A	A	A	/	/
Kasia McDermott, District 9	Y	Y	Y	Y	N	N	Y	Y	N	/	/
Aaron Blackburn, District 9	A	A	A	A	A	A	A	A	A	/	/

Y = Yay

N = Nay

A = Absent or Abstained

Task Force Recommendation Item	34	35	36	37	38	39	40	41	42	43	44
Chair Charlyn Bender, District 8	A	A	A	A	A	A	A	A	A	A	A
Vice Chair, Marc Greenberg, District 5	N	N	N	N	Y	N	Y	Y	Y	N	N
Larry Bott, District 1	N	N	N	N	N	N	N	N	Y	N	N
Tony Rivera, District 1	A	A	A	A	A	A	A	A	A	A	A
Adam Hijazi, District 2	Y	N	Y	Y	N	Y	N	N	N	N	Y
Jack Smith, District 2	N	N	N	N	N	N	N	N	N	Y	Y
Sarah Sangmeister, District 3	N	N	N	N	N	N	Y	Y	Y	N	N
Denise Mester, District 3	N	N	A	N	A	A	A	Y	Y	N	A
Joe Sopo, District 4	N	N	Y	N	N	N	N	N	N	N	Y
Jan Ward, District 4	N	N	N	N	Y	N	N	N	N	N	N
Floyd Curry, District 5	N	N	N	N	Y	N	Y	Y	Y	N	N
Nick Morrow, District 6	Y	Y	Y	Y	N	N	N	N	N	N	Y
Greg Lefian, District 6	Y	Y	Y	Y	N	N	N	N	N	N	Y
Larry King, District 7	Y	Y	Y	Y	N	N	N	N	N	N	Y
Aaron Herzberg, District 7	A	A	A	A	A	A	A	A	A	A	A
Tunua Thrash-Ntuk, District 8	A	A	A	A	A	A	A	A	A	A	A
Kasia McDermott, District 9	N	N	Y	Y	Y	N	N	N	N	N	N
Aaron Blackburn, District 9	A	A	A	A	A	A	A	A	A	A	A

Y = Yay  
N = Nay  
A = Absent or Abstained

ORDINANCE NO.

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3 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG  
4 BEACH AMENDING THE LONG BEACH MUNICIPAL CODE BY  
5 ADDING CHAPTER 5.91 TO ESTABLISH IMMUNITY FOR AND  
6 RESTRICTIONS ON MEDICAL CANNABIS BUSINESSES.

7  
8 WHEREAS, in 1996, the voters of the State of California approved  
9 Proposition 215, known as the Compassionate Use Act ("Act") (codified as  
10 Health and Safety (H&S) Code § 11362.5, et seq.), which creates limited  
11 immunity from criminal liability under California law, as opposed to federal law,  
12 for seriously ill persons who are in need of medical cannabis for specified  
13 medical purposes and who obtain and use medical cannabis under limited,  
14 specified circumstances; and

15 WHEREAS, in 2004, Senate Bill 420, known as the Medical Marijuana  
16 Program Act ("Program"), became law (codified as H&S Code § 11362.7, et  
17 seq.), which established a statewide identification card program for qualified  
18 medical cannabis patients and their primary caregivers and extended the Act's  
19 limited immunity from criminal liability to collective and cooperative cultivation of  
20 medical cannabis; and

21 WHEREAS, Section 11362.83 of the Program provides that local  
22 governments are free to adopt laws that are consistent with State law; and as  
23 such, may impose greater restrictions on medical cannabis collectives than those  
24 imposed by the Program; and

25 WHEREAS, in August 2008, the Attorney General of the State of California  
26 set forth Guidelines for the Security and Non-Diversion of Marijuana Grown for  
27 Medical Use ("Guidelines") which affirms the immunity of medical marijuana  
28



1 collectives and cooperatives under California law, but makes clear that such  
2 entities cannot be operated for profit, may not purchase marijuana from unlawful  
3 sources and must have a defined organizational structure that includes detailed  
4 records proving that members are legitimate patients; and

5 WHEREAS, in March 2010, the Long Beach City Council approved former  
6 Chapter 5.87 of the Long Beach Municipal Code ("LBMC") permitting and  
7 regulating Medical Cannabis Businesses; and

8 WHEREAS, on September 20, 2010, pursuant to former Chapter 5.87, the  
9 City conducted a medical marijuana permit lottery ("Lottery") where applicants  
10 were selected and became eligible for medical marijuana collective permits; and

11 WHEREAS, on October 4, 2011, the Second Appellate District of the  
12 California Court of Appeal ruled in the case of Pack v. Superior Court (199  
13 Cal.App.4th 1070 (2011)) ("Pack"), holding that significant provisions of former  
14 Chapter 5.87, which included regulations permitting and authorizing Medical  
15 Cannabis Businesses, are preempted by the federal Controlled Substances Act  
16 ("C.S.A") (21 U.S.C. Section 801, et seq.), which bans cannabis for all purposes;  
17 and

18 WHEREAS, on February 14, 2012, the Long Beach City Council repealed  
19 former Chapter 5.87 and enacted Chapter 5.89 of the LBMC banning medical  
20 cannabis collectives and cooperatives in the City of Long Beach; and

21 WHEREAS, in December 2011, California Attorney General Kamala Harris  
22 abandoned her efforts to revise the medical marijuana Guidelines and advised  
23 the State Legislature that in the opinion of the Attorney General, new legislation  
24 is required in order to resolve questions of law regarding medical cannabis that  
25 are not answered by existing law; and

26 WHEREAS, on May 6, 2013, the Supreme Court of California affirmed in  
27 the case of City of Riverside v. Inland Empire Patients Health and Wellness  
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1 Center (56 Cal.4th 729 (2013)) ("City of Riverside") that the Act and Program did  
2 not preempt local bans of Medical Cannabis Businesses; and

3 WHEREAS, numbers of lawsuits were filed by medical cannabis patients  
4 and dispensaries against the City of Long Beach between 2010 and 2015; and

5 WHEREAS, it is the City Council's intention that this Ordinance shall be  
6 deemed to comply with California law as established by the Act and the Program;  
7 and

8 WHEREAS, it is the City Council's intention that nothing in this Ordinance  
9 shall be construed to: (a) allow persons to engage in conduct that endangers  
10 others or causes a public nuisance; or (b) allow the use of cannabis for non-  
11 medical purposes of any kind; or (c) allow any activity relating to the cultivation,  
12 distribution, or consumption of cannabis that is otherwise not permitted under  
13 State law; and

14 WHEREAS, the City wishes to address issues related to Medical Cannabis  
15 Businesses in the City by granting limited immunity from enforcement of its  
16 prohibition of Medical Cannabis Businesses, as defined, to applicants seeking  
17 immunity that achieve a point score based on factors set forth herein, with such  
18 scoring being a ministerial function assessing objective criteria, and which further  
19 comply with the requirements set forth herein, until such time as the City Council  
20 adopts a new ordinance to the contrary;

21 NOW, THEREFORE, the City Council of the City of Long Beach ordains as  
22 follows:

23 SECTION 1. Chapter 5.91 is added to the Long Beach Municipal Code to  
24 read as follows:

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CHAPTER 5.91 MEDICAL MARIJUANA COLLECTIVES

5.91.010 Purpose and intent.

The purpose of this Chapter is to provide immunity from enforcement and prosecution under the LBMC for those Medical Cannabis Businesses that:

- (a) Achieve a point score based on factors set forth herein, with such scoring being a ministerial function assessing objective criteria; and
- (b) Comply with the requirements set forth herein, until such time as the City Council adopts a new ordinance to the contrary.

5.91.020 Definitions.

Unless the particular provision or the context otherwise requires, the definitions and provisions contained in this Section shall govern the construction, meaning, and application of words and phrases as used in this Chapter:

A. "Advertise" means the act of drawing the public's attention, whether in print or on the television, internet, cellular network, or radio, or any and all media now known or hereafter devised, to a Medical Cannabis Business in order to promote the Medical Cannabis Business.

B. "Agent-in-Charge" (A-I-C) means the individual designated by the members of the Medical Cannabis Business as the person responsible for all operations of the business in the absence of the owner(s) from the business property, as well as responsibility for all reporting streams to the City. Agent-in-charge may include any person or persons with managerial authority in the business, and/or any person that has access to lock or unlock the safe, to unlock or lock the business, or set or disarm the alarm.

1 C. "Cultivation" or "Cultivate" means: (1) all phases of growth of  
2 cannabis from seed to harvest; or (2) preparing, packaging or repackaging,  
3 labeling, or relabeling of a usable form of marijuana.

4 D. "Cultivation Facility" means a permitted Medical Cannabis Business  
5 that is authorized to cultivate, produce, and harvest cannabis plants for medical  
6 use for distribution by a Medical Cannabis Business.

7 E. "Distribute" or "Distribution" means the actual transfer, delivery, sale,  
8 or dispensing to another, with or without remuneration.

9 F. "Financier" means any person or entity who invests, lends money,  
10 grants, donates, or otherwise provides assets to any person applying for a permit  
11 or who meets the immunity conditions and requirements specified in this  
12 Chapter. Financier shall not include a bank, savings and loan association, credit  
13 union, or industrial bank supervised and regulated by an agency of the state or  
14 federal government.

15 G. "Cannabis" means the same as the slang term "marijuana" as set  
16 forth in California Health and Safety Code section 11018 which defines  
17 "marijuana" as all parts of the plant *Cannabis Sativa L.*, whether growing or not;  
18 the seeds thereof; the resin extracted from any part of the plant; and every  
19 compound, manufacture, salt, derivative, mixture, or preparation of the plant, its  
20 seeds or resin. It does not include the mature stalks of the plant, fiber produced  
21 from the stalks, oil or cake made from the seeds of the plant, any other  
22 compound, manufacture, salt, derivative, mixture, or preparation of the mature  
23 stalks (except the resin extracted there from), fiber, oil, or cake, or the sterilized  
24 seed of the plant which is incapable of germination.

25 H. "Medical Cannabis" means cannabis used for medical purposes in  
26 accordance with California Health and Safety Code Sections 11362.5 & 11362.7,  
27 et seq.

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I. "Medical Cannabis Business" means:

- (1) any association of ten (10) or more individuals that cultivates, produces, sells, distributes, possesses, transports or makes available medical cannabis to qualified patients and their designated primary caregivers who associate at a particular location or Property to collectively cultivate or distribute medical cannabis in accordance with California Health and Safety Code Sections 11362.5 and 11362.7, et seq. For purposes of this Chapter, the term medical cannabis cooperative, collective, or dispensary shall have the same meaning as Medical Cannabis Business. Medical Cannabis Business includes, but is not limited to, dispensary storefront locations, cultivation facilities, medical cannabis-infused product manufacturers, or any combination of the above.
- (2) any person that cultivates, produces, sells, distributes, possesses, transports more than six mature cannabis plants or twelve (12) immature marijuana plants, or eight (8) ounces of a useable form of marijuana for medical use, pursuant to California Health and Safety Code section 11362.5, et seq.
- (3) The term Medical Cannabis Business shall not include the private possession, production, or medical use of no more than six (6) mature marijuana plants or twelve (12) immature marijuana plants, or eight (8) ounces of a useable form of marijuana by a patient or caregiver in the residence of the patient, unless otherwise specified by a physician and shall not include the personal possession, cultivation or use of an amount of marijuana medically necessary for a patient in possession thereof.

1 (4) The term Medical Cannabis Business shall not include a group of  
2 nine (9) or fewer qualified patients who, each within the limits set  
3 forth in subsection (3), above, cultivate and provide cannabis to only  
4 the people in their group without profit and solely for the benefit of  
5 the group.

6 J. "Medical Cannabis - Infused Product" means a cannabis-infused,  
7 edible, ingestible, or inhalable product, including but not limited to, topical  
8 solutions and vaporizers.

9 K. "Medical Cannabis - Infused Product Manufacturer" means a  
10 licensed and permitted cannabis - infused product manufacturer.

11 L. "Medical Cannabis Plant" means a cannabis seed that is germinated  
12 and all parts of the growth there from including, without limitation, roots, stalks  
13 and leaves. For purposes of this Chapter, the portion of a medical cannabis plant  
14 harvested from the plant or converted to a usable form of medical cannabis for  
15 medical use is not considered part of the plant upon harvesting.

16 M. "Place Open to the General Public" means any property owned,  
17 leased, or used by a public entity, and any place on private property open to the  
18 public, common areas of buildings, private clubs, vehicles, those portions of any  
19 private property upon which the public has an express or implied license to enter  
20 or remain, and any place visible from such places.

21 N. "Possess" or "Possession" means having physical control of an  
22 object, or control of the property in which an object is located, or having the  
23 power and intent to control an object, without regard to whether the one in  
24 possession has ownership of the object. Possession may be held by more than  
25 one (1) person at a time. Use of the object is not required for possession. The  
26 owner(s) of a Medical Cannabis Business shall be considered in possession of  
27 the Medical Cannabis Business at all times. The general manager, or their  
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1 designee, of a Medical Cannabis Business shall be considered in possession of  
2 the Medical Cannabis Business at all times that the general manager is on the  
3 property of the business or has been designated by the owner as the business  
4 manager in the absence of the owner in accordance with this Chapter. Agent-in-  
5 Charge should, or could, be a separate person from general manager.

6 O. "Property" means a distinct and definite location, which may include  
7 a building, a part of a building, a room or any other defined contiguous area.

8 P. "Primary Caregiver" means the same as that term in California  
9 Health and Safety Code Sections 11362.5 and 11362.7 which define "primary  
10 caregiver" as an individual, designated by a qualified patient, who has  
11 consistently assumed responsibility for the housing, health, or safety of that  
12 qualified patient.

13 Q. "Produce" or "Production" means: (1) Preparing, compounding,  
14 processing, encapsulating, packaging or repackaging, labeling or relabeling of  
15 cannabis or its derivatives, whether alone or mixed with any amount of any other  
16 substance; or (2) Combining cannabis with any other substance for distribution,  
17 including storage and packaging.

18 R. "Responsible person" means any individual who is the owner, partial  
19 owner, or occupant of real property, last registered owner and/or legal owner of a  
20 vehicle, the holder, business manager, or the agent of the holder of any permit,  
21 or the party or agent of a party to any agreement covered by this Chapter; or the  
22 owner or authorized agent of any business, company or entity subject to this  
23 Chapter.

24 S. "Restricted Area" means the portion of a Medical Cannabis Business  
25 location within which the licensee defines on its application it intends to cultivate,  
26 distribute, possess or produce medical cannabis and which area.

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1 T. "Violation of Any Law" means a conviction, whether by verdict or  
2 finding of a violation of any law in a criminal, administrative proceeding, whether  
3 part of a plea agreement, settlement agreement, or determination by an  
4 arbitrator, hearing officer, court, or jury but does not mean conviction for any  
5 infraction or minor offense.

6 U. "Attending physician" has the same definition as set forth in Health  
7 and Safety Code section 11362.7.

8 V. "Guidelines" shall refer to the California Attorney General Guidelines  
9 for the Security and Non-diversion of Marijuana Grown for Medical Use, issued  
10 by the Attorney General's Office in August, 2008, as amended from time to time,  
11 which sets regulations intended to ensure the security and non-diversion of  
12 marijuana grown for medical use by qualified patients or primary caregivers.

13 W. "Delivery" means the act of taking something to a person or a place.

14 X. "Employee" means any person (whether paid or unpaid) who  
15 provides regular labor or regular services for a Medical Cannabis Business,  
16 including but not limited to at the location of a Medical Cannabis Business.

17 Y. "Identification card" means a document issued by the State  
18 Department of Health Services that document identifies a person authorized to  
19 engage in the medical use of marijuana and the person's designated primary  
20 caregiver, if any.

21 Z. "Live scan" means a system for inkless electronic fingerprinting and  
22 the automated background check developed by the California Department of  
23 Justice ("DOJ") which involves digitizing fingerprints and electronically  
24 transmitting the fingerprint image data along with personal descriptor information  
25 to computers at the DOJ for completion of a criminal record check; or such other  
26 comparable inkless electronic fingerprinting and automated background check  
27 process as determined by the city council.

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1 AA. "General Manager" means an employee responsible for  
2 management and/or supervision of a Medical Cannabis Business.

3 BB. "Lottery" means the September 20, 2010 Medical Marijuana Permit  
4 Lottery conducted by the City pursuant to former Chapter 5.87.

5 CC. "Non-profit" means to use surplus revenue to achieve the goals of an  
6 organization rather than distributing surplus revenue as profit or dividends.

7 DD. "Physical referral" means a written recommendation for a patient  
8 from a licensed medical doctor indicating that cannabis would be a beneficial  
9 treatment for a serious medical condition of the patient.

10 EE. "Police Department" means the Police Department of the City of  
11 Long Beach ("LBPD").

12 FF. "Primary caregiver" has the same definition as set forth in Health and  
13 Safety Code section 11362.7(d), (e), and as may be amended.

14 GG. "Qualified Patient" has the same definition as set forth in Health and  
15 Safety Code section 11362.7(f).

16 HH. "Reasonable Compensation" means compensation commensurate  
17 with wages and benefits paid to officers and employees of other not-for-profit  
18 organizations who have similar job descriptions and duties, required level of  
19 education and experience, prior individual earnings history, and number of hours  
20 worked. (As per Attorney General Guidelines).

21 II. "Serious Medical Condition" has the same definition as set forth in  
22 Health and Safety Code section 11362.7(h), and as may be amended.

23

24 5.91.030 Medical Cannabis Business – Prohibition and Limited Immunity.

25 (A) Pursuant to this Chapter and LBMC Chapter 5.89, in no event shall  
26 a Medical Cannabis Business, as defined, be considered a permitted or  
27 conditionally permitted use in any land use zoning district. A Medical Cannabis

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1 Business is prohibited in all land use zoning districts, as those may be amended  
2 from time to time, and no permit of any type shall be issued therefore.

3 (B) Notwithstanding the activities prohibited by this Chapter, and  
4 notwithstanding that Medical Cannabis Businesses are not and shall not become  
5 a permitted use in the City for so long as this Chapter remains in effect, a  
6 Medical Cannabis Business shall not be subject to the remedies set forth in the  
7 LBMC or to enforcement by the City for violation of this or any other provisions,  
8 so long as the Medical Cannabis Business complies with all requirements set  
9 forth in this Chapter and achieves a score above other applicants seeking  
10 immunity based on the following objective criteria, with each of the following  
11 conditions providing one (1) point toward the applicant's score:

12 (1) Applicant applied to participate in the September 20, 2010 Lottery  
13 (1pt).

14 (2) Between 2010 and 2012, Applicant was not subject to police arrests  
15 of employees or volunteers at the lottery-winning location in the City where any  
16 employee or volunteer was charged with and convicted of a felony resulting from  
17 failure of the Applicant to comply with the Act, Program or Guidelines (1pt).

18 (3) Applicant will possess and use the same location operated while  
19 former Chapter 5.87 was in effect, or had leased, rented or owned a real property  
20 location pursuant to and in conformance with former Chapter 5.87 that was the  
21 location where the Applicant applied to operate under that Chapter (1pt).

22 (4) Applicant provides a five (5) part comprehensive **Security Report**  
23 outlining all required or supplemental security measures including: (a) details of  
24 the video security system, including camera and monitor equipment  
25 specifications; (b) floor plan outlining camera and monitor locations; (c) report of  
26 all fire and burglar installed alarm systems, including data related to equipment to  
27 be used and identifying the 24-hour monitoring company; (d) detailed report of

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1 security personnel including placement, if guards are armed or not, and the  
2 identity and background of the security personnel; and (e) report detailing  
3 building location and physical security implement, including, but not limited to,  
4 bars and gates, security lighting, and measurements between parking spaces  
5 and entry and/or exit to ensure maximum safety for patients and employees  
6 (1pt).

7 (5) Applicant provides a comprehensive **Community Relations Plan**  
8 outlining all aspects of interaction between the dispensary and the immediate  
9 neighborhood, the City, and the community as a whole. The report should include  
10 details of protocols and procedures to handle complaints by neighboring  
11 residents and businesses, as well as by law enforcement and all City  
12 departments. It should also define programs supplied by the Medical Cannabis  
13 Business to educate the community about cannabis medicine and its benefits  
14 regarding individual medical conditions. It should also include any resources  
15 dedicated to the community such as pledges of charitable contributions, food  
16 drives, veteran and indigent assistance, presentations of the arts, community  
17 events, etc. The Applicant should include plans to contract or hire: (i) a veteran of  
18 the United States military or reserve forces; or (ii) an individual who suffers from  
19 one or more of the physical or mental conditions enumerated in subsections (1)  
20 through (10) of H&S § 11362.7 (1pt).

21 (C) Applicants for immunity under this Chapter will be prioritized for  
22 consideration based upon the score achieved under subsection (B) following  
23 submission of an application under section 5.91.040(Q). The Department of  
24 Finance shall set an initial submission date for applications to be received under  
25 this Chapter. Priority for immunity shall be based upon the: 1) point score  
26 achieved under subsection (B); and 2) order in time in which applications are  
27 received by the Department of Finance. At the time application is made under  
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1 section 5.91.040(Q), the Applicant shall submit any documentation required  
2 under this Chapter including, but not limited to, submissions enumerated in  
3 subsection (B) and documents supporting the scoring criteria.

4  
5 5.91.040 Medical Cannabis Business – Immunity Requirements.

6 A. All Medical Cannabis Businesses must at all times maintain workers'  
7 compensation insurance as required by the California Labor Code and  
8 employer's liability insurance in an amount not less than \$1,000,000. This policy  
9 shall be endorsed to state that the insurer waives its right of subrogation against  
10 City, its boards and commissions, and their officials, employees, and agents,  
11 public liability insurance with minimum limits of \$250,000 for any one person and  
12 \$1,000,000 for any one accident, and public property damage insurance with a  
13 minimum limit of \$500,000 for any one accident.

14 B. All Medical Cannabis Businesses shall provide to the City a lighting  
15 plan showing the lighting outside of the Medical Cannabis Business and  
16 compliance with applicable City requirements.

17 C. All Medical Cannabis Businesses shall provide to the City color  
18 images and a site plan indicating locations of proposed signage.

19 D. All Medical Cannabis Businesses shall provide to the City fully  
20 legible copies of one valid government issued form of photo identification, such  
21 as a State Driver's License or Identification Card and Live Scan fingerprinting  
22 completed at the Long Beach Police Department for each Agent in Charge,  
23 business manager and financier, who is employed by or under contract to  
24 provide services to the Medical Cannabis Business, including all individuals who  
25 have an interest as described herein of any portion of the Medical Cannabis  
26 Business, directly or as an owner, agent, or officer of a corporation, partnership,  
27 association or company.

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1 E. All Medical Cannabis Businesses shall provide to the City a plan for  
2 disposal of any unusable medical cannabis or medical cannabis-infused product  
3 that is not sold to a patient or primary caregiver in a manner that protects any  
4 portion thereof from being possessed or ingested by any person or animal.

5 F. All Medical Cannabis Businesses shall provide to the City a plan for  
6 proper ventilation and/or filtration of the Medical Cannabis Business that  
7 describes the systems that will be used to prevent any odor of medical cannabis  
8 from leaving the premises, as well as all internal ventilation systems used to  
9 control the environment for the plants.

10 G. All Medical Cannabis Businesses shall provide to the City a  
11 statement from a qualified electrician that the property is capable of handling the  
12 projected electrical load, or necessary upgrades that will be performed prior to  
13 final inspection of the property.

14 H. All Medical Cannabis Businesses shall provide to the City a  
15 description of the point of sale ("POS") software the Medical Cannabis Business  
16 will utilize to track inventory and sales of medical marijuana.

17 I. All Medical Cannabis Businesses shall provide to the City a  
18 statement signed under penalty of perjury by each owner or manager that they  
19 have read, understand, and shall ensure compliance with the terms of this  
20 Chapter.

21 J. All Medical Cannabis Businesses shall provide to the City a  
22 description of the business Security Plan, including a floorplan with placement of  
23 webcams, monitors, door/window protection, and security personnel.

24 K. A Medical Cannabis Business operating as a storefront dispensary  
25 (without an accompanying Cultivation Facility attached) is prohibited in any zone  
26 that is not commercial, retail, or industrial and if in a commercial, retail, or  
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1 industrial zone if prohibited if it does not meet the distance and buffer conditions  
2 described in this Chapter.

3 L. Notwithstanding the immunity provisions set forth in this Chapter, a  
4 maximum three (3) Medical Cannabis Businesses operating as storefront  
5 dispensaries per City district shall be provided limited immunity at the same time  
6 and no more than thirty-two (32) Medical Cannabis Businesses operating as  
7 storefront dispensaries in the City shall be provided limited immunity at the same  
8 time.

9 M. Unless in a zone designated industrial, no Medical Cannabis  
10 Business operating as storefront dispensary can be located within 1000 feet of  
11 another Medical Cannabis Business.

12 N. Medical Cannabis Businesses operating as Cultivation Facilities and  
13 storefront dispensaries that include Cultivation Facilities at the same location are  
14 prohibited in any zone not designated industrial and must meet all other  
15 conditions, restrictions and limitations, including but not limited to distance,  
16 spacing and buffer requirements, set forth in this Chapter, except that Medical  
17 Cannabis Businesses located in industrial zones are not subject to the spacing  
18 limitation set forth in section 5.91.040(M).

19 O. A Medical Cannabis Business shall not be located within one  
20 thousand five hundred (1,500) feet of a public or private high school or  
21 Educational Partnership High School ("EPHS") that is operational, or within one  
22 thousand (1,000) feet of a public park or a public or private kindergarten,  
23 elementary, middle, or junior high school. The distances specified in this  
24 subsection shall be determined by the horizontal distance measured in a straight  
25 line from the actual property line of the school, park, or other medical cannabis  
26 storefront business to the closest actual property line of the lot on which the  
27 Medical Cannabis Business is located, without regard to intervening structures.

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1 P. All Medical Cannabis Businesses operating as storefront  
2 dispensaries must have a secured and locked medical cannabis dispensary  
3 room, one or more private rooms (no security cameras or sound recording  
4 equipment shall be placed or operating in private rooms so as to comply with 45  
5 C.F.R. §§ 160-164, Privacy and Security provisions of the Health Insurance  
6 Portability and Accountability Act of 1996 {HIPAA}, and California's health care  
7 privacy laws) solely for consultation on the medical use of cannabis and the  
8 needs of the patient, a separate reception area for screening of patients, and a  
9 patient waiting area that is secured by a door preventing entry to any area where  
10 cannabis is stored or distributed.

11 Q. All Medical Cannabis Businesses shall apply for and obtain a  
12 Cannabis Tax Identification Number ("CTIN") from the Department of Finance  
13 and shall post the CTIN certificate in a conspicuous place. No more than thirty-  
14 two (32) CTIN certificates shall be valid at any time for Medical Cannabis  
15 Businesses operating as storefront dispensaries. CTINs shall be issued by the  
16 Department of Finance only after a review of compliance with this Chapter by the  
17 Medical Cannabis Business applicant and a determination by the Department of  
18 Finance that the Medical Cannabis Business is eligible for the limited immunity  
19 provided for under this Chapter.

20 R. All Medical Cannabis Businesses shall apply for and obtain a State  
21 of California seller's permit and shall post the permit in a conspicuous place.

22 S. A Medical Cannabis Business shall be ventilated and contain odor  
23 filters so that the odor of cannabis cannot be detected at the exterior of the  
24 Medical Cannabis Business or at any adjoining use or property.

25 T. All Medical Cannabis Businesses shall file City tax reports on a  
26 monthly basis to the Department of Finance in accordance with regulations  
27 promulgated by it from time to time.

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1 U. All Medical Cannabis Businesses shall pay required local taxes  
2 within thirty (30) days of the calendar month during which the taxes were  
3 accrued. Failure to pay required local taxes shall be grounds for immediate loss  
4 of immunity under this Chapter. Any tax paid to the City shall be paid by check,  
5 cashier's check, money order or electronic funds transfer and shall not be paid in  
6 cash or currency.

7  
8 5.91.060 Medical Cannabis Business – Prohibited Activities.

9 A. No marijuana shall be smoked, eaten, or otherwise consumed or  
10 ingested within a Medical Cannabis Business, except in a private employee area,  
11 for benefit of patient employees who are working more than four (4) hours in a  
12 one (1) day period at the Medical Cannabis Business.

13 B. No person, other than a pre-qualified patient, authorized caregiver,  
14 licensee, employee, or a contractor shall be in the dispensary room of any  
15 Medical Cannabis Business operating as a storefront dispensary. No patient or  
16 authorized caregiver shall be allowed entry into the medical cannabis dispensary  
17 room without showing their verifiable physician's recommendation and their valid  
18 picture ID, including a valid California Driver's License or Department of Motor  
19 Vehicle issued identification card.

20 C. Any and all cultivation, production, distribution, possession, storage,  
21 display, sales or other distribution of cannabis shall occur only within an enclosed  
22 area of a Medical Cannabis Business and shall not be visible from the exterior of  
23 the business.

24 D. Medical cannabis physician recommendations shall not be issued on  
25 the premises of any Medical Cannabis Business.

26 E. No person who has been convicted of a serious felony involving  
27 violence in the ten (10) year period preceding application made under section  
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1 5.91.040(D) shall be an Agent in Charge, manager, owner or general manger of  
2 any Medical Cannabis Business.

3 F. No Medical Cannabis Business shall be managed by any person  
4 other than an Owner, general manager, store manager, Agent in Charge or other  
5 individual who has complied with section 5.91.040(D) of this Chapter.

6 G. A Medical Cannabis Business shall be closed to the public, and no  
7 sale or other distribution of marijuana shall occur upon the property between the  
8 hours of nine o'clock (9:00) p.m. and eight o'clock (8:00) a.m.

9 H. No pesticides or insecticides which are prohibited by federal, state,  
10 or local law for fertilization or production of edible produce shall be used on any  
11 cannabis cultivated, produced or distributed by a Medical Cannabis Business. A  
12 Medical Cannabis Business shall comply with all applicable federal, state, and  
13 local law regarding use and disposal of pesticides.

14 I. A Medical Cannabis Business shall not maintain any more marijuana  
15 within the property than is permitted under applicable state law and shall  
16 maintain current records evidencing the status and number of patients for whom  
17 they cultivate or dispense medical cannabis.

18 J. The Agent in Charge of a Medical Cannabis Business shall report to  
19 the Department of Finance any planned transfer or change of financial interest,  
20 general manager, financier, or Agent in Charge of the Medical Cannabis  
21 Business at least thirty (30) days before such transfer takes place. Failure to  
22 report transfer in accordance with this subsection will result in loss of the limited  
23 immunity provided under this Chapter. No transfer shall be made to an individual  
24 ineligible under section 5.91.060(D).

25 K. Any Violation of the Law by any Agent in Charge, manager, general  
26 manager, financier, or owner of a Medical Cannabis Business shall be reported  
27 to the Department of Finance within ten (10) days of notice to any Agent in  
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1 Charge, manager, general manager or financier of any Medical Cannabis  
2 Business. Failure to report under this subsection shall be grounds for immediate  
3 loss of immunity under this Chapter.

4 L. Reports of all criminal activity or attempts of violation of any law at  
5 the Medical Cannabis Business or related thereto shall be reported to the Long  
6 Beach Police Department within twenty-four (24) hours of occurrence, if known,  
7 or within twelve (12) hours of notice to any Agent in Charge, manager, general  
8 manager, owner or financier of the subject Medical Cannabis Business.

9 M. Unless provided for by state law, it shall be unlawful for any person  
10 to transport medical marijuana, except as specifically provided for in the Act,  
11 Program or Guidelines, unless the medical marijuana being transported meets  
12 the following requirements:

13 (1) All medical marijuana-infused products are hand-packaged, sealed  
14 and labeled as provided in this Chapter and the products stored in closed  
15 containers that are labeled as provided in this section;

16 (2) All medical cannabis in a usable form for medicinal use is packaged  
17 and stored in closed containers that are labeled as provided in this section  
18 and are packaged for delivery; and

19 (3) Each container used to transport medical marijuana is labeled with  
20 the amount of medical marijuana or medical marijuana-infused products in  
21 the container. The label shall include the name and address of the Medical  
22 Cannabis Business that the medical cannabis is being transported from or  
23 the name and address of the patient that the medical cannabis is being  
24 delivered to.

25 N. Unless specifically provided for by state law, medical cannabis may  
26 be transported only:

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1 (1) From a medical cannabis cultivation facility anywhere in the State of  
2 California that is operated by members of the dispensary or collective to a  
3 Medical Cannabis Business operating as a storefront dispensary by the  
4 same entity or with common interest between members; or

5 (2) From a Medical Cannabis Business to a residence or workplace of a  
6 collective member/patient/authorized caregiver of that collective and then  
7 only when transported by employees of the Medical Cannabis Business  
8 who are bonded by a qualified bonding agency and covered by workers  
9 compensation and commercial automobile liability insurance.

10 O. A Medical Cannabis Business may not advertise in a manner that is  
11 inconsistent with the medicinal use of cannabis. A Medical Cannabis Business  
12 may not advertise in a manner that is misleading, deceptive, false, or is designed  
13 to appeal to minors. Advertisement that promotes medical cannabis for  
14 recreational or any use other than for medicinal purposes shall be a violation of  
15 this Chapter and shall be immediate grounds for loss of immunity under this  
16 Chapter.

17 P. Except as otherwise provided in this paragraph, it shall be unlawful  
18 for any person permitted under this Chapter or any other person to advertise any  
19 medical cannabis or medical cannabis-infused product anywhere in the city  
20 where the advertisement is in plain view of, or in a place open to the general  
21 public, including advertising utilizing any of the following media: illuminated signs,  
22 signs incorporating green crosses or other marijuana related symbol, any  
23 billboard or other outdoor general advertising device as defined by the zoning  
24 regulations of the City; any sign mounted on a vehicle; any hand-held or other  
25 portable sign; or any handbill, leaflet or flier directly handed to any person in a  
26 public place, left upon a motor vehicle, or posted upon any public property. The  
27 prohibition set forth in this paragraph shall not apply to:

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- 1 (1) Any sign located on the same lot as a medical cannabis  
2 business which exists solely for the purpose of identifying the location of  
3 the Medical Cannabis Business and which otherwise complies with this  
4 Chapter and any other applicable city laws and regulations;
- 5 (2) Any advertisement contained within a newspaper, magazine, or  
6 other periodical of general circulation within the City or on the Internet that  
7 complies with subsection 5.91.060(O); or
- 8 (3) Advertising which is purely incidental to sponsorship of a charitable  
9 event by a Medical Cannabis Business or a medical marijuana-infused  
10 products manufacturer.

11 M. The owner, manager, or Agent in Charge is required to respond by  
12 phone or email within twenty-four business hours of contact by a city official  
13 concerning their Medical Cannabis Business at the phone number or email  
14 address provided to the City as the contact for that person. Each twenty-four (24)  
15 hour period during which an owner or manager does not respond to the city  
16 official shall be considered a separate violation.

17 N. No Medical Cannabis Business may produce or distribute any form  
18 of synthetic cannabis.

19 O. No Medical Cannabis Business may use metals, butane, or  
20 propane to process marijuana.

21 P. Dispensing of medical cannabis that is not packaged in a manner  
22 which clearly shows the name of the Medical Cannabis Business that is providing  
23 the cannabis is prohibited.

24 Q. No Medical Cannabis Business shall operate for profit. Cash and in-  
25 kind contributions, reimbursements, and reasonable compensation (as per the  
26 Guidelines) provided by patients toward the Medical Cannabis Business  
27 expenses to grow, cultivate, and provide medical cannabis shall not be prohibited

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1 when made in strict compliance with State Law. All such cash and in-kind  
2 amounts and items shall be accounted for by the Medical Cannabis Business  
3 that must follow generally accepted accounting principles and methods. Failure  
4 to follow generally accepted accounting principles and methods by a Medical  
5 Cannabis Business is grounds for immediate loss of immunity under this  
6 Chapter.

7 R. No medical cannabis shall be distributed to any person that has not  
8 had a representative sample of at least one (1) gram per five (5) pounds tested  
9 for levels of tetrahydrocannabinol, cannabinoids, pesticides, chemicals and other  
10 organic or non-organic substances in accordance with testing guidelines that  
11 shall be promulgated by the Long Beach Department of Public Health.

12  
13 5.91.070 Inspection Authority.

14 Upon issuance of an Inspection Warrant as defined in § 1822.50 of the Ca.  
15 Code of Civil Procedure, City representatives may enter and inspect the Property  
16 of every Medical Cannabis Business between the hours of 10:00 A.M. and 9:00  
17 P.M., to ensure compliance and enforcement of the provisions of this Chapter.  
18 The Long Beach Department of Public Health shall be responsible for conducting  
19 inspections under this section and shall be notified of any inspection or action  
20 taken in respect to any Medical Cannabis Business by other departments.

21 A. The inspection and copying of private medical records shall be made  
22 available to the Police Department or any other state/municipal law enforcement  
23 agency only pursuant to a properly executed search warrant, subpoena, or court  
24 order and only when such use and disclosure by the City is in full compliance  
25 with the Privacy and Security provisions of the Health Insurance Portability and  
26 Accountability Act of 1996 (HIPAA), as codified at 42 U.S.C. § 1320d, and as  
27 amended in 2009 by the Health Information Technology for Clinical and  
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1 Economic Health Act ("HITECH"), as codified at 42 U.S.C. § 17901, *et seq.*  
2 (specifically subtitle D of the American Recovery and Reinvestment Act of 2009,  
3 the "ARRA"), and under the regulations promulgated by the Secretary of Health  
4 and Human Services found in 45 C.F.R. §§ 160-164 and updated from time to  
5 time.

6 B. It is unlawful for any Property owner, landlord, lessee, Medical  
7 Cannabis Business member or Management Member or any other person having  
8 any responsibility over the operation of the Medical Cannabis Business to refuse  
9 to allow, impede, obstruct or interfere with an inspection.

10 C. No information or records maintained by the City as a result of an  
11 inspection conducted pursuant to this Section or otherwise provided by a Medical  
12 Cannabis Business, Agents in Charge, Managing Members, members, financiers  
13 or owners to the City under this Chapter or as a result of any investigation shall  
14 be provided to the federal government unless a court of competent jurisdiction  
15 issues an order requiring such disclosure.

16  
17 5.91.080 Invalid Physician Recommendations.

18 A. No Medical Cannabis Business shall distribute medical cannabis to a  
19 patient or patient caregiver whose medical cannabis physician recommendation  
20 was issued by a physician who has been designated as an Invalid  
21 Recommendation Provider by the Long Beach Department of Public Health.

22 B. All Medical Cannabis Businesses shall check, upon presentation of  
23 a patient or authorized caregiver member's physician recommendation, whether  
24 the physician who provided the recommendation is listed on the Invalid  
25 Recommendation Provider List ("IRPL") that shall be maintained electronically by  
26 the Long Beach Department of Public Health.

27 C. The Long Beach Department of Public Health shall, when a  
28

1 complaint is made that a physician is issuing medical marijuana  
2 recommendations to patients without sufficient examination or grounds to do so,  
3 conduct an investigation of the physician's recommendation practices pursuant to  
4 the review policy for such investigations that shall be promulgated by the  
5 Department of Public Health ("DPH") from time to time. Following initial  
6 investigation made by DPH, if it is determined there is probable cause to believe  
7 the physician is issuing recommendations to patients who do not suffer from  
8 conditions enumerated in H&S §§ 11362.7(h), (1)-(11), a hearing will be set with  
9 a neutral administrative hearing officer presiding and shall be conducted in  
10 accordance with the hearing provisions set forth in this Code. Upon final  
11 determination by a hearing officer (and exhaustion of any appeals taken in  
12 accordance with this Code or state law), a finding by the hearing officer that the  
13 physician is issuing recommendations to patients who do not suffer from the  
14 conditions enumerated in H&S §§ 11362.7(h), (1)-(11) that is made by the  
15 hearing officer shall result in the physician's name being recorded by the DPH  
16 onto the IRPL. Upon any change to the IRPL, the DPH shall cause the updated  
17 IRPL to be made available within ten (10) days to all Medical Cannabis  
18 Businesses.

19 D. After a period of six (6) months following reporting of a physician on  
20 the IRPL, the reported physician may apply to the DPH for removal from the  
21 IRPL. The DPH shall promptly conduct an investigation and notify the physician  
22 of its decision. Should the DPH decide the physician remain on the IRPL, the  
23 physician may appeal in accordance with the hearing provisions in this Code.  
24 The DPH may assess a fee up to \$1,500.00 to a physician to be paid in advance  
25 for any application to be considered under this subsection.

26 E. Any Medical Cannabis Business that distributes marijuana to a  
27 person with a recommendation from a physician listed on the IRPL shall be  
28

1 subject to immediate loss of immunity under this Chapter and subject to the  
2 provisions of section 5.91.100.

3 F. The DPH shall handle all public complaints about Medical Cannabis  
4 Businesses and, after investigating any specific complaint, determine, in  
5 accordance with regulations it shall promulgate and update from time to time,  
6 take necessary action or refer action to another City agency.

7

8 5.91.100 Violation and enforcement.

9 A. Any person violating any provision of this Chapter or knowingly or  
10 intentionally misrepresenting any material fact under this Chapter, shall be  
11 deemed guilty of a misdemeanor punishable by a fine of not more than one  
12 thousand dollars (\$1,000) or by imprisonment for not more than twelve (12)  
13 months, or by both such fine and imprisonment.

14 B. Any person who engages in any Medical Cannabis Business  
15 operations without first obtaining a CTIN as specified in subsection 5.91.040(Q),  
16 or after issuance of a CTIN has been denied, suspended or revoked, shall be  
17 guilty of a misdemeanor.

18 C. As a nuisance per se, as similarly described for all businesses in the  
19 LBMC, any violation of this Chapter shall be subject to injunctive relief,  
20 revocation of the CTIN, disgorgement and payment to the City of Long Beach  
21 any and all monies unlawfully obtained, costs of abatement, costs of  
22 investigation, attorney fees, and any other relief or remedy available at law or  
23 equity. The City may also pursue any and all remedies and actions available and  
24 applicable under local and state law for any violations related to the operation of  
25 a Medical Cannabis Business that does not meet the immunity conditions and  
26 requirements set forth in this Chapter.

27

28



1 D. Any violation of the terms and conditions of this Chapter, or any  
2 knowing violation of applicable local or state regulations and laws shall be  
3 grounds for immediate loss of immunity under this Chapter.

4  
5 5.91.120 Operative date.

6 This ordinance will become effective ninety (90) days following its passage  
7 and adoption. The Department of Finance shall immediately accept CTIN  
8 applications and other documentation required by this Chapter immediately upon  
9 its passage. The limited immunity provisions of this Chapter shall become  
10 effective immediately upon passage and adoption.

11  
12 5.91.130 Severability.

13 If any provision of this Chapter, or the application thereof to any person or  
14 circumstance, is held invalid, that invalidity shall not affect any other provision or  
15 application of this Chapter that can be given effect without the invalid provision or  
16 application; and to this end, the provisions or applications of this Chapter are  
17 severable.

18  
19  
20 5.91.140 Establishment of Medical Cannabis Task Force.

21 A. A Long Beach Medical Cannabis Task Force is hereby established  
22 and shall consist of nine (9) members. Appointments to the Task Force shall be  
23 made and vacancies on the Task Force shall be filled by the Mayor and City  
24 Council in accordance with the provisions in Chapter 2.18 of this Code. Services  
25 of the members of the Task Force shall be voluntary and members will serve  
26 without compensation.

1 B. All members of the Task Force shall be residents of the City. The  
2 Task Force shall be comprised of the following members:

3 (1) Three Task Force members shall be representatives from three  
4 separate Medical Cannabis Businesses operating in the City;

5 (2) Three Task Force members shall be representatives of  
6 recognized neighborhood organizations which have at least one Medical  
7 Cannabis Business operating within its boundaries; and

8 (3) Three Task Force members shall be representatives of local  
9 patient advocacy organization(s) with backgrounds in working to protect  
10 the interests of medical marijuana patients.

11 C. The Medical Marijuana Task Force shall have the power and duty to:

12 (1) Recommend to the City operational and safety standards for Medical  
13 Cannabis Businesses operating in the City;

14 (2) Develop and make recommendations for a mediation process to be  
15 used by operators of medical cannabis dispensaries, patients, and  
16 neighbors of dispensaries to address community concerns and nuisance  
17 issues and resolve conflicts and disputes.

18 D. Sunset provision.

19 The Medical Marijuana Task Force shall terminate by operation of law on  
20 December 31, 2017, and after that date, the City Attorney shall cause this section  
21 to be removed from the Code.

22  
23 SECTION 2. The City Clerk shall certify to the passage of this Ordinance  
24 by the City Council and cause it to be posted in three conspicuous places in the  
25 City of Long Beach, and it shall take effect on the thirty-first (31<sup>st</sup>) day after it is  
26 approved by the Mayor. All winning applications shall be publically posted on the  
27 Long Beach City website, with personal and financial information redacted.

28

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AMENDING THE LONG BEACH MUNICIPAL CODE BY ADDING CHAPTER 21.XX; AND BY REPEALING CHAPTER 5.89, ALL RELATING TO MEDICAL MARIJUANA.

WHEREAS, the people of the State of California have enacted Proposition 215, the Compassionate Use Act of 1996 ("CUA") (codified in Health and Safety Code Section 11362.5, *et seq.*), which allows for the possession and cultivation of marijuana for medical use by certain qualified persons; and

WHEREAS, the CUA creates a limited exception from criminal liability for seriously ill persons who are in need of medical marijuana for specified medical purposes and who obtain and use medical marijuana under limited circumstances; and

WHEREAS, in 2004, the State of California enacted Senate Bill 420, the Medical Marijuana Program Act ("MMPA") (codified in California Health and Safety Code Section 11362.7 *et seq.*), which purports to clarify the scope of the CUA, and also which recognizes the right of cities and other governing bodies to adopt and enforce rules and regulations consistent with the MMPA; and

WHEREAS, notwithstanding the passage of the CUA and MMPA, the cultivation, possession, and distribution of marijuana is strictly prohibited by federal law and specifically by the Controlled Substances Act ("CSA") (codified in 21 U.S.C. Section 841); and Section 841 of the CSA makes it unlawful for a person to manufacture, distribute, dispense, or

OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

1 possess with intent to manufacture, distribute, or dispense marijuana; and

2 WHEREAS, the regulations for medical marijuana uses are not  
3 adequate at the state level to address the impacts on the City of medical  
4 marijuana, making it appropriate for local regulation of the impacts of medical  
5 marijuana uses; and

6 WHEREAS, pursuant to the City's police powers authorized in  
7 Article XI, Section 7, of the California Constitution, the Long Beach Municipal  
8 Code, and other provisions of California law including, but not limited to  
9 California Government Code Section 38771, the City has the power through  
10 its City Council to determine, for purposes of the public health, safety, and  
11 welfare, the appropriate uses of land within a local jurisdiction's borders; and

12 WHEREAS, nothing in this Chapter is intended to promote or  
13 condone the production, distribution, or possession of marijuana in violation of  
14 any applicable law; and

15 WHEREAS, this Chapter is to be construed to protect the public  
16 over medical marijuana related interests; and

17 WHEREAS, operation of a medical marijuana dispensary is a  
18 revocable privilege and not a right in the City. There is no property right for an  
19 individual or entity to have a medical marijuana business in the City; and

20 WHEREAS, the City has a zero tolerance policy for violations of  
21 this Chapter; and

22 WHEREAS, the City Council wishes to repeal Chapter 5.89 of  
23 the Municipal Code ("Medical Marijuana Dispensary Ban") in its entirety and  
24 at the same time adopt regulations allowing for the limited existence of  
25 medical marijuana dispensaries in the City of Long Beach;

26 NOW, THEREFORE, the City Council of the City of Long Beach  
27 ordains as follows:  
28

1                   Section 1. Chapter 21.XX of the Long Beach Municipal Code is added to  
2 read as follows:

3   Chapter 21.XX

4   MEDICAL MARIJUANA

5  
6                   21.XX. 010 Purpose.

7                   The primary purpose of this Chapter is to protect the public  
8 health, safety, and welfare of the residents and patients of the City by  
9 prescribing the manner in which medical marijuana dispensaries can operate  
10 in the City.

11                  This Chapter regulates the use, acquisition, cultivation,  
12 production, and distribution of medical marijuana in a manner that is  
13 consistent with California Health and Safety Code sections 11357 through  
14 11362.9, also referred to as the Compassionate Use Act ("CUA") and the  
15 Medical Marijuana Program Act ("MMPA"). The CUA and MMPA do not  
16 provide a legal manner for patients to obtain medical marijuana unless the  
17 patient grows the marijuana or the marijuana is grown by the patient's primary  
18 caregiver, or the marijuana is grown collectively by patients. The following  
19 regulations are intended to apply to all medical marijuana business operations  
20 in the City whether by a patient or primary caregiver, or a collective of  
21 patients, or any medical marijuana related entity allowed under the state law.  
22 Medical marijuana cultivation and production can have an impact on health,  
23 safety and community resources, and this Chapter is intended to allow  
24 medical marijuana distribution and cultivation only where it will have a minimal  
25 impact. To do so, the following regulations:

- 26                  A. Provide for a means for cultivation, production, and  
27 distribution of marijuana to patients who qualify to obtain, possess, and use  
28 marijuana for medical purposes under the CUA and MMPA;

1           B.     Protect public health and safety through reasonable limitations  
2 on medical marijuana business operations as they relate to noise, air, and  
3 water quality, food safety, neighborhood and patient safety, security for the  
4 dispensary location and its personnel, nuisance conditions, and other health  
5 and safety concerns;

6           C.     Promote lively street life and high quality neighborhoods by  
7 limiting the concentration of any medical marijuana businesses in the City;

8           D.     Impose fees to cover the cost to the City of regulating medical  
9 marijuana related operations in an amount sufficient for the City to recover  
10 its related costs;

11          E.     Adopt a mechanism for monitoring compliance with the  
12 provisions of this Chapter;

13          F.     Create regulations that address the particular needs of the  
14 residents and patients of the City and coordinate with laws that may be  
15 enacted by the State regarding the same;

16          G.     Facilitate the implementation of the CUA and MMPA without  
17 going beyond the authority granted by it;

18          H.     Allow medical marijuana related operations only by individuals  
19 and entities that have demonstrated an intent and ability to comply with this  
20 Chapter;

21          I.     Protect public safety and residential areas by limiting the  
22 areas of the City where medical marijuana businesses may operate;

23                The provisions in this Chapter that are different from State law are  
24 consistent with the City's responsibility to protect the public health, safety, and  
25 welfare as authorized by the inherent local police power authority granted to  
26 the City by Article XI, § 7 of the California Constitution. The City intends that  
27 both State law and this Chapter apply within the City.  
28

1 21.XX.020 Definitions.

2 A. "Advertise" means the act of drawing the public's attention,  
3 whether in print or on the television, internet, cellular network, or radio, or  
4 any and all media now known or hereafter devised, to a medical marijuana  
5 business in order to promote the sale of medical marijuana by the business.

6 B. "Business Manager" means the individual designated by the  
7 owner of the medical marijuana business as the person responsible for all  
8 operations of the business in the absence of the owner from the business  
9 property. Business manager shall include any person with managerial  
10 authority in the business, and any person that has access to lock or unlock  
11 the safe, to unlock or lock the business, or set or disarm the alarm.

12 C. "Cultivation" or "Cultivate" means:

- 13 1. All phases of growth of marijuana from seed to harvest;  
14 or  
15 2. Preparing, packaging or repackaging, labeling, or  
16 relabeling of a usable form of marijuana.

17 D. "Cultivation Facility" means a permitted medical marijuana  
18 business that is authorized to cultivate, produce, and harvest marijuana  
19 plants for a medical use for distribution by such medical marijuana  
20 business.

21 E. "Distribute" or "Distribution" means the actual, constructive or  
22 attempted transfer, delivery, sale, or dispensing to another, with or without  
23 remuneration.

24 F. "Financier" means any person or entity who lends money,  
25 grants, donates, or otherwise provides assets to any person applying for a  
26 permit or who has been issued a permit under this Chapter. Financier shall  
27 not include a bank, savings and loan association, credit union, or industrial  
28 bank supervised and regulated by an agency of the State or federal

1 government.

2 G. "Marijuana" means the same as the term "marijuana" as set  
3 forth in California Health and Safety Code section 11018 which defines  
4 "marijuana" as all parts of the plant Cannabis sativa L., whether growing or  
5 not; the seeds thereof; the resin extracted from any part of the plant; and  
6 every compound, manufacture, salt, derivative, mixture, or preparation of  
7 the plant, its seeds or resin. It does not include the mature stalks of the  
8 plant, fiber produced from the stalks, oil or cake made from the seeds of the  
9 plant, any other compound, manufacture, salt, derivative, mixture, or  
10 preparation of the mature stalks (except the resin extracted therefrom),  
11 fiber, oil, or cake, or the sterilized seed of the plant which is incapable of  
12 germination.

13 H. "Medical Marijuana" means marijuana used for medical  
14 purposes in accordance with California Health and Safety Code Sections  
15 11362.5, *et seq.*

16 I. "Medical Marijuana Business" means:

17 1. Any association of four (4) or more individuals that  
18 cultivates, produces, sells, distributes, possesses, transports or makes  
19 available medical marijuana to qualified patients and their designated  
20 primary caregivers who associate at a particular location or Property within  
21 the boundaries of the City of Long Beach to collectively cultivate or  
22 distribute medical marijuana in accordance with California Health and  
23 Safety Code Sections 11362.5, *et seq.* For purposes of this Chapter, the  
24 term medical marijuana cooperative, collective, or dispensary shall have the  
25 same meaning as medical marijuana business. Medical marijuana  
26 business includes, but is not limited to, dispensary storefront locations,  
27 cultivation facilities, and medical marijuana-infused product manufacturers.

28 2. Any person that cultivates, produces, sells, distributes,



1 possesses, transports more than six mature marijuana plants or twelve (12)  
2 immature marijuana plants, or eight (8) ounces of a useable form of  
3 marijuana for medical use, pursuant to California Health and Safety Code  
4 section 11362.5, *et seq.*

5 3. The term medical marijuana business shall not include  
6 the private possession, production, or medical use of no more than six (6)  
7 mature marijuana plants or twelve (12) immature marijuana plants, or eight  
8 (8) ounces of a useable form of marijuana by a patient or caregiver in the  
9 residence of the patient.

10 J. "Medical Marijuana-Infused Product" means a marijuana-  
11 infused, edible, ingestible, or inhalable product, including but not limited to  
12 topical solutions and vaporizers.

13 K. "Medical Marijuana-Infused Product Manufacturer" means a  
14 licensed and permitted marijuana-infused product manufacturer.

15 L. "Medical Marijuana Plant" means a marijuana seed that is  
16 germinated and all parts of the growth therefrom including, without  
17 limitation, roots, stalks and leaves. For purposes of this Chapter, the portion  
18 of a medical marijuana plant harvested from the plant or converted to a  
19 usable form of medical marijuana for medical use is not considered part of  
20 the plant upon harvesting.

21 M. "Permittee" means the medical marijuana business named on  
22 the conditional use permit and business license, and all individuals named  
23 in the conditional use permit application or later reported to the City,  
24 including without limitation, owners, business managers, financiers, and  
25 individuals owning any part of an entity that holds a financial or ownership  
26 interest in a medical marijuana business.

27 N. "Place Open To The General Public" means any property  
28 owned, leased, or used by a public entity, and any place on private property

1 open to the public, common areas of buildings, private clubs, vehicles,  
2 those portions of any private property upon which the public has an express  
3 or implied license to enter or remain, and any place visible from such  
4 places. "Place open to the general public" shall not include any fenced area  
5 of a private residence regardless of whether it can be seen from a place  
6 open to the public.

7 O. "Possess" or "Possession" means having physical control of  
8 an object, or control of the property in which an object is located, or having  
9 the power and intent to control an object, without regard to whether the one  
10 in possession has ownership of the object. Possession may be held by  
11 more than one (1) person at a time. Use of the object is not required for  
12 possession. The owner of a medical marijuana business shall be  
13 considered in possession of the medical marijuana business at all times.  
14 The business manager of a medical marijuana business shall be  
15 considered in possession of the medical marijuana business at all times  
16 that the business manager is on the property of the business or has been  
17 designated by the owner as the business manager in the absence of the  
18 owner in accordance with this Chapter.

19 P. "Property" means a distinct and definite location, which may  
20 include a building, a part of a building, a room or any other defined  
21 contiguous area.

22 Q. "Primary Caregiver" means the same as that term in California  
23 Health and Safety Code Sections 11362.5 and 11362.7 which define  
24 "primary caregiver" as an individual, designated by a qualified patient, who  
25 has consistently assumed responsibility for the housing, health, or safety of  
26 that qualified patient.

27 R. "Produce" or "Production" means:

- 28 1. Preparing, compounding, processing, encapsulating,

1 packaging or repackaging, labeling or relabeling of marijuana or its  
2 derivatives, whether alone or mixed with any amount of any other  
3 substance; or

4 2. Combining marijuana with any other substance for  
5 distribution, including storage and packaging for resale.

6 S. "Responsible person" means any individual who is the owner,  
7 partial owner, or occupant of real property, last registered owner and/or  
8 legal owner of a vehicle, the holder, business manager, or the agent of the  
9 holder of any permit, or the party or agent of a party to any agreement  
10 covered by this Chapter; or the owner or authorized agent of any business,  
11 company or entity subject to this Chapter.

12 T. "Restricted Area" means the portion of a medical marijuana  
13 business location within which the licensee defines on its application it  
14 intends to cultivate, distribute, possess or produce medical marijuana and  
15 which area is clearly identified as the restricted area on the floor plan  
16 submitted with the medical marijuana business CUP application for the  
17 business.

18 U. "Violation of Any Law" means a conviction, whether by verdict  
19 or finding of a violation of any law in a criminal, civil, or administrative  
20 proceeding, whether part of a plea agreement, settlement agreement, or  
21 determination by an arbitrator, hearing officer, court, or jury.

22  
23 21.XX.030 Permit required.

24 A. It shall be unlawful for any person or entity to operate, in or  
25 upon any property, a medical marijuana business without obtaining a  
26 conditional use permit pursuant to the requirements of this Chapter and  
27 Chapter 21.25.

28 The permit requirement set forth in this Chapter shall be in

1 addition to, and not in lieu of, a Long Beach business license and any other  
2 licensing and permitting requirements imposed by any other federal, state or  
3 local law, including, but not limited to, a California seller's permit and building  
4 and occupancy permits.

5 B. The issuance of any permit pursuant to this Chapter does not  
6 create an exception, defense, or immunity to any person or entity from  
7 criminal liability for the cultivation, production, distribution, transportation, or  
8 possession of marijuana.

9 C. A single conditional use permit shall be required for each  
10 property or combination of properties from which an individual medical  
11 marijuana business operates.

12 D. A conditional use permit issued pursuant to this Chapter shall  
13 become null and void upon the closure of the business for more than five  
14 (5) days, and/or the relocation of the business to a different location.

15 1. The following shall be deemed a change in location:

16 a. Any relocation or expansion that includes a  
17 separate piece of property, building suite, or parcel of land from the initially  
18 permitted Property;

19 b. Any expansion of the initially permitted Property  
20 which represents a greater than fifty percent (50%) increase in the square  
21 footage of space devoted to the medical marijuana business operations,  
22 including the restricted areas;

23 E. The lawful conduct of activity regulated by this Chapter by a  
24 Permittee shall be limited to those activities expressly indicated on the  
25 Medical Marijuana Business Permit application.

26 F. The Permittees of a medical marijuana business are only  
27 those persons disclosed in the application or subsequently disclosed to the  
28 City in accordance with this Chapter. A transfer of a conditional use permit

1 is prohibited unless the incoming medical marijuana business and its  
2 owners, business managers, financiers, and any individuals owning any  
3 part of an entity that holds a financial or ownership interest in the medical  
4 marijuana business submit the application information required by section  
5 21.XX.050 of this Chapter.

6  
7 21.XX.040 General permit provisions.

8 A. The general procedures and requirements of conditional use  
9 permits, as more fully set forth in Chapter 21.25, "Conditional Use Permits,"  
10 shall apply to conditional use permits. To the extent there is any conflict  
11 between the provisions of this Chapter and Chapter 21.25, the provisions of  
12 this Chapter shall control for conditional use permits related to medical  
13 marijuana businesses.

14 B. Insurance required.

15 A medical marijuana business must at all times maintain  
16 workers' compensation insurance as required by the California Labor Code  
17 and employers liability insurance in an amount not less than \$1,000,000. This  
18 policy shall be endorsed to state that the insurer waives its right of  
19 subrogation against City, its boards and commission, and their officials,  
20 employees, and agents, public liability insurance with minimum limits of  
21 \$250,000 for any one person and \$1,000,000 for any one accident, and public  
22 property damage insurance with a minimum limit of \$500,000 for any one  
23 accident.

24 C. Costs of inspection, enforcement, and abatement.

25 1. In the event the City incurs costs in the inspection,  
26 enforcement, abatement, surrender, or any other requirements to remove  
27 medical marijuana or related equipment or property from any medical  
28 marijuana business, or any person cultivating, producing, distributing or

1 possessing marijuana, the business and responsible persons shall  
2 reimburse the City all actual costs incurred by the City for such inspection,  
3 enforcement, or abatement.

4 2. All actual costs required by this section shall constitute  
5 a lien upon the property upon which the medical marijuana business is  
6 situated. The lien for any inspection, enforcement, or abatement costs shall  
7 attach thirty (30) days after the responsible parties are notified of the costs,  
8 and shall remain until the fee is paid or the property sold in payment  
9 thereof.

10 D. Landlord duty.

11 It shall be unlawful for the owner of a building to lease space or  
12 allow the use of any portion of the building by a medical marijuana business  
13 unless the tenant has a valid conditional use permit and a valid business  
14 license or has applied for and not been denied a conditional use permit and/or  
15 business license and no marijuana is located on the property until a permit  
16 has been issued by the City.

17 21.XX.050 Conditional use permit application.

18 A. Application requirements.

19 In addition to the general conditional use permit application  
20 requirements of Chapter 21.25, an application for a conditional use permit to  
21 operate a medical marijuana business shall include completed forms provided  
22 by the City for that purpose. The applicant shall use the application to  
23 demonstrate its compliance with this Chapter and any other applicable law,  
24 rule, or regulation. The application shall include the following information:

25 1. Name and address of the owner or owners of the medical  
26 marijuana business in whose name the permit is proposed to be issued.

27 2. If an owner is a corporation, the name and address of all  
28

1 officers or directors of the corporation and of any person holding issued and  
2 outstanding capital stock of the corporation.

3 3. If an owner is a partnership, association, or company, the  
4 name and address of any person holding an interest therein and the  
5 managing members. If a managing member is an entity rather than an  
6 individual, the same disclosure shall be required for each entity with an  
7 ownership interest until a managing member that is a natural person is  
8 identified.

9 4. If an owner is not a natural person, the organizational  
10 documents for all entities identified in the application, identification of the  
11 natural person that is authorized to speak for the entity and contact  
12 information for that person.

13 5. Name and address of:

14 a. Any business managers of the medical  
15 marijuana business, if the business manager is proposed to be someone  
16 other than the owner;

17 b. All financiers of the medical marijuana business;  
18 and

19 c. All agents of the medical marijuana business who  
20 either:

21 (i) act with managerial authority,

22 (ii) provide advice to the medical marijuana  
23 business for compensation, or

24 (iii) receive periodic compensation totaling  
25 \$1,000.00 or more in a single year for services related to the medical  
26 marijuana business.

27 6. A statement indicating whether any of the named owners,  
28 members, business managers, financiers, primary caregivers, or persons

1 named on the application have been:

2 a. Denied an application for a conditional use permit  
3 pursuant to this Chapter, or any similar state or local licensing or permitting  
4 law, rule, or regulation, or had such a license or permit suspended or  
5 revoked.

6 b. Convicted of violating any law, other than a traffic  
7 violation infraction, or completed any portion of a sentence due to a violation  
8 of any law.

9 c. Convicted of driving or operating other machinery  
10 under the influence of alcohol, drugs, or medication, driving while impaired, or  
11 any comparable law, or a misdemeanor related to abuse of alcohol or a  
12 controlled substance.

13 d. Owners, members, business managers, or  
14 financiers of any other medical marijuana business in any location, Long  
15 Beach or otherwise, at any time, and the status of the other business(es) as  
16 of the date the application is submitted.

17 7. Proof of ownership or legal possession of the Property at  
18 which the medical marijuana business will be located. If the medical  
19 marijuana business is not the owner of the property of the business, the  
20 applicant shall provide written authorization to the City from the property  
21 owner to enter the property for inspection of the property on a form approved  
22 by the City.

23 8. A certificate for proof of insurance signed by a qualified  
24 agent of an insurance company evidencing the existence of valid and  
25 effective policies of workers' compensation and public liability and property  
26 damage insurance naming the City and its officers and employees as an  
27 additional named insured on the liability policy at least to the limits required by  
28 section 21.XX.040(A) of this Chapter, the limits of each policy, the policy



1 number(s), the name of the insurer, the effective date, and expiration date of  
2 each policy, and a copy of an endorsement placed on each policy requiring  
3 ten days' notice by mail owner or business manager before the insurer may  
4 cancel the policy for any reason.

5 9. An operating plan for the proposed medical marijuana  
6 business, including the following information:

7 a. A description of all the products and services to  
8 be provided by the medical marijuana business.

9 b. A schedule depicting the hours of operation.

10 c. A description of the procedures for cash  
11 handling and audits.

12 d. A dimensioned floor plan, clearly labeled, showing:

13 (i) The layout of the facility and the floor plan  
14 in which the medical marijuana business is to be located;

15 (ii) The principal uses of the floor area depicted  
16 on the floor plan, including but not limited to the areas where non-patients will  
17 be permitted, private consulting areas, storage areas, retail areas, areas for  
18 cash handling and storage, and restricted areas where medical marijuana will  
19 be located; and

20 (iii) Electrical, mechanical, plumbing, disabled  
21 access compliance pursuant to Title 24 of the State of California Code of  
22 Regulations and the federally mandated Americans with Disabilities Act;

23 (iv) The separation of the areas that are open  
24 to persons who are not patients from those areas open to patients; and

25 (v) Any other information required by the City  
26 in its review of the application.

27 e. A neighborhood safety and responsibility plan  
28 that demonstrates how the applicant will comply with the requirements of

1 this Chapter and abate associated crime and nuisance conditions in the  
2 immediate vicinity of the marijuana business, and how the business will  
3 fulfill its responsibilities to the neighborhood including outreach and dispute  
4 resolution.

5 f. For cultivation facilities, and medical marijuana  
6 businesses that produce medical marijuana-infused products, a plan that  
7 specifies:

8 (i) The methods to be used to prevent the  
9 growth of harmful mold and compliance with limitations on discharge into  
10 the wastewater system of the city as set forth in Long Beach Municipal  
11 Code Chapter 15.16, "Industrial Waste and Wastewater."

12 (ii) A minimum of a one-hour fire separation  
13 wall between the cultivation facility and any adjacent business.

14 (iii) All ventilation systems used to control the  
15 environment for the plants that describes how such systems operate with  
16 the systems preventing any odor leaving the property. Such plan shall also  
17 include all ventilation systems used to mitigate noxious gases or other  
18 fumes used or created as part of the production process.

19 B. Additional requirements.

20 1. A lighting plan showing the lighting outside of the  
21 marijuana business and compliance with applicable City requirements.

22 2. Color images and a site plan indicating locations of  
23 proposed signage.

24 3. A fully legible copy of one valid government issued form  
25 of photo identification, such as a State Driver's License or Identification Card  
26 and Livescan fingerprinting completed at the Long Beach Police Department.  
27 This requirement shall apply to all owners, business managers, financiers,  
28 and caregivers employed by or under contract to provide services to the

1 medical marijuana business, including all individuals who have an interest as  
2 described herein of any portion of the medical marijuana business, directly or  
3 as an agent, or a member, partner or officer of a corporation, partnership,  
4 association or company.

5 4. A plan for disposal of any medical marijuana or medical  
6 marijuana-infused product that is not sold to a patient or primary caregiver in  
7 a manner that protects any portion thereof from being possessed or ingested  
8 by any person or animal.

9 5. A plan for ventilation of the medical marijuana business  
10 that describes the ventilation systems that will be used to prevent any odor of  
11 medical marijuana off the property of the business.

12 6. A description of all toxic, flammable, or other materials  
13 regulated by a federal, state, or local government that would have authority  
14 over the business if it was not a marijuana business, that will be used or kept  
15 at the medical marijuana business, the location of such materials, and how  
16 such materials will be stored, subject to review and approval by the Fire  
17 Marshall.

18 7. A statement of the amount of the projected daily average  
19 and peak electric load anticipated to be used by the business and certification  
20 from the landlord and utility provider that the property is equipped to provide  
21 the required electric load, or necessary upgrades that will be performed prior  
22 to final inspection of the property.

23 8. A description of the point of sale software the medical  
24 marijuana business will utilize to track inventory and sales of medical  
25 marijuana.

26 9. A statement signed under penalty of perjury by each  
27 owner or business manager that they have read, understand, and shall  
28 ensure compliance with the terms of this Chapter.

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C. Fee required.

Any application for a conditional use permit shall be accompanied by the conditional use permit application fee, criminal background check fee, and any other applicable fees.

1. Investigation.

For purposes of this Chapter, the investigation of the application by the City is not complete until the Department of Development Services has:

- a. Determined the application is complete;
- b. Determined the medical marijuana business is prepared and able to operate in compliance with all applicable laws;
- c. Obtained all other information the Director determines necessary to make a recommendation whether to approve the permit application with conditions or deny the permit application; and
- d. Prepared the documentation necessary to support the recommended action to the City's Planning Commission.

2. Approval requirements.

- a. Once the Department of Development Services deems an application complete, the matter will be set for hearing in accordance with Chapter 21.21 of the Long Beach Municipal Code.
- b. The Director will deny any application that does not meet the requirements of this Chapter or any other applicable law, rule, or regulation or that contains any false or incomplete information.
- c. The conditions of an approval of a conditional use permit shall include, at a minimum, operation of the business in compliance with all of the plans and information made part of the application.

1 21.XX.060 Persons prohibited as permittees and business managers.

2 It shall be unlawful for any of the following persons to have an  
3 ownership or a financial interest in a medical marijuana business, and no  
4 permit provided by this Chapter shall be issued to or held by, and no medical  
5 marijuana business shall be managed by:

- 6 1. Any person until the annual inspection fee has been paid;
- 7 2. Any person who has been convicted within the previous  
8 ten (10) years of a felony or a crime of moral turpitude, or who is currently on  
9 parole or probation for the sale or distribution of a controlled substance;
- 10 3. Any person who is under twenty-one (21) years of age; or
- 11 4. Any person who operates or manages or has operated or  
12 managed a medical marijuana business contrary to the provisions of this  
13 Chapter, any other applicable law, rule or regulation or conditions imposed on  
14 land use or license approvals, or contrary to the terms of the plans submitted  
15 with the permit application, or amended as permitted by this Chapter, or has  
16 operated a medical marijuana business in violation of any law.
- 17 5. A licensed physician making patient recommendations;
- 18 6. A person permitted to operate pursuant to this Chapter  
19 who, while lawfully operating, or who, at the time of application, has failed to  
20 remedy an outstanding delinquency for taxes owed, or an outstanding  
21 delinquency for judgments owed to a government;
- 22 7. A sheriff, deputy, police officer, or prosecuting officer, or  
23 an officer or employee of the state or local governing authority;
- 24 8. Any person applying for a conditional use permit to  
25 operate a medical marijuana business who has been permitted to operate  
26 another medical marijuana business in the City pursuant to this Chapter.

27  
28 21.XX.070 Location of medical marijuana businesses.

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A. Fixed location required.

It shall be unlawful to operate a medical marijuana business or to grow medical marijuana outside of an enclosed building. All conditional use permits shall be issued for a specific fixed location within an enclosed building.

B. Location – permitted use in zoning district.

A conditional use permit may be issued only if the medical marijuana business is located in an area zoned for the following:

1. As "Community Automobile-Oriented District ("CCA"), Regional Highway District ("CHW"), or "Industrial" for a medical marijuana business dispensary only;

2. As "industrial" for a medical marijuana business cultivation site only;

a. As "industrial" for a medical marijuana business dispensary and cultivation site; or

b. As "industrial" for a medical marijuana-infused product manufacturer.

C. Location – total per council district.

No more than one (1) medical marijuana business dispensary and four (4) medical marijuana business shared dispensary and cultivation sites or stand-alone medical marijuana business cultivation sites may operate in any council district. No more than eighteen (18) medical marijuana business conditional use permits may operate within the City.

D. Priority of medical marijuana business location.

1. Based on the zoning restrictions and limitations on concentration of medical marijuana businesses in the City, to determine the priority of a medical marijuana business application and the proximity of applicants' properties, applicants meeting all application requirements shall

1 have priority based on the accumulation of points based on the following  
2 criteria:

3 a. Suitability of the proposed property:

4 (i) Applicant demonstrates proposed  
5 location exceeds all buffer zones established in subsection (F) by at least  
6 five hundred (500) feet (1 point);

7 (ii) Proposed property possesses air scrubbers  
8 or a filtration system capable of eliminating odors from escaping the building  
9 or commitment to do so before operating (1 point);

10 (iii) Proposed property is located within 1000  
11 feet of a public transportation hub, stop, or station (1 point);

12 (iv) Proposed property is located at least 300  
13 feet from any residential zones.

14 b. Suitability of security plan:

15 (i) The applicant's security plan includes the  
16 presence of security personnel on premises twenty-four (24) hours per day  
17 (1 point);

18 (ii) The applicant's security plan  
19 demonstrates a method to track and monitor inventory so as to prevent theft  
20 and diversion of marijuana (1 point);

21 (iii) The applicant's security plan describes the  
22 enclosed, locked facility that will be used to secure or store marijuana when  
23 the location is both open and closed for business, and the steps taken to  
24 ensure marijuana is not visible to the public (1 point);

25 (iv) The applicant's security plan includes  
26 measures to prevent the diversion of marijuana to persons under the age of  
27 twenty-one (21) (1 point);

28 (v) Applicant demonstrates security measures

1 exceeding the requirements of this Chapter, including but not limited to brick  
2 or concrete construction or additional fire and/or security alarms (1 point);

3 c. Suitability of business plan and financial record  
4 keeping:

5 (i) The applicant describes a staffing plan  
6 that will provide and ensure safe dispensing, adequate security, theft  
7 prevention, and the maintenance of confidential information (1 point);

8 (ii) Applicant provides an operations manual  
9 that demonstrates compliance with this Chapter (1 point);

10 d. Criminal history:

11 (i) Applicants without any felony  
12 conviction(s) (1 point);

13 (ii) Applicants without any misdemeanor  
14 conviction(s) (1 point);

15 (iii) Applicants without any pending criminal  
16 complaint(s) (1 point);

17 (iv) Applicants certify as a condition of  
18 maintaining the revocable conditional use permit that they will not employ any  
19 person with any type of felony conviction (1 point);

20 (v) Applicants certify as a condition of  
21 maintaining the revocable conditional use permit that they will not employ as  
22 managers or employees any person with any narcotics related misdemeanor  
23 conviction (1 point).

24 e. Regulatory compliance history:

25 (i) Applicants and financiers have not had a  
26 permit or license revoked by the City of Long Beach (1 point);

27 (ii) Applicants have not had administrative  
28 penalties assessed against their business or the location of their business (1



1 point);

2 (iii) Applicants were successful lottery  
3 entrants in the City's September 10, 2010 application process (1 point).

4 f. Community service:

5 (i) Applicants demonstrate involvement in  
6 the community, other non-profit association, or neighborhood association (1  
7 point).

8 2. In the event review of the applications of two (2) or  
9 more eligible medical marijuana business applicants within the same district  
10 results in the same total number of points assigned, the City will utilize a  
11 lottery to determine which applicant receives priority.

12 E. No medical marijuana business may be located in residential  
13 or institutional zoning districts.

14 F. It shall be unlawful to operate a medical marijuana business in  
15 a building which contains a residence, within a dwelling unit within any  
16 zoning district, or within a residential zoning district or within a mixed-use  
17 development that includes a residence.

18 G. Separation from schools, parks, and other medical marijuana  
19 uses.

20 The property identified in the conditional use permit application  
21 must be located in accordance with the following:

22 1. The medical marijuana business is not located within  
23 one thousand five hundred (1,500) feet of a public or private high school or  
24 Educational Partnership High School ("EPHS") or within one thousand  
25 (1,000) feet of a public park or a public or private kindergarten, elementary,  
26 middle, or junior high school.

27 2. The medical marijuana business is not located within  
28 one thousand (1,000) feet of any other medical marijuana business, unless

1 it is located in an industrial zone.

2 3. The distances specified in this subsection shall be  
3 determined by the horizontal distance measured in a straight line from the  
4 property line of the school, park, or other medical marijuana business to the  
5 closest property line of the lot on which the medical marijuana business is  
6 located, without regard to intervening structures.

7 21.XX.080 Limitations on medical marijuana businesses.

8 The following shall be the minimum requirements for a medical  
9 marijuana business:

10 A. The area of a medical marijuana business dispensary is two  
11 thousand (2,000) square feet or less and at least five hundred (500) square  
12 feet are dedicated to a lobby and/or waiting area;

13 B. The area of a medical marijuana business cultivation site is  
14 five thousand (5,000) square feet or less;

15 C. The business distributes medical marijuana only in  
16 accordance with this Chapter and California law; and

17 D. The business includes a secured and locked medical  
18 marijuana dispensary room, one or more private rooms for consultation on  
19 the medical use of marijuana, and a separate reception area for screening  
20 of patients and waiting for non-patients.

21  
22 21.XX.090 Requirements related to operation of medical marijuana  
23 businesses.

24 A. Onsite use prohibited.

25 No marijuana shall be smoked, eaten, or otherwise consumed  
26 or ingested within the medical marijuana business.

27 B. Restriction on access to restricted area.  
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No person, other than a patient, licensee, employee, or a contractor shall be in the medical marijuana dispensary room. No patient shall be allowed entry into the medical marijuana dispensary room without showing their valid picture ID.

C. Display of permits required.

The name and contact information for the owner or owners and any business manager of the medical marijuana business, the conditional use permit, the business license, and the sales tax seller's permit shall be conspicuously posted in the business.

D. Business conducted within building.

1. Any and all cultivation, production, distribution, possession, storage, display, sales or other distribution of marijuana shall occur only within an enclosed area of a medical marijuana business and shall not be visible from the exterior of the business.

2. Consultations by medical professionals shall not be permitted at a medical marijuana business nor as a permitted accessory use at a medical marijuana business.

3. Owner or business manager required on property.

E. No medical marijuana business shall be managed by any person other than the Permittee or the business manager listed on the application for the permit or a renewal thereof. Such Permittee or business manager shall be on the property and responsible for all activities within the licensed business during all times when the business is open.

F. Hours of operation.

1. A medical marijuana business shall be closed to the public, and no sale or other distribution of marijuana shall occur upon the property between the hours of seven o'clock (7:00) p.m. and eight o'clock (8:00) a.m.

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G. Use of pesticides.

1. No pesticides or insecticides which are prohibited by federal, state, or local law for fertilization or production of edible produce shall be used on any marijuana cultivated, produced or distributed by a medical marijuana business. A medical marijuana business shall comply with all applicable federal, state, and local law regarding use and disposal of pesticides.

H. Ventilation required.

1. A medical marijuana business shall be ventilated so that the odor of marijuana cannot be detected at the exterior of the medical marijuana business or at any adjoining use or property.

I. Use of carbon dioxide generators prohibited.

The medical marijuana business shall not use carbon dioxide generators, burners, or converters of any kind. Medical marijuana businesses are prohibited from altering normal air composition in any manner.

J. Limitations on inventory.

The medical marijuana business shall not maintain any more marijuana within the property than is permitted under applicable state law. The medical marijuana business shall not maintain any more marijuana than the amount stated on the business' permit application to the City. The medical marijuana business shall maintain current records evidencing the status and number of patients for whom they cultivate or dispense medical marijuana. The medical marijuana business shall maintain current records evidencing the strains of marijuana cultivated and sold.

K. City residency requirement.

Patients obtaining medical marijuana from medical marijuana businesses must bona fide residents of the City of Long Beach. Patients must provide proof of City residency upon joining the membership of a

1 medical marijuana business. Medical marijuana businesses must verify and  
2 maintain patient proof of residency.

3  
4 L. Reporting requirements.

5 A medical marijuana business shall report to the Director each  
6 of the following within the time specified. If no time is specified, the report  
7 shall be provided within seventy-two hours of the event.

8 1. Transfer or change of financial interest, business  
9 manager, financier, or primary caregiver in the permit application at least  
10 thirty days before the transfer or change.

11 2. Sales and taxable transactions and file sales and use  
12 tax reports to the City monthly.

13 3. A violation of any law by any Permittee or applicant of a  
14 medical marijuana business.

15 4. Reports of all criminal activity or attempts of violation of  
16 any law at the medical marijuana business or related thereto shall be  
17 reported to the Long Beach Police Department within twelve hours of  
18 occurrence.

19  
20 M. Cultivation within the City required.

21 1. All medical marijuana distributed from a medical  
22 marijuana business must be cultivated within the City of Long Beach.

23 2. Medical marijuana cultivated within in the City  
24 boundaries may not be transported or disseminated out of the City of Long  
25 Beach.

26 3. Medical marijuana cultivation shall be limited to single  
27 level growing areas, all stacks or multi-story growing methods are  
28 prohibited.

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N. Delivery between medical marijuana businesses.

It shall be unlawful for any person to transport medical marijuana, except as specifically allowed by applicable law, unless the medical marijuana being transported meets the following requirements:

1. All medical marijuana-infused products are hand-packaged, sealed and labeled as provided in this Chapter and the products stored in closed containers that are labeled as provided in this section.

2. All medical marijuana in a usable form for medicinal use is packaged and stored in closed containers that are labeled as provided in this section.

3. Each container used to transport medical marijuana is labeled with the amount of medical marijuana or medical marijuana-infused products, or the number and size of the plants, in the container. The label shall include the name and address of the medical marijuana business that the medical marijuana is being transported from and the name and address of the medical marijuana business that the medical marijuana is being transported to. The label shall be shown to any law enforcement officer who requests to see the label.

4. Unless otherwise specifically allowed by applicable law, medical marijuana may be transported only:

a. From a medical marijuana cultivation facility to a medical marijuana business dispensary storefront; and

b. Which medical marijuana business dispensary storefront is owned by the same person as owns the cultivation facility; and

c. When determining and reporting the route to take, Permittees should select the most direct route that provides safety and efficiency.

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O. Disposal of medical marijuana and marijuana byproducts.

All medical marijuana and any product containing a usable form of marijuana must be made unusable and unrecognizable prior to removal from the business in compliance with all applicable laws. This provision shall not apply to licensed law enforcement acting in the course of their duties.

P. Possession of mature flowering plants.

No more than one-half of the medical marijuana plants within a medical marijuana business may be mature, flowering plants producing a usable form of marijuana.

Q. Advertisement.

A medical marijuana business may not advertise in a manner that is inconsistent with the medicinal use of medical marijuana. A medical marijuana business may not advertise in a manner that is misleading, deceptive, false, or is designed to appeal to minors. Advertisement that promotes medical marijuana for recreational or any use other than for medicinal purposes shall be a violation of this Chapter. The following conditions shall apply:

1. Except as otherwise provided in this paragraph, it shall be unlawful for any person permitted under this Chapter or any other person to advertise any medical marijuana or medical marijuana-infused product anywhere in the city where the advertisement is in plain view of or in a place open to the general public, including advertising utilizing any of the following media: illuminated signs, signs incorporating green crosses or other marijuana related symbol, any billboard or other outdoor general advertising device as defined by the zoning regulations of the City; any sign mounted on a vehicle; any hand-held or other portable sign; or any handbill, leaflet or flier directly handed to any person in a public place, left upon a motor vehicle, or

1 posted upon any public or private property. The prohibition set forth in this  
2 paragraph shall not apply to:

3 a. Any sign located on the same lot as a medical  
4 marijuana business which exists solely for the purpose of identifying the  
5 location of the medical marijuana business and which otherwise complies with  
6 this Chapter and any other applicable city laws and regulations;

7 b. Any advertisement contained within a newspaper,  
8 magazine, or other periodical of general circulation within the City or on the  
9 Internet; or

10 c. Advertising which is purely incidental to  
11 sponsorship of a charitable event by a medical marijuana business or a  
12 medical marijuana-infused products manufacturer.

13 d. No medical marijuana business shall distribute or  
14 allow the distribution of any marijuana without charge within a marijuana  
15 business or any place open to the public for the purpose of promotion or  
16 advertising.

17 e. No medical marijuana business shall distribute or  
18 allow the distribution of any coupon or similar writing, electronically or on  
19 paper, which purports to allow the bearer to exchange the same for any  
20 marijuana product, either free or at a discount.

21 f. No medical marijuana business shall sell,  
22 distribute, or provide, or allow the sale, distribution, or provision of, products  
23 marked with its name or logo, other than packaging in which medical  
24 marijuana is sold or on medical marijuana products. This prohibition shall not  
25 prevent employees of the business from wearing uniforms with the name or  
26 logo of the medical marijuana business while working for the business on the  
27 business property.

28 R. Medical marijuana business response time.



1                   The owner or manager is required to respond by phone or email  
2 within twenty-four hours of contact by a city official concerning their medical  
3 marijuana business at the phone number or email address provided to the  
4 City as the contact for the business. Each twenty-four (24) hour period during  
5 which an owner or manager does not respond to the city official shall be  
6 considered a separate violation.

7                   S.     Concentrated, synthetic, and extracted marijuana products  
8 prohibited.

9                   1.     No medical marijuana business may produce or  
10 distribute concentrated or any form of synthetic cannabis.

11                   2.     No medical marijuana business may use metals,  
12 butane, propane or other flammable product, or produce flammable vapors  
13 to process marijuana. No medical marijuana business may utilize an  
14 extraction method of any kind.

15                   T.     Packaging at a medical marijuana business.

16                   All dispensed medical marijuana must be packaged in a  
17 manner which clearly shows the name of the dispensary providing the  
18 medical marijuana, name of the patient receiving the medical marijuana,  
19 date the marijuana is dispensed, amount of marijuana dispensed, and  
20 amount paid by the patient to obtain the marijuana.

21                   U.     No medical marijuana business shall operate for profit.

22                   No medical marijuana business shall operate for profit. Cash  
23 and in-kind contributions, reimbursements, and reasonable compensation  
24 provided by patients toward the medical marijuana business' actual expense  
25 to grow, cultivate, and provide medical marijuana shall be allowed provided  
26 that they are in strict compliance with State Law. All such cash and in-kind  
27 amounts and items shall be fully documented in accordance with Section  
28 \_\_\_\_\_ of this Chapter.

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21.XX.100 Lab testing of medical marijuana required.

A. A medical marijuana business must ensure that usable marijuana and plants are tested for pesticides, mold and mildew, and THC percentages in accordance with this section prior to the transfer of marijuana to a consumer.

B. As part of the cultivation process, medical marijuana businesses must ensure marijuana is segregated into batches, that each batch is placed in an individual container or bag, and that a label is attached to the container or bag that includes at least the following information:

- 1. A unique identifier;
- 2. The name of the person who transferred it; and
- 3. The dates the marijuana batch was cultivated and

made available for sale at the dispensary storefront.

C. Sampling.

The medical marijuana business must ensure that random samples from each batch are separated in an amount necessary to conduct the applicable test, that the samples are labeled with the batch's unique identifier, and are properly submitted for testing.

D. Testing.

The medical marijuana business must ensure that each sample is tested for pesticides, mold, and mildew and for an analysis of the levels of tetrahydrocannabinol (THC) and Cannabidiol (CBD).

E. Immature Plants.

An immature plant may be tested for pesticides, mold, or mildew by conducting a macroscopic or microscopic screening to determine if the plant has visible pesticide residue, mold, or mildew.

F. Flowers or other usable marijuana plant material.

1 Medical marijuana in the form of flowers or other plant material must  
2 be:

3 1. Tested for pesticides, mold, and mildew using valid  
4 testing methodologies and macroscopic or microscopic screening may not  
5 be used;

6 2. Tested for pesticides by testing for the following  
7 analytes:

- 8 a. Chlorinated Hydrocarbons;
- 9 b. Organophosphates;
- 10 c. Carbamates; and
- 11 d. Pyrethroids; and

12 3. Analyzed, using valid testing methodologies, to  
13 determine the levels of THC and CBD.

14 G. Edibles and liquids.

15 If medical marijuana used in the edible or liquid has been tested in  
16 accordance with this section and tested negative for pesticides, mold, or  
17 mildew, the edible or liquid does not need to be tested for pesticides, mold,  
18 and mildew but does need to be tested for an analysis of the levels of THC  
19 and CBD. If the medical marijuana used in the edible or liquid was not tested  
20 in accordance with this section, the edible or liquid must be tested for  
21 pesticides, mold or mildew in accordance with this section.

22 H. Laboratory Requirements.

23 A medical marijuana business must ensure that all testing, except for  
24 testing of immature plants, is done by a third party or laboratory that:

25 1. Uses valid testing methodologies; and  
26 2. Has a Quality System for testing of pesticides, mold,  
27 and mildew that is compliant with the:

- 28 a. 2005 International Organization for

1 Standardization 17025 Standard; or

2 b. 2009 National Environmental Laboratory  
3 Accreditation Conference Institute TNI Standards.

4 c. Macroscopic or microscopic screening of  
5 immature plants must be conducted by a person who has a minimum of a  
6 bachelor's degree in horticulture, botany, plant pathology, microbiology, or  
7 an equivalent degree but is not required to be done by a laboratory.

8 I. Testing Results.

9 A laboratory must provide testing results to the medical marijuana  
10 business signed by an official of the laboratory who can attest to the accuracy  
11 of the results, and that includes the levels of pesticides, mold, or mildew  
12 detected and the levels of THC and CBD. The medical marijuana business  
13 must maintain these records for a minimum of forty-eight (48) months and  
14 must make the same records available to the City upon request.

15 1. if an immature plant has visible pesticide residue, mold,  
16 or mildew it must be deemed to test positive and must be destroyed.

17 2. A sample of marijuana shall be deemed to test positive  
18 for mold and mildew if the sample has levels that exceed the maximum  
19 acceptable counts in the Pharmacopeia, Section 1111 (May 1, 2009),  
20 incorporated by reference Appendix A.

21 a. A sample of usable marijuana shall be deemed  
22 to test positive for pesticides with a detection of more than 0.1 parts per  
23 million of any pesticide.

24 b. If an immature plant or sample of marijuana  
25 tests positive for pesticides, mold, or mildew based on the standards in this  
26 section, the medical marijuana business must ensure the entire batch from  
27 which the sample was taken is destroyed and must document how many or  
28 how much was destroyed, and the date of destruction.

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J. In-house testing. A medical marijuana business may perform its own testing as long as the testing complies with this section.

K. The medical marijuana business may permit laboratory personnel or other persons authorized to test access to secure or restricted access areas of the facility where marijuana or immature plants are stored. The medical marijuana business must log the date and time in and out of all such persons.

21.XX.110 Right of entry – records to be maintained.

A. Records to be maintained.

Each Permittee shall utilize point of sale software to track inventory and sales as well as keep a complete set of books of account, invoices, copies of orders and sales, shipping instructions, bills of lading, weigh bills, correspondence, bank statements including cancelled checks and deposit slips and all other records necessary to show fully the business transactions of such Permittee Receipts shall be maintained in a computer program or by pre-numbered receipts and used for each sale. The records of the business shall clearly track medical marijuana product inventory purchased and/or grown and sales and disposal thereof to clearly track revenue from sales of any medical marijuana from other paraphernalia or services offered by the medical marijuana business. The Permittee shall also keep and maintain records documenting proof of Long Beach residency for each patient procuring medical marijuana at a medical marijuana business. The Permittee shall also maintain inventory records evidencing that no more medical marijuana was within the medical marijuana business than allowed by applicable law for the number of patients who designated the medical marijuana business owners as their primary caregiver. All such records shall be open at all times during business hours for the inspection and examination

1 of the City or its duly authorized representatives. The City may require any  
2 Permittee to furnish such information as it considers necessary for the proper  
3 administration of this Chapter. The records shall clearly show the source,  
4 amount, price and dates of all marijuana received or purchased, and the  
5 amount, price, dates and patient or caregiver for all medical marijuana sold.

6 B. Separate bank accounts.

7 The revenues and expenses of the medical marijuana business  
8 shall not be commingled in a checking account or any other bank account  
9 with any other business or individual person's deposits or disbursements.

10 C. Disclosure of records.

11 By applying for a conditional use permit, the Permittee provides  
12 consent to disclose the information required by this Chapter, including  
13 information about patients and caregivers. Any records provided by the  
14 Permittee that include patient or caregiver confidential information may be  
15 submitted in a manner that maintains the confidentiality of the documents.  
16 Any document that the applicant considers eligible for protection shall be  
17 clearly marked as confidential, and the reasons for such confidentiality shall  
18 be stated on the document. In the event that the licensee does appropriately  
19 submit documents so as not to be disclosed, the City shall not disclose it to  
20 other parties who are not agents of the City, except law enforcement  
21 agencies. If the City finds that such documents are subject to inspection, it  
22 will provide at least twenty-four (24) hour notice to the applicant prior to such  
23 disclosure.

24 D. Audits.

25 The City may require an audit of the books of account and  
26 records of a medical marijuana business on such occasions as it may  
27 consider necessary, including but not limited to ensuring compliance with  
28 LBMC section 3.80.261(H). Such audit may be made by an auditor selected

1 by the City Manager that shall likewise have access to all books and records  
2 of the medical marijuana business. The expense of any audit determined  
3 necessary by the City shall be paid by the medical marijuana business.

4 E. Consent to Inspection.

5 1. Application for a conditional use permit or operation of  
6 a medical marijuana business, or leasing property to a medical marijuana  
7 business, constitutes consent by the applicant, and all owners, managers  
8 and employees of the business and the owner of the property to permit the  
9 City Manager to conduct routine inspections of the medical marijuana  
10 business to ensure compliance with this Chapter or any other applicable  
11 law, rule or regulation.

12 2. The owner or business manager on duty shall retrieve  
13 and provide the records of the business pertaining to the inspection. For  
14 purposes of this Chapter, inspections of medical marijuana businesses and  
15 recordings from security cameras in such businesses are required to be  
16 produced as part of the routine policy of inspection and enforcement of this  
17 Chapter for the purpose of protecting the public safety, individuals operating  
18 and using the services of the medical marijuana business, and the adjoining  
19 properties and neighborhood.

20 3. Application for a conditional use permit constitutes  
21 consent to inspection of the business as a public property without a search  
22 warrant, and consent to seizure of any surveillance records, camera  
23 recordings, reports or other materials required as a condition of a medical  
24 marijuana permit without a search warrant. Should the owner or business  
25 manager refuse to comply with this section, the City will obtain an  
26 administrative search warrant.

27 F. Reporting of source, quantity and sales.

28 The records to be maintained by each medical marijuana business

1 shall include the source and quantity of any marijuana distributed, produced  
2 or possessed within the property. Such reports shall include, without  
3 limitation, for both cultivation, acquisitions from wholesalers and transactions  
4 to patients or caregivers, the following:

- 5 1. Name and address of grower, seller and purchaser;
- 6 2. Date, weight, type of marijuana and dollar amount or  
7 other consideration of transaction; and
- 8 3. For wholesale transactions, the state and City, if any,  
9 sales and use tax license number of the seller.

10  
11 21.XX.120 Requirements related to monitoring and security of medical  
12 marijuana businesses.

13 All components of the security plan submitted with the application, as it  
14 may be amended, shall be in good working order, monitored and secured  
15 twenty-four hours per day. A separate security system is required for each  
16 business. The security plan must include, at a minimum, the following security  
17 measures:

- 18 A. Video cameras.

19 A medical marijuana business shall install and maintain a video  
20 surveillance system that monitors no less than the front and rear of the  
21 Property, and all points of ingress and egress at the business. The  
22 surveillance system shall:

- 23 1. Capture a full view of the public right-of-ways and any  
24 parking lot under the control of the medical marijuana business;
- 25 2. Be of adequate quality, color rendition and resolution to  
26 allow the ready identification of any individual committing a crime anywhere  
27 on or adjacent to the exterior of the property;
- 28 3. Record and maintain video for a minimum of thirty (30)



1 days and be accessible via the Internet by the Long Beach Police  
2 Department. A Public Internet Protocol (IP) address and user  
3 name/password is also required to allow the Long Beach Police Department  
4 to view live and recorded video from these cameras over the Internet.  
5 Consent is given by the Medical Marijuana Collective under this subsection to  
6 the provision of said recordings or live video feed to the Police Department  
7 without requirement for a search warrant, subpoena or court order;

8 B. Use of safe for storage.

9 The medical marijuana business shall install and use a safe for  
10 storage of any processed marijuana and cash on the property when the  
11 business is closed to the public. The safe shall be incorporated into the  
12 building structure or securely attached thereto. For medical marijuana-  
13 infused products that must be kept refrigerated or frozen, the business shall  
14 lock the refrigerated container or freezer in place of use of a safe so long as  
15 the container is affixed to the building structure.

16 C. Alarm system.

17 The medical marijuana business shall install and use a fire and  
18 burglar alarm system that is monitored by a company that is staffed twenty-  
19 four hours a day, seven days a week. The security plan submitted to the City  
20 shall identify the company monitoring the alarm, including contact information,  
21 and the City shall be updated within seventy-two (72) hours of any change of  
22 monitoring company.

23 D. Security guard.

24 The medical marijuana business shall hire and maintain an  
25 armed guard, licensed by the State of California, generally located at an  
26 indoor guard station, during all hours of operation. The security guard should  
27 only be engaged in activities related to providing security for the facility.  
28

1 21.XX.130 Requirements for public health and labeling.

2 A. Medical marijuana-infused products.

3 The production of any medical marijuana-infused product shall  
4 be at a medical marijuana-infused product manufacturer that meets all  
5 requirements of a retail food establishment as set forth in Chapter 8.45 of this  
6 Code. The Permittee shall comply with all applicable state and local health  
7 regulations related to the production, preparation, labeling, and sale of  
8 prepared food items.

9 B. Labeling and packaging requirements.

10 1. All medical marijuana sold or otherwise distributed by  
11 the Permittee shall be packaged in single-serving sizes and labeled in a  
12 manner that advises the purchaser that it contains marijuana and specifies  
13 the amount of marijuana in the product, that the marijuana is intended for  
14 medical use solely by the patient to whom it is sold, and that any resale or  
15 redistribution of the medical marijuana to a third person is prohibited. In  
16 addition, the label shall be in print large enough to be readable and shall  
17 include:

18 a. Potential food allergy ingredients, including but  
19 not limited to milk, eggs, fish, shellfish, tree nuts, peanuts, wheat, and  
20 soybeans.

21 b. All additives used to extract THC, including,  
22 without limitation, pesticides, herbicides and fertilizers that were used in the  
23 cultivation of the medical marijuana used in the product.

24 c. The following warning:

25 THIS PRODUCT CONTAINS MARIJUANA. THIS PRODUCT IS  
26 MANUFACTURED WITHOUT ANY REGULATORY OVERSIGHT FOR  
27 HEALTH, SAFETY OR EFFICACY. THERE MAY BE HEALTH RISKS  
28 ASSOCIATED WITH THE INGESTION OR USE OF THIS PRODUCT.

1                   2.     The product shall be packaged in a single-serving  
2 sized, sealed container that cannot be opened without obvious damage to  
3 the packaging.

4  
5 21.XX.140    Medical Marijuana Business Permit Application Process.

6                   A.     Any medical marijuana business desiring a conditional use  
7 permit required by this Chapter shall, prior to initiating operations, complete  
8 and file an application on a form supplied by the City, and shall submit the  
9 completed application to the Department of Development Services with  
10 payment of a nonrefundable processing and notification fee, as established  
11 by the City Council by resolution.

12                  B.     Prior to accepting preliminary applications, the Department of  
13 Development Services (“DDS”) shall cause to be posted on its website a  
14 public notice of availability. The notice will appear on the DDS website for  
15 thirty (30) consecutive days, immediately prior to the opening of the  
16 preliminary application period.

17                  C.     DDS shall review each preliminary application and ensure that  
18 the application is complete. To be considered complete, the preliminary  
19 application must provide a street address for a medical marijuana business  
20 that adheres to the location requirements in accordance with this Chapter.

21                  D.     Within ten (10) calendar days of receipt of a preliminary  
22 application, DDS shall determine whether the application is complete and  
23 notify the applicant accordingly.

24                  E.     If the preliminary application is incomplete, the applicant shall  
25 be notified in writing within ten (10) calendar days of receipt of the  
26 preliminary application, that the application is not complete and the reasons  
27 therefore, including any additional information necessary to render the  
28 application complete.

1           F.     The medical marijuana business shall have five (5) calendar  
2 days from the date of notice set forth above to complete the application.  
3     The complete preliminary application must be submitted prior to the closing  
4 of the preliminary application period. Failure to do so within the time  
5 allotted shall render the application null and void.

6           G.     Within ten (10) calendar days following the receipt of an  
7 amended application or supplemental information, except where  
8 circumstances beyond the control of the City justifiably delay such  
9 response, DDS shall again determine whether the application is complete in  
10 accordance with the procedures set forth above. Evaluation and notification  
11 shall occur as provided above until such time as the application is found to  
12 be complete or in the alternative null and void.

13          H.     All notices required by this Chapter shall be deemed issued  
14 upon the date they are either deposited in the United States mail or the date  
15 upon which personal service of such notice is provided.

16          I.     Upon notice that the applicant's preliminary application is  
17 complete, the applicant shall have thirty (30) days to submit the a complete  
18 CUP application as required by Chapter 21.25.

19          J.     DDS shall complete an initial review of the applications and  
20 assign points to each applicant in accordance with section \_\_\_\_\_. Sixty  
21 (60) days from the date the preliminary application period closes, DDS will  
22 post the point priority rankings on the its website and mail written  
23 notification to each applicant indicating the total points assigned, and the  
24 applicant's rank in the council district in which the proposed medical  
25 marijuana business is located.

26          K.     Each applicant will have ten (10) calendar days from the date  
27 the notice of point priority ranking is mailed to contact DDS and confirm the  
28 applicant will continue in the CUP process. Should an applicant fail to

1 contact DDS during this time, the application will be considered null and  
2 void. Should and applicant wish to withdraw its application at this time, the  
3 applicant may be eligible for a partial refund in accordance with procedures  
4 established by DDS.

5 L. Once DDS receives confirmation to proceed with the CUP  
6 process from an applicant, the application for CUP will be set for hearing in  
7 accordance with Chapter 21.21 of the Long Beach Municipal Code, in order  
8 of priority based on the point priority rank.

9  
10 21.XX.150 Vacant Medical Marijuana Business Application Allocation.

11 A. The Director shall determine, at the end of the fourth calendar  
12 quarter following implementation of this Chapter, and each year thereafter,  
13 whether additional medical marijuana businesses may be allowed within the  
14 City based on the total number of medical marijuana businesses per district.  
15 Additional conditional use permit applications above those medical  
16 marijuana businesses already permitted shall be accepted only to the  
17 extent the Director of Development Services determines that initiation of the  
18 conditional use permit application process will not lead the medical  
19 marijuana businesses, as a group, to exceed the caps established pursuant  
20 to Section 21.XX.XXX.

21 B. Should the Director of Development Services determine the  
22 City can accommodate additional medical marijuana businesses within the  
23 caps provided by this Chapter, DDS shall cause to be posted on its website  
24 a public notice of availability and the potential number of conditional use  
25 permits available. The notice will appear on the DDS website for thirty (30)  
26 consecutive days, immediately prior to the opening of the preliminary  
27 application period. The application process will then proceed in accordance  
28 with section 21.XX.XXX of this Chapter.

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21.XX.160 Compliance with other applicable law.

A. Application of state and federal law.

Except as may be provided otherwise in this Chapter, or rules adopted pursuant to this Chapter or interpretations by the City, any law or regulation adopted by the state governing the cultivation, production, possession or distribution of marijuana for medical use shall also apply to medical marijuana businesses in the City. Provided however, if a state law or regulation permits what this Chapter prohibits, this Chapter shall prevail. Compliance with any applicable state law or regulation that does not permit what this Chapter prohibits shall be deemed an additional requirement for issuance or denial of any license under this Chapter, and noncompliance with any applicable state law or regulation is unlawful and shall be grounds for revocation or suspension of any license issued under this Chapter. No medical marijuana business shall continue operations in violation of an additional state law or regulation, which does not permit what this Chapter prohibits, applicable within the City after the effective date of the state law or regulation.

B. Revocation of permit upon applicable state or federal prohibition.

If the state prohibits the cultivation, production, possession or other distribution of marijuana through a medical marijuana businesses, or if a court of competent jurisdiction determines that the federal government's prohibition of the cultivation, production, possession or other distribution of marijuana through medical marijuana businesses supersedes state law, any permit issued pursuant to this Chapter shall be deemed to be immediately revoked by operation of law, with no ground for appeal or other redress on behalf of the Permittee.

C. Revocable privilege.

1                   A conditional use permit is a revocable privilege, and no applicant  
2 therefor or holder thereof shall be deemed to have acquired any property  
3 interest therein.

4  
5 21.XX.170 Prohibited acts.

6                   A. It shall be unlawful for any person to:

7                   1. Cultivate, distribute, possess, or produce marijuana in  
8 plain view of, or in a place open to the general public.

9                   2. Smoke, use or ingest on the property of the medical  
10 marijuana business:

11                   a. Marijuana,

12                   b. Alcoholic beverage, or

13                   c. A controlled substance, except in compliance with  
14 the directions of a legal prescription for the person from a doctor with  
15 prescription writing privileges.

16                   3. Operate or be in physical control of any medical  
17 marijuana business, liquor establishment, vehicle, aircraft, or motorboat  
18 while under the influence of alcohol, medical marijuana, or other intoxicant.

19                   4. Possess medical marijuana that is not in a sealed  
20 package in a location where the possessor is not authorized to possess or  
21 consume medical marijuana.

22                   5. Possess more than six (6) mature marijuana plants or  
23 twelve (12) immature marijuana plants, or two (2) ounces of marijuana  
24 without a conditional use permit. It shall be an affirmative defense to this  
25 charge if a legitimate recommendation from a qualified physician of the  
26 patient for whom the marijuana is being grown includes a recommendation  
27 for an increased amount of marijuana as medically necessary to address  
28 the patient's debilitating medical condition.

1                   6. Obtain marijuana from a person who is not permitted  
2 as a medical marijuana business.

3                   7. Possess or operate a medical marijuana business in  
4 violation of this Chapter.

5                   8. Distribute medical marijuana without a conditional use  
6 permit or outside of the restricted area of the medical marijuana business.

7                   9. Deliver or transport medical marijuana to a patient.

8                   10. Permit any other person to violate any provision of this  
9 Chapter or any condition of an approval granted pursuant to this Chapter, or  
10 any law, rule or regulation applicable to the use of medical marijuana or the  
11 operation of a medical marijuana business.

12                   11. Lease any property to a medical marijuana business  
13 that has marijuana on the property without a conditional use permit from the  
14 City.

15  
16 21.XX.180 Suspension or revocation of permit.

17                   A. A conditional use permit may be suspended or revoked for  
18 any violation of this Chapter in accordance with the procedures provided in  
19 Long Beach Municipal Code Chapter 21.21.

20                   B. If the City revokes or suspends a permit, the business may  
21 not move any marijuana from the property except under the supervision of  
22 the Long Beach Police Department.

23  
24 21.XX.190 Term of permit – renewals – expiration of permit.

25                   A. Term of permit.

26                   A conditional use permit shall be valid for five (5) years. The  
27 permit shall expire on the last day of the month in which the permit is issued  
28 of the year following issuance or renewal of the permit.



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B. Renewal of permit.

1. The Permittee shall apply for renewal of the conditional use permit at least forty-five days before the expiration of the permit. The Permittee shall apply for renewal using forms provided by the City. If the applicant fails to apply for renewal at least forty-five days before the expiration of the permit but does apply for renewal prior to expiration of the permit, the City may process the renewal application if the applicant submits a late filing fee of Five Thousand Dollars (\$5,000) at the time of submittal of the renewal application.

2. The renewal permit fee, and late fee if applicable, shall accompany the renewal application. Such fee is nonrefundable.

3. In the event there has been a change to any of the plans identified in the permit application which were submitted to and approved by the City with the application or an earlier renewal, the renewal application shall include specifics of the changes or proposed changes in any of such plans.

4. In the event any person who has an interest as described in the disclosures made to the City pursuant to this Chapter, or any business manager, financier, agent as defined herein or employee has been charged with or accused of violations of any law since such disclosure, the renewal application shall include the name of the violator, the date of the violation, the court and case number where the violation was filed and the disposition of the violation with the renewal application.

5. In the event the business permit has been suspended or revoked or a Permittee has received any notice of violation of any law, the renewal application shall include a copy of the notice, suspension or revocation.

6. The renewal application shall include proof of payment of

1 all applicable taxes required by the LBMC and verification that the business  
2 has a valid state seller's permit in good standing.

3 7. The renewal application shall include a summary report  
4 for the previous twelve (12) months showing the amount of marijuana  
5 purchased, the amount of marijuana sold, the forms in which marijuana was  
6 sold, the number of patients and the number of primary caregivers who  
7 received marijuana, the police report numbers or case numbers of all police  
8 calls to the medical marijuana business and for calls resulting in a charge of a  
9 violation of any law, the charge, case number and disposition of any of the  
10 charges.

11 8. The City shall not accept renewal applications after the  
12 expiration of the permit, but instead shall require the applicant to file a new  
13 permit application.

14 9. In the event there have been allegations of violations of  
15 this Chapter by any of the Permittees or the business submitting a renewal  
16 application, the City may hold a hearing prior to approving the renewal  
17 application. The hearing shall be to determine whether the application and  
18 proposed Permittees comply with this Chapter and whether the operation of  
19 the business has been in compliance with this Code.

20 C. Nonpayment of tax.

21 In the event a medical marijuana business that has been open  
22 and operating and submitting monthly sales and use tax returns to the City  
23 ceases providing sales and use tax returns to the City for a period of three (3)  
24 months or longer, the conditional use permit shall be deemed to have expired  
25 and a new permit shall be required prior to reopening at the property.

26  
27 21.XX.200 City manager authorized to issue rules.

28 The City Manager or his designee may adopt rules and regulations that

1 the City Manager determines are reasonably necessary to implement the  
2 requirements of this Chapter.

3  
4 21.XX.210 Violation and enforcement.

5 A. Any person violating any provision of this Chapter or  
6 knowingly or intentionally misrepresenting any material fact in procuring a  
7 conditional use permit, shall be deemed guilty of a misdemeanor  
8 punishable by a fine of not more than one thousand dollars (\$1,000) or by  
9 imprisonment for not more than twelve (12) months, or by both such fine  
10 and imprisonment.

11 B. Any person who engages in any medical marijuana business  
12 operations without a conditional use permit, or after a conditional use permit  
13 application has been denied, or a medical marijuana permit has been  
14 suspended or revoked, shall be guilty of a misdemeanor.

15 C. As a nuisance per se, any violation of this Chapter shall be  
16 subject to injunctive relief, revocation of the certificate of occupancy for the  
17 property, disgorgement and payment to the City of any and all monies  
18 unlawfully obtained, costs of abatement, costs of investigation, attorney  
19 fees, and any other relief or remedy available at law or equity. The City  
20 may also pursue any and all remedies and actions available and applicable  
21 under local and state law for any violations related to the operation of a  
22 medical marijuana business.

23 D. Any violation of the terms and conditions of the conditional  
24 use permit, of this Chapter, or of applicable local or state regulations and  
25 laws shall be grounds for permit suspension or revocation.

26  
27 21.XX.220 Establishment of a Medical Marijuana Task Force.

28 A. A Long Beach Medical Marijuana Task Force is established.

1 The Task Force shall consist of nine (9) members. Appointments to the  
2 Task Force shall be made and vacancies on the Task Force shall be filled  
3 by the Mayor and City Council in accordance with the provisions in Chapter  
4 2.18 of this Code. Services of the members of the Task Force shall be  
5 voluntary and members will serve without compensation.

6 B. All members of the Task Force shall be residents of the City.  
7 The Task Force shall be comprised of the following members:

8 1. Three Task Force members shall be representatives from  
9 three separate medical marijuana businesses operating in the City;

10 2. Five Task Force members shall be representatives of  
11 recognized neighborhood organizations which have at least one medical  
12 marijuana business operating within its boundaries; and

13 3. One Task Force member shall be a representative of a  
14 local patient advocacy organization with a background in working to protect  
15 the interests of medical marijuana patients.

16 C. The Medical Marijuana Task Force shall have the power and  
17 duty to:

18 1. Recommend to the City operational and safety  
19 standards for medical marijuana businesses operating in the City;

20 2. Develop and make recommendations for a mediation  
21 process to be used by operators of medical dispensaries, patients, and  
22 neighbors of dispensaries to address community concerns and nuisance  
23 issues and resolve conflicts and disputes.

24 D. Sunset provision.

25 The Medical Marijuana Task Force shall terminate by operation  
26 of law on December 31, 2017, and after that date, the City Attorney shall  
27 cause this section to be removed from the Code.  
28

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21.XX.230 Severability.

If any provision of this Chapter, or the application thereof to any person or circumstance, is held invalid, that invalidity shall not affect any other provision or application of this Chapter that can be given effect without the invalid provision or application; and to this end, the provisions or applications of this Chapter are severable.

21.XX.240 Review of regulations.

On or before the first anniversary of the effective date of this Chapter, the City Council shall review the effectiveness of these regulations, and shall enact modifications, if necessary.

Section 2. Chapter 5.89 of the Long Beach Municipal Code is hereby repealed.

Section 3. The City Clerk shall certify to the passage of this ordinance by the City Council and cause it to be posted in three (3) conspicuous places in the City of Long Beach, and it shall take effect on the thirty-first (31st) day after it is approved by the Mayor.

I hereby certify that the foregoing ordinance was adopted by the City Council of the City of Long Beach at its meeting of \_\_\_\_\_, 20\_\_, by the following vote:

Ayes: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Noes: Councilmembers: \_\_\_\_\_  
\_\_\_\_\_

OFFICE OF THE CITY ATTORNEY  
CHARLES PARKIN, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

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Absent: Councilmembers: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

City Clerk

Approved: \_\_\_\_\_  
(Date)

\_\_\_\_\_

Mayor



957 SOUTH VILLAGE OAKS DRIVE, SUITE 100  
COVINA, CA 91724  
TEL: (626) 967-1510 FAX: (626) 967-1718  
WWW.MBIMEDIA.COM

### **Long Beach Medical Cannabis Task Force Summary**

The following provides a summary of the complete and compiled details of meetings and actions taken by the Long Beach Medical Cannabis Task Force. The Task Force commenced on April 1, 2015 and met approximately every other week until its conclusion on August 19, 2015.

During that time, the Task Force held 11 meetings over the course of approximately 50 hours. The Task Force met on the following dates:

April 1  
April 15  
April 29  
May 13  
May 27  
June 3  
June 17  
July 1  
July 29  
August 5  
August 19

Based direction from the Long Beach City Council to provide the Council with further input and recommendations for the establishment of a medical marijuana regulatory ordinance within the City of Long Beach, the Task Force members reviewed, analyzed and discussed the following items pertinent to medical marijuana regulation:

- Review of the City's existing proposed ordinance;
- Public safety concerns including: security guards, surveillance cameras and video maintenance, law enforcement requirements, quick closure of non-permitted dispensaries, and appropriate buffers;
- Federal, State and local legal standards and concerns;
- The number and location of dispensaries and cultivation sites, with specific attention to proper zoning, former operators, Conditional Use Permit (CUP) conditions, wholesale purchases and sales, and a merit-based point system for determining priority in the permitting process;



- The fiscal impact of a regulatory ordinance including staffing costs, taxation, and audits;
- Cultivation requirements such as in City cultivation, lab testing requirements, square footage limitations, and safety standards;
- Marijuana byproducts including edibles, edible production, and concentrated cannabis;
- Advertising and signage restrictions;
- The timeline to implement a regulatory ordinance;
- Form(s) of allowable payment options and disclosure guidelines and requirements;
- Ownership and potential ownership change of marijuana businesses;
- Fees pertaining to annual regulatory requirements, CUP processes, and applications;
- Firearms and armed guards or stationary guards at dispensary businesses;
- Funding for public safety requirements and City enforcement of the regulatory ordinance; and
- Tracking of calls and services by the Long Beach Police Department, and the Long Beach Fire Department.

At several meetings, the Task Force invited guest speakers with specialized knowledge and experience to provide presentations on pertinent aspects of marijuana businesses from law enforcement concerns and practices to financial operations of dispensaries including seed to sale tracking. The following is a list of the guest speakers who addressed the Task Force:

- David Hendricks, Deputy Chief, LBPD;
- Michael DuRee, Fire Chief, LBFD;
- Jeff Winkelpleck, Zoning Officer;
- John Gross, Director of Financial Management;
- Lea Eriksen, Budget Bureau Manager;
- James Gray, retired Orange County Superior Court Judge
- Matthew Pappas, medical marijuana attorney
- Sean Donahoe, medical marijuana lobbyist

Following an in-depth review of the topics, the Task Force members suggested tentative recommendations for the City Council. At the conclusion of the presentations of individual topics, the Task Force reviewed and discussed each tentative recommendation. The Task force members then voted on the recommendations. A list of all the recommendations that progressed to a vote is attached as Exhibit "A." The recommendations are separated into different sections





depending on whether the individual item passed or failed. Exhibit "B" provides an attendance record of Task Force members for each of the meeting dates. And finally, Exhibit "C" shows each Task Force member's vote on the specific recommendations.

The "Approved Recommendations" on Exhibit "A" are the culmination of significant time and effort by the Long Beach Cannabis Task Force to assist the City Council in developing a regulatory ordinance that meets the diverse needs of the City of Long Beach.

