



OFFICE OF THE CITY ATTORNEY
Long Beach, California

ORD-33

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July 10, 2018

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HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Declare Ordinance amending the Long Beach Municipal Code by adding Chapter 5.92, and by amending Title 21, all relating to the regulation of adult-use commercial cannabis activity in Long Beach, read and adopted as read. (Citywide)

DISCUSSION

Pursuant to the request of City Council on June 19, 2018, this ordinance is submitted for your consideration with the following revisions as amended and given first reading:

- (1) Section 5.92.915 was revised to permit dispensaries to be open to the public until 9:00 p.m., and delivery services must be completed by 10:00 p.m;
- (2) Section 5.92.1540.A.1 was revised for the local goal hire to a minimum of forty percent (40%) of total annual work hours performed at the business; and
- (3) The first sentence of Section 5.92.1540.B was revised to read, "Adult-Use Cannabis Businesses shall submit a Community Reinvestment and Small Business Incubation Plan to the City describing how they intend to support equity businesses, adjacent neighborhoods, and communities within the eligible social equity program census tracts."

SUGGESTED ACTION:

Approve recommendation.

CHARLES PARKIN, City Attorney

By

TAYLOR ANDERSON
Deputy City Attorney

TA:kjm

A18-00177

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5.92.915 - Hours of operation.

Dispensaries may only be open to the public between the hours of 9:00 a.m. to 8:00 ~~p.m.~~9:00 p.m. up to seven (7) days per week. All deliveries of cannabis goods to customers by a Dispensary shall be completed ~~before 9:00 PM~~by 10:00 p.m.

5.92.920 - Security personnel.

- A. Dispensaries shall hire or contract for uniformed security personnel to provide twenty-four (24) hour random security patrols of the premises to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities. At a minimum, uniformed security personnel shall be generally located at an indoor guard station on the premises during all hours of operation and security-patrolling services shall patrol the premises during all hours the Dispensary is closed to the public.
- B. All uniformed security personnel hired or contracted by a Dispensary shall be licensed with the State of California Bureau of Security and Investigative Service, and shall comply with requirements in California Business and Professions Code Chapters 11.4 and 11.5 of Division 3.

5.92.925 - Protocols for individuals entering the premises.

- A. No person shall be permitted to enter a Dispensary without government-issued identification. Dispensaries shall not provide cannabis goods to any person, whether by purchase, trade, gift, or otherwise, who does not possess a valid government-issued identification and who does not meet the age requirements of this Chapter.
- B. Electronic age verification device required. Dispensaries shall verify the proof of age of every person entering the business with an electronic age verification device, prior to entry of the retail area. The electronic age verification device may be mobile or

5.92.1530 - Assistance available to equity business owners.

Individuals applying for an Adult-Use Cannabis Business Permit as an equity business owner applicant, shall be eligible to receive the following assistance during the application process: expedited Adult-Use Cannabis Business Permit application review; Adult-Use Cannabis Business Permit application and compliance assistance; cultivation business license tax deferrals during the first year; expedited building plan check review; and waivers of City permitting fees.

5.92.1540 - Requirements for all Adult-Use Cannabis Businesses.

Adult-Use Cannabis Businesses that do not qualify for the Equity Assistance Program shall comply with the following requirements:

A. Employment.

1. Adult-Use Cannabis Businesses that do not qualify for the Equity Assistance Program shall employ individuals that meet the criteria in Section 5.92.1520.A for a minimum of ~~twenty-five percent (25%)~~ forty percent (40%) of total annual work hours performed at the business. Upon a showing of good cause by an Adult-Use Cannabis Business, the City Manager may waive the employment requirement.
2. Compliance. To ensure compliance with this requirement, Adult-Use Cannabis Businesses shall submit certified payroll records to the City Manager at such frequency as determined by the City Manager. Adult-Use Cannabis Businesses that fail to meet this requirement may be subject to penalties pursuant to this Chapter, including but not limited to, suspension or revocation of the Adult-Use Cannabis Business Permit pursuant to Section 5.92.1440. To avoid penalties for noncompliance, a business may demonstrate that it utilized its best efforts to

hire and employ individuals that meet the criteria in Section 5.92.1520.A by detailing all efforts made and affixing documents to support such efforts.

- B. Support for equity business owners. Adult-Use Cannabis Business shall submit a Community Reinvestment and Small Business Incubation Plan ~~plan~~ to the City describing how they intend to support equity business owners, adjacent neighborhoods, and communities within the eligible social equity program census tracts. Support for equity business owners may include, but shall not be limited to, business plan guidance at the time of application, business operations consulting, and industry specific technical assistance, shelf space for cannabis goods cultivated or manufactured by equity business owners, or any other form of support by an Adult-Use Cannabis Business consistent with the intent and spirit of this Division.
- C. Labor peace agreement. Any Adult-Use Cannabis Business with two (2) or more employees (as defined by California Business and Professions Code 26051.5(a)(5)) shall provide a statement at the time of application that the applicant will enter into, or demonstrate that it has already entered into, and abide by the terms of a labor peace agreement.

5.92.1550 - Authority to develop and implement Equity Assistance Program.

The City Manager is authorized to make reasonable rules, policies, and procedures to consistent with the intent and spirit of this Division to develop and implement and administrative program for this Equity Assistance Program. Regulations promulgated by the City Manager become effective upon date of publication, unless specified otherwise.

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

1 ORDINANCE NO.

2
3 AN ORDINANCE OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AMENDING THE LONG BEACH
5 MUNICIPAL CODE BY AMENDING USE TABLES IN
6 CHAPTERS 21.31, 21.32, 21.33, 21.34 AND 21.35; AND BY
7 ADDING CHAPTER 5.92, AND SECTIONS 21.15.113,
8 21.15.441.1, 21.15.441.2, 21.15.441.3 AND 21.15.441.4; ALL
9 RELATED TO ADULT-USE CANNABIS
10

11 WHEREAS, California Health and Safety Code Section 11362.5, the
12 Compassionate Use Act of 1996 (CUA), adopted by the voters in the State of California,
13 authorizes a limited defense to criminal charges for the use, possession, or cultivation of
14 cannabis for medicinal purposes when a qualified patient has a physician's
15 recommendation for medicinal use of cannabis; and

16 WHEREAS, California Health and Safety Code Section 11362.5, the
17 Compassionate Use Act of 1996 (CUA), adopted by the voters in the State of California,
18 authorizes a limited defense to criminal charges for the use, possession, or cultivation of
19 cannabis for medicinal purposes when a qualified patient has a physician's
20 recommendation for medicinal use of cannabis; and

21 WHEREAS, California Health and Safety Code Section 11362.7 et seq., the
22 Medical Marijuana Program Act (MMPA), was adopted by the State legislature and offers
23 some clarification on the scope of the CUA, and California Health and Safety Code
24 Section 11362.83 specifically authorizes cities and other governing bodies to adopt and
25 enforce rules and regulations related to medicinal cannabis; and

26 WHEREAS, California Business and Professions Code Section 19300 et
27 seq., the Medical Cannabis Regulation and Safety Act (MCRSA) was adopted by the
28 State legislature in 2015, and regulates the commercial activity of medicinal cannabis and

1 assigns certain State agencies with regulatory tasks regarding commercial cannabis
2 activity involving medicinal cannabis, including product labeling and environmental
3 regulation;

4 WHEREAS, the Control, Regulate and Tax Adult Use of Marijuana Act
5 ("AUMA" or "Proposition 64") and adopted to legalize the recreational adult-use of
6 cannabis in California for individuals twenty-one (21) years of age and older and was
7 approved by the voters and became effective November 9, 2016; and

8 WHEREAS, the California Legislature passed Senate Bill 94 in June 2017,
9 which was signed by the Governor and went into effect immediately, and which repealed
10 MCRSA entirely and merged certain portions of that law with AUMA to create a more
11 comprehensive regulatory structure for both medicinal and adult-use cannabis; and

12 WHEREAS, the new comprehensive regulatory system created by Senate
13 Bill 94, intended to regulate all commercial cannabis activities, is called the Medicinal and
14 Adult-Use Cannabis Regulation and Safety Act (MAUCRSA); and

15 WHEREAS, the CUA, MMPA, and MAUCRSA do not prevent the City of
16 Long Beach from using its constitutional authority to enact nuisance, health, and safety,
17 and land use regulations regarding commercial cannabis activities; and

18 WHEREAS, the City Council desires to regulate all Adult-Use Cannabis
19 Businesses operating in the City of Long Beach, in a manner that mitigates potential
20 negative impacts, prevents cannabis from reaching minors or the illicit market, preserves
21 public health and safety, protects the environment, drives diverse economic
22 opportunities, and implements the City's General Plan; and

23 WHEREAS, the overarching goal of the City Council in its regulation of the
24 cannabis industry is to promote equitable ownership and employment opportunities to
25 decrease disparities in life outcomes for communities that experienced life-altering
26 impacts as a result of criminal conviction and incarceration for cannabis-related activities
27 due to the enforcement of State and federal cannabis drug enforcement policies; and

28 WHEREAS, the City has a zero-tolerance policy for violations of this

1 Chapter or provisions of the State's MAUCRSA; and

2 WHEREAS, the City Council wishes to adopt regulations allowing for the
3 existence of Adult-Use Cannabis Businesses in the City of Long Beach in accordance
4 with this Chapter and the State's MAUCRSA; and

5 WHEREAS, the City Council held a duly noticed public hearing on the
6 proposed amendments on June 19, 2018, at which time all interested parties had the
7 opportunity to be heard.

8 NOW, THEREFORE, the City Council of the City of Long Beach ordains as
9 follows:

10 Section 1. Chapter 21.32 of the Long Beach Municipal Code is amended
11 by amending "Retail Commercial", and the "Abbreviations" in Table 31-1, as shown on
12 the attached Exhibit "A".

13
14 Section 2. Chapter 21.32 of the Long Beach Municipal Code is amended
15 by amending "Professional Services", and "Retail Services" in Table 32-1 as shown on
16 the attached Exhibit "B".

17
18 Section 3. Chapter 21.33 of the Long Beach Municipal Code is amended
19 by amending "Agriculture And Related Uses", and "Professional Office and Institutional
20 Uses" in Table 33-2 as shown on the attached Exhibit "C".

21
22 Section 4. Chapter 21.34 of the Long Beach Municipal Code is amended
23 by amending Table 34-1 to add "Adult-Use Cannabis Businesses" as shown on the
24 attached Exhibit "D".

25
26 Section 5. Chapter 21.35 of the Long Beach Municipal Code is amended
27 by amending Table 35-1 as shown on the attached Exhibit "E".

28

1 Section 6. Chapter 5.92, "Adult-Use Cannabis Businesses and Activities"
2 is added to the Long Beach Municipal Code as shown on the attached Exhibit "F".

3
4 Section 7. Section 21.15.113 is added to the Long Beach Municipal
5 Code to read as follows:

6 21.15.113 Adult-Use Cannabis Dispensary.

7 A retail use (SIC Code 59) where cannabis goods or devices for the
8 use of cannabis goods are offered, either individually or in any combination,
9 for retail sale to customers at an on-site fixed location, including an
10 establishment that also offers delivery of cannabis goods as part of a retail
11 sale, in addition to on-site sales, in compliance with Title 5.90 and 5.92.

12
13 Section 8. Sections 21.15.441.1, 21.15.441.2, 21.15.441.3, and
14 21.15.441.4 are added to the Long Beach Municipal Code to read as follows:

15 21.15.441.1 Cannabis cultivation.

16 An industrial use (SIC Code 072) that engaged in the commercial
17 cultivation of cannabis, and all associated commercial cultivation activities
18 involved in the cultivation of cannabis, pursuant to this Chapter, including a
19 nursery which produces clones, immature plants, seeds, or other
20 agricultural products specifically for the planting, propagation, and
21 cultivation of cannabis.

22 21.15.441.2 Cannabis manufacturing/processing.

23 An industrial use (SIC Code 283) engaged in the production,
24 conversion, preparation, propagation, deriving, processing, or compounding
25 of cannabis goods either directly or indirectly or by extraction methods, or
26 independently by means of chemical synthesis, or by a combination of
27 extraction and chemical synthesis at a fixed location that packages or
28 repackages cannabis goods or labels or relabels its container.

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21.15.441.3 Cannabis distribution.

An industrial use (SIC Code 42) engaged in the business of the distribution of cannabis goods between licensed cannabis facilities.

21.15.441.4 Cannabis testing.

A professional service use (SIC Code 873) that offers or performs tests of cannabis goods and that is ISO/IEC 17025 accredited, or pending ISO/IEC 17025 accreditation, and licensed by the California Bureau of Cannabis Control that provides independent testing of marijuana or marijuana products.

Section 9. 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.

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I hereby certify that the foregoing ordinance was adopted by the City Council of the City of Long Beach at its meeting of _____, 2018, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

Approved: _____
(Date)

Mayor

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

Table 31-1
Uses in Residential Zones
Commercial Uses

Retail commercial	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	Y(a)(g)	N	N	N	N
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Abbreviations:

Y = Yes (permitted use).

N = Not permitted.

C = Conditional use permit required. Refer to provisions in Chapter 21.52.

A = Accessory use. Permitted subject to provisions contained in Chapter 21.51.

T = Temporary Use. Permitted subject to provisions contained in Chapter 21.53.

AP = Administrative use Permit required. Refer to provisions in Chapter 21.52.

IP = Interim park use permit required. Refer to provisions in Chapter 21.52.

Notes:

- (a) Retail and office commercial uses are subject to the development standards specified in Section 21.45.160.
- (b) Unless the site can provide 4 independently accessible parking spaces, one unit is limited to 450 sq. ft. as a zero bedroom.
- (c) One unit shall not exceed 800 sq. ft. or 12 percent of lot area, whichever is greater. The 800 sq. ft. limit shall apply to the rear unit. If both units exceed 800 sq. ft., the rear unit, or bottom unit in a stacked duplex, shall be considered the legal nonconforming unit.
- (d) For commercial uses permitted in the R-4-H zone see Section 21.45.160.
- (e) This use does not include uses that meet the definition of "Resident care facility" or "Special group residences" as defined in Chapter 21.15.
- (f) Development is subject to the density limits of the zoning district in which it is located.
- (g) Adult-Use Cannabis Businesses (all categories) prohibited.

**Table 32-1
Uses In All Other Commercial Zoning Districts**

Professional Services	Neighborhood			Community				Regional	Other
	CNP	CNA	CNR	CCA	CCP	CCR	CCN	CHW	CS
Accounting, advertising, architecture, artist studio, bookkeeping, business headquarters, chiropractic, computer programming, consulting, contracting, dentistry, engineering, insurance, lab testing, law, marketing, medicine, photography, psychiatry, psychology, real estate, or tax preparation	Y	Y	Y	Y	Y	Y	Y	Y	N

Retail Services	Neighborhood			Community				Regional	Other	
	CNP	CNA	CNR	CCA	CCP	CCR	CCN	CHW	CS	
Adult-Use Cannabis Dispensary	Y	Y	Y	Y	Y	Y	Y	Y	N	Subject to requirements in 5.92

**Table 33-2
Uses In Industrial Districts**

Use	IL	IM	IG	IP	*Notes and Exceptions
1. Agriculture And Related Uses					<ul style="list-style-type: none"> • a. Permitted in IL and IM • (Crop Cultivator) – Must comply with Chapter 5.92 if Adult-Use Cannabis Business • 0742 (Veterinary Services for Animal Specialties) • 0752 (Animal Specialty Services, Boarding, Kennels, Shelters) • 078 (Landscape and Horticultural Services)
(SIC codes 01, 02, 07*)	N	N	C	See Item 10 in this table.	
1.1 Urban Agriculture Use	Y	AP	AP	AP	All urban agriculture uses, whether by-right or permitted through an Administrative Use Permit, must meet the standards outlined in Section 21.52.260.

**Table 33-2
Uses In Industrial Districts
(Continued)**

Use	IL	IM	IG	IP	*Notes and Exceptions
9. Professional Office and Institutional Uses (SIC codes 60, 61, 62, 63, 64, 65, 66, 73 [except 7353 and 7359], 861, 862, 863, 864, 873, 878* Division J (Public Administration))	Y	AP	AP	See Item 10 in this table.	a. Prohibited in all industrial districts:
					<ul style="list-style-type: none"> • 6099 (Functions related to depository banking, not elsewhere classified) • 9223 (Correctional Institutions)
					<ul style="list-style-type: none"> • 8744 (Jails, privately operated-correctional facilities, adult privately operated), except a "Community Correctional Re-entry Center," as defined in Section 21.15.602, may be permitted in the IL, IM and IG zone districts pursuant to a conditional use permit as set forth in Chapter 21.52.
					b. Offices are intended to serve nearby industries and employees.

					<p>c. Emergency shelters (8322) shall be subject to the special development standards specified in Section 21.45.132.</p> <p>d. Adult-Use Cannabis Businesses subject to Chapter 5.92</p>
9.1 Emergency shelters (SIC code 8322*)	N	N	N	Y	

Use	IL	IM	IG	IP	*Notes and Exceptions
10. Port-Dependent And Support Businesses	See Items 1-9 and 11-14 in this table.	See Items 1-9 and 11-14 in this table.	See Items 1-9 and 11-14 in this table.	Y	<ul style="list-style-type: none"> • <u>Ancillary Port Facilities</u> —ship building and repair, towboat and salvage operations, bunker barge loading, sportfishing launching, marine research, Coast Guard operations, marine-oriented fire protection, equipment storage for dredging and waterfront construction, oil spill cleanup • <u>Commercial/Recreational Facilities</u> —water-oriented parks, sightseeing, sportfishing, water skiing, restaurants, hotels, curio shops, marinas, boat sales and manufacturing, charter boat operations, tackle shops, tourist attractions (e.g., Queen Mary), vessel storage • <u>Federal Use</u> —shipyard and drydock operations, Navy Base and support
	See Items 1-9 and 11-14 in this table.	See Items 1-9 and 11-14 in this table.	See Items 1-9 and 11-14 in this table.	Y	<ul style="list-style-type: none"> • <u>Oil And Gas Production</u> —including tankage, processing, drilling, and water injection • <u>Utilities</u> —installations and rights-of-way, including SCE station on Terminal Island • Adult-Use Cannabis Businesses (all categories) are prohibited

TABLE 33-2

Table 34-1
Uses in the Institutional District

	Use	District I
1.	Adult-Use Cannabis Businesses (all subcategories)	N

**TABLE 35-1
Uses in Park Districts**

Use	District P
Adult-Use Cannabis Businesses (all categories)	N

Chapter 5.92

ADULT-USE CANNABIS BUSINESSES AND ACTIVITIES

DIVISION I - PURPOSE AND DEFINITIONS

5.92.010 - Purpose and intent.

It is the purpose and intent of this Chapter to:

- A. Regulate the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, and sale of cannabis goods for adults twenty-one (21) years of age and over, and co-located medicinal and adult-use commercial cannabis activities, in a manner that promotes and protects the health, safety, and welfare of the residents, neighborhoods, and businesses in the City and mitigates the costs to the community for the oversight of these activities.
- B. Enforce rules and regulations consistent with State law pursuant to the MAUCRSA and any related or successor laws and regulations implemented by the State or any of its departments or divisions.
- C. Regulate commercial cannabis activity in the City concurrently with the State.

5.92.020 - General provisions.

- A. Legal authority. Pursuant to Sections 5 and 7 of Article XI of the California Constitution and provisions of the MAUCRSA, as it may be amended from time to time and any subsequent State legislation or regulations regarding same, the City is authorized to adopt ordinances that establish standards, requirements, and regulations for local licenses and permits for commercial cannabis activity involving adult-use cannabis. Any standards, requirements, and regulations regarding health

and safety, security, welfare, and worker protections established by the State, or any of its departments or divisions, are the minimum standards applicable to commercial cannabis activity in the City.

B. Conflict of law. This Chapter is not intended to interfere with, abrogate, or annul any other ordinance, resolution, regulation, statute, or other provision of law. In the event of any conflict between the provisions of this Chapter and any other applicable State or local law or regulation, the more restrictive provision shall control.

C. Nothing in this Chapter is intended, nor shall it be construed to:

1. Interfere with an employer's rights and obligations to maintain a drug and alcohol free workplace or require an employer to allow or accommodate the use, consumption, possession, transfer, display, transportation, sale, or growth of cannabis in the workplace, or affect the ability of an employer to have policies prohibiting the use of cannabis by employees or prospective employees, or prevent employers from complying with local, State, or federal law.
2. Interfere with the right of any property owner from restricting or prohibiting any of the actions or conduct otherwise permitted under California Health and Safety Code Section 11362.1 on said property owner's privately owned real property.
3. Condone or legalize the possession, use, consumption, transportation, sale, or any other use of cannabis or cannabis products that are otherwise prohibited under State law.
4. Require the City to allow, permit, license, authorize, or otherwise regulate commercial cannabis activity, or to abridge the City's police power with respect

to enforcement regarding commercial cannabis activity, or to restrict or otherwise limit the enforcement authority conferred upon the City, or any State agency, by other provisions of this Code or State law.

5. Exempt any commercial cannabis activity from any applicable local and State building, electrical, plumbing, land use, or any other building or land use standards or permitting requirements.

D. Adult-Use Cannabis Businesses, adult-use commercial cannabis activity, and Co-Located Cannabis Businesses shall only be allowed in compliance with this Chapter and all applicable provisions set forth in this Code, including but not limited to, the cannabis business tax ordinance pursuant to Chapter 3.80 of this Code, and all regulations governing the land use, building, grading, plumbing, septic, electrical, fire, hazardous materials, nuisance, and public health and safety.

E. If the State prohibits the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, delivery, or sale of cannabis goods through Adult-Use Cannabis Businesses, or if a court of competent jurisdiction determines that the federal government's prohibition of the sale, cultivation, manufacture, possession, or other distribution of cannabis goods through Adult-Use Cannabis 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 any Adult-Use Cannabis Business.

5.92.030 - Definitions.

The definitions set forth in California Business and Professions Code Section 26000 et seq. shall apply to this Chapter and are hereby incorporated by reference. Any reference to State statutes includes any regulations promulgated thereunder and is deemed to include

any successor or amended version of the referenced statute or regulatory provision. Unless otherwise defined herein, and unless otherwise clearly apparent from the context, the following terms as used in this Chapter shall have the meanings set forth in this Section:

“Accreditation Body” means an impartial non-profit organization that operates in conformance with the International Organization for Standardization (ISO)/International Electrotechnical Commission (IEC) standard 17011 and is a signatory to the International Laboratory Accreditation Cooperation (ILAC) Mutual Recognition Arrangement (MRA) for Testing.

“Administrative Hold” means an order by the City Manager prohibiting the movement, removal, transport, use, treatment, or disposal of a material that is, or is suspected of being, adulterated, misbranded, or hazardous waste that is being mismanaged or that the City Manager has reason to suspect is, or will be, managed in violation of this Chapter.

“Adulterated” shall have the same meaning as California Business and Professions Code Section 26131.

“Adult-Use Cannabis” means cannabis or cannabis products for adults twenty-one (21) years of age or older who do not possess a physician’s recommendation.

“Adult-Use Cannabis Business” means any person, entity, or operation, in whole or in part, whether operating for-profit or not-for-profit, and all associated owners, employees, managers, and agents, engaged in adult-use commercial cannabis activity.

“Adult-Use Cannabis Business Permit” or “Permit” means one (1) document issued by the City to reflect the regulatory business permit issued pursuant to the provisions of this Chapter and Title 5 of this Code, and a business license issued pursuant to Chapter 3.80 of

this Code, authorizing the holder thereof to operate an Adult-Use Cannabis Business and to conduct adult-use commercial cannabis activities.

“Applicant” means a person or entity who has submitted an application for an Adult-Use Cannabis Business Permit pursuant to this Chapter, including any individual, officer, director, partner, or other duly authorized representative applying on behalf of an entity.

"Batch" means a specific quantity of homogeneous cannabis or cannabis product that is either a harvest batch or a manufactured cannabis batch.

"Batch Number" or "Lot Number" means any distinct group of numbers, letters, or symbols, or any combination thereof, assigned to a unique group of cannabis goods, from which the complete history of the commercial cannabis activity involving the cannabis goods can be determined, as required by State law.

“Bureau of Cannabis Control” means the division of the State Department of Consumer Affairs responsible for licensing and regulating Dispensaries, Distributors, third-party Testing Laboratories, and Microbusinesses.

“Cannabinoid” means any of the chemical compounds that are the active principles of cannabis.

“Cannabis” or “Plant” means all of the following:

- A. All parts of the plant *cannabis sativa linnaeus*, *cannabis indica*, or *cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin.
- B. The separated resin, whether crude or purified, obtained from cannabis.

- C. "Cannabis" as defined by California Health and Safety Code Section 11018.
- D. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.
- E. For purposes of this Chapter, "Cannabis" does not mean industrial hemp as defined by California Health and Safety Code Section 11018.5.

"Cannabis Concentrate" or "Concentrate" means cannabis that has undergone a process to concentrate one (1) or more active cannabinoids, thereby increasing the product's potency. For purposes of this Chapter, "Cannabis Concentrate" includes, but is not limited to, the separated resin obtained from cannabis, whether crude or purified, tinctures, capsules, suppositories, extracts, and vape cartridges. "Cannabis Concentrate" is not considered food, as defined by California Health and Safety Code Section 109935, or a drug, as defined by California Health and Safety Code Section 109925.

"Cannabis Facility" or "Facility" means a permanent structure in a fixed location that contains the permitted premises of one (1) Commercial Cannabis Business or where the permitted premises of two (2) or more Commercial Cannabis Businesses are located.

"Cannabis Goods" means cannabis and/or cannabis products.

"Cannabis Product" or "Manufactured Cannabis Product" or "Product" means cannabis that has undergone a process whereby the plant material is transformed into a concentrate for internal consumption or topical application, including, but not limited to, concentrated

cannabis, an edible cannabis product, or a topical cannabis product containing cannabis or concentrated cannabis in combination with other ingredients.

“Cannabis Public Health Permit” means a written authorization issued by the Long Beach Health Department to operate an Adult-Use Cannabis Business pursuant to this Chapter.

“Cannabis Waste” means waste that is generated from a commercial cannabis activity that contains cannabis or cannabis products.

“Canopy” means the designated area(s) at a permitted premises, except nurseries, that will contain mature plants at any point in time. The total area of the canopy shall be calculated and measured using the method(s) required by the State Department of Food and Agriculture.

“Certificate of Accreditation” means a certificate issued by an accreditation body that attests to a Laboratory’s competence to carry out specific testing analysis.

“City” means the City of Long Beach.

“City Attorney” means the City Attorney of the City of Long Beach and his or her designee.

“City Health Officer” means the City Health Officer of the City of Long Beach, his or her designee, or any other person exercising the duties of City Health Officer for the City of Long Beach.

“City Manager” means the City Manager of the City of Long Beach and his or her designee.

“Co-Located Cannabis Business” means any person, entity, or operation, in whole or in part, whether operating for-profit or not-for-profit, and all associated owners, employees, managers, or agents engaged in both adult-use and medicinal commercial cannabis activities on the same permitted premises for one (1) identical type of commercial cannabis activity.

“Code” means the Long Beach Municipal Code.

“Commercial Cannabis Activity” or “Commercial Cannabis Activities” means the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, making available, or sale of cannabis goods.

“Commercial Cannabis Business” means any person, entity, or operation, in whole or in part, whether operating for-profit or not-for-profit, and all associated owners, employees, managers, or agents that engages in adult-use commercial cannabis activity or adult-use and medicinal commercial cannabis activity from one (1) premises.

“Component” means any substance or item intended for use in the manufacture of a cannabis product, including those substances or items that are not intended to appear in the final form of the product. “Component” may include cannabis, cannabis products used as ingredients, other ingredients, and processing aids.

“Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis, including nurseries.

“Cultivation Area” means the combined total number of square feet on one (1) premises dedicated to the cultivation of living cannabis plants, including, but not limited to, any areas dedicated to the vertical and/or horizontal cultivation of cannabis.

“Cultivation Site” means a permanent structure in a fixed location that contains a permitted premises where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a premises where any combination of those activities occurs.

“Cultivator” means any person, entity, or operation, in whole or in part, whether operating for-profit or not-for-profit, and all associated owners, employees, managers, and agents engaged in planting, growing, harvesting, drying, curing, grading, or trimming cannabis, including a nursery which produces clones, immature plants, seeds, or other agricultural products specifically for the planting, propagation, or cultivation of cannabis.

“Customer” means a natural person twenty-one (21) years of age or older or a natural person eighteen (18) years of age or older who possesses a physician’s recommendation.

“Day Care Center” shall have the same meaning as in California Health and Safety Code Section 1596.76.

“Delivery” means the commercial transfer of cannabis goods by a Dispensary to a customer at a physical address. “Delivery” also includes the use of any technology platform by a Dispensary that is also owned, leased, or controlled by the Dispensary.

“Delivery Employee” means an employee of a Dispensary who delivers cannabis goods from the premises of a Dispensary to a customer at a physical address.

“Director of Financial Management” means the Director of Financial Management of the City of Long Beach and his or her designee.

“Dispensary” means any person, entity, or operation, in whole or in part, whether operating for-profit or not-for-profit, and all associated owners, employees, managers, or agents engaged in both medicinal and adult-use commercial cannabis activity from the

same permitted premises for the retail sale and delivery of cannabis goods to customers. A “Dispensary,” as that term is used in this Code, is a “Retailer” under the MAUCRSA.

“Distribution” means the procurement, sale, and transport of cannabis or cannabis products between State licensees.

“Distributor” means any person, entity, or operation, in whole or in part, whether operating for-profit or not-for-profit, and all associated owners, employees, managers, or agents that engages in the business of the distribution of cannabis goods between State licensees.

“Dried Flower” means all dead cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and stems.

“Edible Cannabis Product” means manufactured cannabis that is intended to be used, in whole or in part, for oral human consumption including, but not limited to, chewing gum, but excluding products set forth in Division 15 (commencing with Section 32501) of the California Food and Agricultural Code. An edible cannabis product is not considered food as defined by California Health and Safety Code Section 109935 or a drug as defined by California Health and Safety Code Section 109925.

“Electronic Age Verification Device” means a device capable of quickly and reliably confirming the age of the cardholder of a government-issued identification card using computer processes.

“Employee” means any individual engaged in the operation of a Commercial Cannabis Businesses, whether full-time, part-time, permanent, or temporary, for a wage, salary, commission, barter, or any other form of compensation, or for no compensation, including but not limited to, any owner-operator, member of the owner’s family, partner, associate,

agent, manager or solicitor, full-time employee, part-time employee, temporary employee, contractors, volunteers, and agents. The owner of a sole proprietorship shall not be considered an employee.

“Extraction” means a process by which cannabinoids are separated from cannabis plant material through chemical or physical means.

“Fire Alarm System” means an assembly of equipment and devices arranged to signal the presence of a hazard requiring urgent attention, to which fire officials may respond.

“Flowering” means that a cannabis plant has formed a mass of pistils measuring greater than one half inch (1/2”) wide at its widest point.

“Good Standing” means that a Commercial Cannabis Business is regarded as having complied with all explicit obligations, while not being subject to any form of sanction, suspension, or disciplinary censure by the City, State, or any of the State’s departments or divisions.

“Government-Issued Identification” means a document issued by a federal, state, county, or municipal government that includes the name, date of birth, physical description, and picture of the person, such as a driver’s license, U.S. passport, military ID, or State or local government identification card.

“Harvest Batch” means a specifically identified quantity of dried flower or trim, leaves, and other cannabis plant matter that is uniform in strain, harvested at the same time, and, if applicable, cultivated using the same pesticides and other agricultural chemicals, and harvested at the same time.

“Identification Card” means a document issued by the State pursuant to California Health and Safety Code 11362.7 et seq. that identifies a person authorized to engage in the medicinal use of cannabis and the person's designated primary caregiver, if any.

“Immature Plant” means a cannabis plant that is not flowering, including, but not limited to, seedlings, sprouts, and unrooted clones.

“Infusion” means a process by which cannabis, cannabinoids, cannabis concentrates, or manufactured cannabis is directly incorporated into a cannabis product formulation to produce a cannabis product.

“Ingredient” means any substance that is used in the manufacture of a cannabis product and that is intended to be present in the product's final form.

“Labeling” means any label or other written, printed, or graphic matter upon cannabis goods, its container or wrapper, or that accompanies cannabis goods.

“Labor Peace Agreement” shall have the same meaning as California Business and Professions Code 26001(x).

“Limited-Access Area” means an area within a permitted premises used for storing and holding cannabis goods and currency, which is only accessible to the permittee and authorized employees of the permittee.

“Live Plants” or “Live Cannabis Plants” means living cannabis flowers and plants, including but not limited to, seeds, sprouts, immature plants, plants in the vegetative stage, plants in the flowering stage, and mature plants.

“Manager” means any person(s) designated by a Commercial Cannabis Business to act as the representative or agent of the Commercial Cannabis Business in managing day-to-

day operations with corresponding liabilities and responsibilities, and/or the individual in apparent charge of the permitted premises of the Commercial Cannabis Business. Evidence of management includes, but is not limited to, evidence that the individual has the power to direct, supervise, or hire and dismiss employees, control hours of operation, creates policy rules, or purchases supplies.

“Manufacture” means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

“Manufactured Cannabis Batch” means either of the following:

- A. An amount of cannabis concentrate or extract that is produced in one (1) production cycle using the same extraction methods and standard operating procedures.
- B. An amount of a type of manufactured cannabis produced in one (1) production cycle using the same formulation and standard operating procedures.

“Manufacturer” means any person, entity, or operation, in whole or in part, whether operating for-profit or not-for-profit, and all associated owners, employees, managers, and agents, engaged in the production, conversion, preparation, propagation, deriving, processing, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis goods or labels or relabels its container.

“Manufacturing” means all aspects of the extraction and/or infusion processes, including processing, preparing, holding, storing, packaging, or labeling of cannabis product.

“Manufacturing” shall also include any processing, preparing, holding, or storing of components and ingredients used in cannabis products.

“Marijuana” shall have the same meaning as cannabis under this Chapter.

“Mature Cannabis Plant” or “Mature Plant” means a cannabis plant that is flowering.

“MAUCRSA” means the Medicinal and Adult-Use Cannabis Regulation and Safety Act, consisting of the legislation in SB 94.

“Medicinal Marijuana Business” means any person, entity, or operation, in whole or in part, whether operating for-profit or not-for-profit, and all associated owners, employees, managers, and agents, engaged in commercial cannabis activity involving medicinal cannabis pursuant to Chapter 5.90 of this Code.

“Medical Marijuana Business Permit” means one (1) document issued by the City to reflect the regulatory business permit issued pursuant to the provisions of Chapter 5.90 and Title 5 of this Code, and the business license issued pursuant to Chapter 3.80 of this Code, authorizing the holder thereof to operate a Medical Marijuana Business and to conduct medicinal commercial cannabis activities.

“Medicinal Cannabis” or “Medicinal Cannabis Product” means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to California Health and Safety Code Section 11362.5, by a medicinal cannabis patient in California who possesses a physician’s recommendation.

“Medicinal Cannabis Patient” or “Medical Patient” means a qualified patient or a person with an identification card.

“Microbusiness” or “Type 12 Microbusiness” means a business as defined by California Business and Professions Code Section 26070, applying for, or issued, a Type-12 Microbusiness State license, to engage in three (3) or more of the following commercial

cannabis activities from one permitted premises: cultivation on an area less than ten thousand (10,000) square feet, distribution, manufacturing, or retail sales (Dispensary).

“Microorganisms” means yeasts, molds, bacteria, viruses, protozoa, and/or microscopic parasites and includes species that are pathogens. The term “Undesirable Microorganisms” includes those microorganisms that are pathogens, that subject a cannabis product to decomposition, that indicate that a cannabis product is contaminated with filth, or that otherwise may cause a cannabis product to be adulterated.

“Misbranded” shall have the same meaning as California Business and Professions Code Section 26121.

“Nonvolatile Solvent” means any solvent used in the extraction process that is not a volatile solvent, including but not limited to, carbon dioxide or ethanol.

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

“Operation” means any act for which a person is legally required to have a State and local permit or license, or any commercial transfer of cannabis goods.

“Operator” means a person that is engaged in any act for which a State and local permit or license is legally required.

“Owner” means any of the following:

- A. Any person with an ownership interest of ten percent (10%) or more in the Adult-Use Cannabis Business applying for a permit pursuant to this Chapter;
- B. The chief executive officer of an entity, including nonprofits;

- C. A member of the board of directors of a for-profit or non-profit entity;
- D. All persons within an entity that have a financial interest of ten percent (10%) or more in the proposed Adult-Use Cannabis Business, including but not limited to:
 - 1. A general partner of an Adult-Use Cannabis Business that is organized as a partnership;
 - 2. A non-member manager or managing member of an Adult-Use Cannabis Business that is organized as a limited liability company;
 - 3. Any person holding a voting interest in a partnership, association, or limited liability company;
 - 4. All officers or directors of an Adult-Use Cannabis Business that is organized as a corporation and all shareholders who individually own more than ten percent (10%) of the issued and outstanding stock of the corporation.

“Outdoors” means any location within the City that is not within an enclosed locked structure or building.

“Package” and “Packaging” means any container or wrapper that may be used for enclosing or containing any cannabis goods for final retail sale. “Package” does not include a shipping container or outer wrapping used solely for the transport of cannabis goods in bulk quantity to a State licensee.

“Panic Hardware” means a door-latching assembly incorporating a device that releases the latch upon the application of a force in the direction of egress travel.

“Parcel of Land” means one (1) contiguous piece of real property, its boundaries, and all the rights contained therein, which is identified by a Los Angeles County Assessor’s Parcel Number (APN).

“Permittee” means a person issued an Adult-Use Cannabis Business Permit pursuant to this Chapter.

“Person” means a natural person as well as an entity, individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other legal entity or group, or combination thereof acting as a unit, and includes the plural as well as the singular number.

“Physician’s Recommendation” means a recommendation provided by a physician or surgeon that an individual may obtain and use cannabis for medicinal purposes in accordance with California Health and Safety Code Section 11362.5.

“Playground” means any park or recreational area specifically designed to be used by children which has play equipment installed, including public grounds designed for athletic activities such as baseball, football, soccer, or basketball, or any similar facility located on public or private school grounds, or city, county, or state parks.

“Premises” means a contiguous area wherein the permit privileges are, or will be, exercised, as diagrammed in the application for an Adult-Use Cannabis Business Permit, and for which a separate permit is required.

“Primary Caregiver” means the individual, designated by a qualified patient, who has consistently assumed responsibility for the housing, health, or safety of said qualified patient pursuant to California Health and Safety Code Section 11362.7.

“Property Line” means the defined boundaries of a parcel of land.

“Property Owner” means the person who is the owner of record for the real property and premises where a commercial cannabis activity or commercial cannabis activities are located, or are proposed to be located.

“Public Beach” or “Beach” means any beach area used for recreational purposes which is owned, operated, or controlled by the State, any State agency, or any local agency within the City’s authority, including but not limited to, Alamitos Bay Beach, Alamitos Beach, Alamitos Park Beach, Belmont Shore Beach, Colorado Lagoon Park, Granada Beach, Rosie’s Dog Beach, Long Beach City Beach, Marine Stadium Beach, Mothers Beach, Peninsula Bayside Beach, Peninsula Beach, and Shoreline Aquatic Park.

"Public Park" or "Park" means publicly owned natural or open areas set aside for active public use for recreational, cultural, or community service activities, including but not limited to, all parks dedicated or designated in Table 35-2 of Chapter 21.35 of this Code.

“Public Place” or “Public” means any real property owned, leased, or used by a public entity, and any place on private property open to the public, common areas of buildings, private clubs, vehicles, those portions of any private property upon which the public has an express or implied license to enter or remain, and any place visible from such places. “Place open to the public” does not include any fenced area of a private residence regardless of whether it can be seen from a place open to the public.

“Public Right-Of-Way" means any public highway, street, alley, sidewalk, parkway, and all extensions or additions thereto which is either owned, operated, or controlled by the City, or is subject to an easement or dedication to the City, or is a privately-owned area within City's authority which is not yet dedicated, but is designated as a proposed public right-of-way on a tentative subdivision map approved by the City.

“Qualified Patient” means a person who is entitled to the protections of California Health and Safety Code Section 11362.5, but who does not have an identification card.

“Quality Control Personnel” means any person or group, designated by the permittee to be responsible for quality control operations.

"Retail Area" means a building, room, or other area that is open to the public upon a premises in which cannabis goods are sold or displayed.

"Security Alarm System" means an assembly of equipment and devices arranged to signal the presence of a hazard requiring urgent attention, to which police officials may respond.

"Sell," "Sale," and "To Sell" means any transaction whereby, for any consideration, title to cannabis goods are transferred from one (1) person to another, and includes the delivery of cannabis goods in response to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of cannabis goods by a permittee to the permittee from whom the cannabis goods were purchased.

"Site" means one (1) or more contiguous lots or parcels of land which were developed and function as a single development for satisfying the requirements and development standards of this Code, including, but not limited to, access and parking.

"Site Boundary" means the outer defined boundaries of a site, which are coterminous with any or all portions of the property line(s) of the lot(s) or parcel(s) of land that total the whole of the site.

"State" means the State of California.

"State Licensee" means a person issued a State license by the State, or one of its departments or divisions, pursuant to the MAUCRSA to conduct adult-use and/or medicinal commercial cannabis activity, and includes the holder of a Testing Laboratory license.

"State License" means a license issued by the State of California, or one of its departments or divisions, pursuant to the MAUCRSA to conduct adult-use and/or medicinal commercial cannabis activity, as well as a Testing Laboratory State license.

“Sublet” means to lease or rent all or part of a leased or rented property.

“Technical Report” means a document prepared by, and bearing the stamp of, a registered design professional or qualified specialist, laboratory, or fire safety specialty organization to analyze and demonstrate that the fire safety properties of the equipment, devices, systems, products, technologies, materials and uses attending the design, operation or use of a building or premises comply with all applicable local and State Building Codes, Fire Codes, Electrical Codes, and other laws.

"Testing Laboratory" means any person, entity, or operation, in whole or in part, whether operating for-profit or not-for-profit, and all associated owners, employees, managers, or agents offering or performing tests of cannabis goods and that is ISO/IEC 17025 accredited, or pending ISO/IEC 17025 accreditation.

"Time and/or Temperature Controlled" means a cannabis or cannabis product that requires time and/or temperature control for safety to limit pathogenic microorganism growth or toxin formation.

“Trim” means the excess snipping of leaves from the flowers of cannabis plants.

“Topical Cannabis Product” means a cannabis product intended for external use, such as cannabis-enriched lotions, balms, and salves. A topical cannabis product is not considered a drug as defined by California Health and Safety Code Section 109925.

"Track-and-Trace System" means the State-approved system required by the MAUCRSA to track commercial cannabis activity and movement of cannabis goods through the distribution chain.

“Transport,” “Transporting,” or “Transportation” means the physical movement of cannabis goods from the premises of one State licensee to the premises of another State licensee.

“Transport Only Distributor” means any person, entity, or operation, in whole or in part, whether operating for-profit or not-for-profit, and all associated owners, employees, managers, or agents that engages in the business of the transporting of cannabis goods between State licensees only where the cannabis or cannabis products were cultivated or manufactured by said permittee (self-distribution), or where the cannabis or cannabis products are cultivated or manufactured by other State licensees.

“Transporter” means an employee of a Distributor engaged in the procurement, sale, and transfer of cannabis goods from the premises of one State licensee to the premises of another State licensee.

“Unique Identifier” means an alphanumeric code or designation used for reference to a specific cannabis plant on a permitted premises and any cannabis goods derived or manufactured from said cannabis plant.

“Vacuum Oven” means an oven that uses a combination of heat and negative pressure (vacuum) to strip the concentrated material of any residual solvents that were used in the extraction process.

“Volatile Solvent” means a solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures. Examples of volatile solvents include, but are not limited to, hexane and liquefied petroleum gases, such as butane or propane.

“Youth Center” shall have the same meaning as California Health and Safety Code Section 11353.1.

DIVISION II - ADMINISTRATION

Subdivision I - General Authority.

5.92.110 - Authority to delegate.

- A. The City Manager may delegate an act required to be performed pursuant to this Chapter to any Code Enforcement Officer or Official of the City, including, without limitation, the Chief of Police, the Fire Code Official, the Building Official, the Director of Financial Management, the City Attorney, the City Health Officer, or any designee of such officers or officials. All references to the City Manager in this Chapter shall include any designee of the City Manager.

- B. The City Manager has all the powers of any peace officer to:
 1. Investigate violations or suspected violations of this Chapter; Chapter 3.80, Chapter 5.90, and Title 21 of this Code; the provisions of MAUCRSA; any regulations implemented and enforced by the State or any of its departments or divisions that may be enforced by peace officers; any other laws or regulations pertaining to Commercial Cannabis Businesses in this City, any resolutions or regulations promulgated pursuant to such provisions;
 2. View, duplicate, and/or take possession of recordings made by the digital video surveillance system of a Commercial Cannabis Business, which shall be made available to the City Manager upon verbal request. No search warrant, court order, or subpoena shall be needed for the City Manager to view security records;

3. Enter the cannabis facility and premises of a Commercial Cannabis Business from time to time unannounced to make reasonable inspections to observe and enforce compliance with this Chapter and all laws and regulations of the City and State;
4. Serve all warrants, summonses, subpoenas, administrative citations, notices, or other processes relating to the enforcement of laws regulating commercial cannabis activities and Commercial Cannabis Businesses.
5. Assist or aid any law enforcement officer in the performance of his or her duties upon such law enforcement officer's request, or the request of other local officials that have jurisdiction;
6. Inspect, examine, or investigate any Commercial Cannabis Business, and the premises and/or cannabis facility for the same, where cannabis goods are grown, harvested, possessed, stored, cultivated, processed, manufactured, packaged, labeled, transported from, tested, distributed, sold, or made available, and any books and records in any way connected with any permitted activity;
7. Require any Commercial Cannabis Business, upon demand, to allow an inspection of any Commercial Cannabis Business during business hours, or at any time of apparent business, including, without limitation, any cannabis equipment, cannabis accessories, security records, inventory, on-site operations specific to the Commercial Cannabis Business, accounts, or books and records; and to permit the testing of, or examination of, cannabis goods.
8. Require applicants to submit complete and current applications, fees, and any other information the City Manager deems necessary to make permitting decisions and to approve material changes made by any applicant or Commercial Cannabis Business;

9. Conduct investigations into the character, criminal history, and all other relevant factors related to suitability of all applicants for a Commercial Cannabis Business Permit, and such other persons with a direct or indirect interest in a Commercial Cannabis Business, as the City Manager may require; and
10. Promulgate such administrative regulations as deemed necessary and appropriate, if said regulations are consistent herewith and with all applicable State law and regulations.
11. Exercise any other power or duty authorized by law.

C. Nothing in this Section is intended to, or shall operate to, change or shall have the effect of changing, the status of a City Manager's designee under this Section from a public or miscellaneous officer or employee to an individual peace officer or safety member or to a class of peace officer or safety member for purposes of retirement, worker's compensation or similar injury or death benefits, or any other employee benefit or benefits to which said officer or employee would not have been entitled to as a public employee prior to the adoption of this Section.

5.92.120 - Authority to order an administrative hold of cannabis goods.

To prevent destruction of evidence, diversion, or other threats to public safety, while permitting a Commercial Cannabis Business to retain its inventory pending further investigation, the City Manager may order an administrative hold of cannabis goods pursuant to the following procedure:

- A. If during an investigation or inspection of a Commercial Cannabis Business, the City Manager develops reasonable grounds to believe certain cannabis goods constitute evidence of acts in violation of this Chapter, or rules promulgated pursuant to it, or otherwise constitute a threat to the public safety, the City Manager may issue a notice of administrative hold of any such cannabis goods.

- B. The notice of administrative hold shall provide a documented description of the cannabis goods to be subject to the administrative hold.
- C. The Commercial Cannabis Business shall completely and physically segregate the cannabis goods subject to the administrative hold in a separate area of the location under investigation, where it shall be safeguarded by the Commercial Cannabis Business. Pending the outcome of the investigation and any related disciplinary proceeding, the Commercial Cannabis Business is prohibited from selling, giving away, transferring, transporting, or destroying the cannabis goods subject to the administrative hold.
- D. Following an investigation, the City Manager may lift the administrative hold, order the continuation of the administrative hold, or seek a Final Order for the destruction of the cannabis goods. A Commercial Cannabis Business shall be responsible for the cost of the destruction of cannabis associated with its violation.
- E. Any decision or action of the City Manager pursuant to this subsection is subject to the appeal procedures pursuant to Section 5.92.1445.
- F. Voluntary surrender of cannabis goods. The Commercial Cannabis Business, prior to a Final Order and upon mutual agreement with the City Manager, may elect to waive a right to a hearing and any associated rights, and voluntarily surrender any goods to the City Manager. Such voluntary surrender may require destruction of any cannabis goods in the presence of the City Manager.

5.92.130 - Authority to make reasonable rules, policies, and procedures.

- A. The City Manager is authorized to make reasonable rules, policies, and procedures consistent with the intent and spirit of this Chapter as may be necessary to administer and enforce the provisions of this Chapter and any other ordinances,

regulations or laws relating to and affecting the permitting and operations of Commercial Cannabis Businesses. Regulations promulgated by the City Manager become effective upon date of publication, unless specified otherwise.

- B. Applicants and permittees shall cooperate with the City Manager, including City Manager designees who are conducting inspections or investigations relevant to the enforcement of laws and regulations related to this Chapter.
- C. It is unlawful for any person to obstruct, impede, or interfere with the City Manager, from reasonable inspection, investigation, audits authorized by law or from exercising their respective duties under the provisions of this Chapter and all rules promulgated pursuant to it, including but not limited to, the following:
 - 1. Threatening force or violence against the City Manager, or otherwise endeavoring to intimidate, obstruct, or impede the City Manager or any peace officers from exercising their duties. The term “threatening force” includes the threat of bodily harm to such individual or to a member of his or her family;
 - 2. Denying the City Manager access to any portion of a Commercial Cannabis Business, premises, and/or cannabis facility during business hours or times of apparent activity;
 - 3. Providing false or misleading statements;
 - 4. Providing false or misleading documents and records;
 - 5. Failing to timely produce requested books and records required to be maintained by the Commercial Cannabis Business; or

6. Failing to timely respond to any request for information made by the City Manager about an investigation of the qualifications, conduct, or compliance of a Commercial Cannabis Business or applicants.

5.92.140 - Authority of the Director of Financial Management.

The Director of Financial Management is authorized to make reasonable rules, policies, and procedures consistent with the intent and spirit of this Chapter concerning the applications, the application process, the information required of applicants, the application procedures, and the administration and procedures to be used and followed in the application process for permit applications and requests for permit changes or modifications required pursuant to this Chapter.

Subdivision II - Permit Application and Administration.

5.92.210 - Business license and permit required.

- A. It is unlawful for any person to engage in, operate, conduct, carry on, or allow to be carried on, the business of adult-use cannabis in the City without having first met the following requirements:
 1. The person has paid any business license tax pursuant to Chapter 3.80 of this Code;
 2. The person holds a valid permit pursuant to the requirements of this Chapter; and
 3. The person holds a State license in accordance with California Business and Professions Code Section 26000 et seq. and any applicable regulations implemented by the State or any of its departments or divisions.
- B. Each permit issued pursuant to the requirements of this Chapter shall entitle the holder thereof to obtain a City license to engage in the business described in the permit, upon payment of the license tax required by the provisions of Chapter 3.80 of

this Code, provided the holder of the permit complies with all other applicable provisions of law or ordinance.

- C. Fixed location required. A permit may only be issued for a specific, fixed location within a secured, fully enclosed building, that is subject to building and/or zoning permits and regulations.

5.92.215 - Permit application required filing.

- A. Any person seeking an Adult-Use Cannabis Business Permit shall submit a written application to the City, signed under penalty of perjury, using the form approved by the City for that purpose and in the manner required by the Director of Financial Management. The application shall be accompanied by a non-refundable application fee, established by resolution of the City Council. All applications shall contain, at a minimum, the following information and documents:

- 1. Applicant information.

- a. The legal business name of the applicant.
- b. The applicant's mailing address, e-mail address, and business telephone number.
- c. The federal employer identification number or social security number of the applicant.
- d. A description of the business organizational structure of the applicant, including the entity identification number, if applicable.
- e. The contact information for the Community Liaison, including the Liaison's full name, phone number, and e-mail address.
- f. Other cannabis licenses. A list of all State licenses and any out-of-state or other local licenses, permits, or authorizations to conduct commercial

cannabis activity held by the applicant, including the date the license was issued and the state license number.

- g. Description of State licenses required. A description or identification of the State license(s) types that are required for the applicant's proposed operations.
- h. Prior denials, suspensions, or revocations. A statement under penalty of perjury by the applicant, as to whether the applicant has ever had the right to conduct a commercial cannabis activity denied, suspended, or revoked by the City, State, or any other cannabis licensing authority, including out-of-state licensing authorities.

2. Owner information. Every application shall include the following information for every owner of the applicant's Adult-Use Cannabis Business:

- a. The full legal name, title, social security number or individual taxpayer identification number, mailing address, e-mail address, telephone number, and percentage of ownership in the Adult-Use Cannabis Business.
- b. A copy of a completed Live Scan fingerprinting and criminal background check form, identifying the Long Beach Police Department as the requesting agency; and
- c. A color copy of every owner's government-issued identification.

3. Property information. Every application shall include, but not be limited to, the following property information concerning the proposed premises:

- a. The physical address of the premises to be permitted;
- b. A premises diagram;
- c. The full legal name, e-mail address, and telephone number of the property owner for the proposed premises; and

- d. Proof that the applicant has the legal right to occupy and use the premises for commercial cannabis activity, subject to the following requirements:
 - (i). If the Adult-Use Cannabis Business owns the real property where the commercial cannabis activity will occur, the applicant shall provide properly executed deeds or other proof of title to said real property.
 - (ii). If the Adult-Use Cannabis Business does not own the real property where the commercial cannabis activity will occur, the applicant shall provide the following:
 - 1) A written statement, on a form provided by the City for that purpose, signed and notarized by each property owner under penalty of perjury, consenting and/or attesting to the following:
 - a) That commercial cannabis activity may be conducted on the property by the Adult-Use Cannabis Business applicant;
 - b) That the Adult-Use Cannabis Business applicant has the right to occupy the property;
 - c) That no person shall engage in commercial cannabis activity on the proposed premises without all licenses and permits required by this Code and State law to conduct commercial cannabis activity while a Commercial Cannabis Business application is pending;

- d) That the City may enter the property to conduct property inspections during the application process and after a permit is issued; and
- e) That each property owner has read, understands, and will ensure compliance with the terms of this Chapter.

2) A copy of the Property Owner's Non-Residential Rental Business License.

4. Details of business operation. Every application shall include details of the proposed operation, including but not limited to: the proposed hours of operation; a description of the nature of the proposed commercial cannabis activity; whether any other type of commercial cannabis activity will share the proposed premises or cannabis facility with the proposed operation; and all specifications for any equipment to be required for the proposed operation.

5.92.220 - Permit application investigation.

- A. Upon receipt of a complete application, the Director of Financial Management shall refer the application to the appropriate City departments to determine whether the proposed premises and cannabis facility complies with all applicable laws and regulations.
- B. As part of the application process, every Adult-Use Cannabis Business shall be subject to mandatory inspections of the proposed premises.
- C. All applicants shall obtain all required land use approvals, and any other necessary approvals, certifications, permits, or licenses from the City, State, or any applicable State or local agencies, for each separate proposed premises and for every type of commercial cannabis activity required for the applicant's proposed operation.

5.92.225 - Co-location of adult-use and medicinal commercial cannabis activities.

The City may allow a Commercial Cannabis Business to conduct both adult-use and medicinal commercial cannabis activity on the same permitted premises if all of the following criteria are met:

- A. The permittee holds both an Adult-Use Cannabis Business Permit and a Medical Marijuana Business Permit on the same premises for an identical type of commercial cannabis activity.
- B. Except as otherwise authorized by law, the permittee only conducts one of the following types of commercial cannabis activities on the same permitted premises: retail sale (Dispensary), cultivation, distribution, manufacturing, or laboratory testing. Examples of exceptions authorized by law include, but are not limited to, businesses holding a State license for a Type 12 Microbusiness or Transport Only Distributors that hold a State license and City permit for cultivation or manufacturing.
- C. Prior to the issuance of an Adult-Use Cannabis Business Permit, the applicant shall waive the rights to the inspection, penalty, suspension, revocation, and appeals process and requirements under Chapter 5.90 of this Code, and shall consent to subject the Medical Marijuana Business Permit to the inspection, penalty, suspension, revocation, and appeals processes and requirements of this Chapter.
- D. The application for an Adult-Use Cannabis Business Permit shall be submitted by the same entity and owners that hold the Medical Marijuana Business Permit, or the same entity and owners who are named on the application for the Medical Marijuana Business Permit, for the identical premises as the Medical Marijuana Business.
- E. The operation of adult-use and medicinal commercial cannabis activities from the same permitted premises complies with the requirements in this Chapter and all

other applicable State and local laws and regulations, including, but not limited to, the location requirements specified in Section 5.92.420.

- F. If the Commercial Cannabis Business is a Dispensary, the proposed Adult-Use Cannabis Dispensary shall also be one of the following:
1. A permitted Medical Marijuana Dispensary in good standing; or
 2. A Medical Marijuana Dispensary applicant who participated in a Non-Priority Dispensary Public Lottery held by the City after September 29, 2017, who has received written notice from the Director of Financial Management that said application is eligible to move forward to department and plan check review.
- G. The Medical Marijuana Business Permit shall be issued before the Adult-Use Cannabis Business Permit will be issued.

5.92.230 - Conversion to an Adult-Use or Co-Located Cannabis Business.

As of the effective date of this Chapter, existing Medical Marijuana permittees in good standing, and applicants for the same, may apply to convert an existing Medical Marijuana Business Permit to an Adult-Use Cannabis Business Permit, or to conduct adult-use and medicinal commercial cannabis activities from the same premises, without regard for the location requirements specified in Section 5.92.420, for one-hundred eighty (180) days from the effective date of this Chapter if the following requirements are satisfied:

- A. The Medical Marijuana Business permittee, or applicant for the same, is a cultivation, distribution, manufacturing, or laboratory testing permittee; and
- B. The Medical Marijuana Business Permit application was submitted prior to June 19, 2018 and all required application fees have been paid;
- C. Except as provided in this Section, all requirements in Section 5.92.225 are satisfied; and

- D. In the case of a conversion, the previously issued Medical Marijuana Business Permit shall be surrendered to the City before the Adult-Use Cannabis Business Permit will be issued. The term of the new Adult-Use Cannabis Business Permit shall be the same as the existing Medical Marijuana Business Permit.

5.92.235 - Conversion to a Co-Located Dispensary.

As of the effective date of this Chapter, a Medical Marijuana Dispensary may apply to operate an Adult-Use Cannabis Dispensary and Medical Marijuana Dispensary from the same permitted premises, and without regard for the location requirements specified in Section 5.92.420 if:

- A. As of June 19, 2018, the proposed Adult-Use Cannabis Dispensary is also a permitted Medical Marijuana Dispensary in good standing or an applicant whose Medical Marijuana Dispensary Application is deemed complete; and
- B. The Medical Marijuana Dispensary is a member of the "Priority Group 1," "Priority Group 2," or participated in the City's Non-Priority Dispensary Public Lottery held on September 29, 2017;
- C. If the applicant is a Non-Priority Dispensary pursuant to Chapter 5.90, said applicant has received written notice from the Director of Financial Management that said application for a Medical Marijuana Dispensary is eligible to move forward to department and plan check review; and
- D. Except as provided in this Section, all requirements in Section 5.92.225 are satisfied.

5.92.240 - Effect of other permits or licenses.

Possession of other types of local and State licenses or permits does not exempt any person from the requirement of obtaining a permit under this Chapter.

5.92.245 - Incomplete applications.

- A. Upon review of an application, if the Director of Financial Management determines an application is incomplete, the Director of Financial Management shall provide notice to the applicant, who shall have ninety (90) calendar days to correct all deficiencies.
- B. If the applicant fails to correct said deficiencies within the ninety (90) day period, the application shall be deemed abandoned, void, and of no further force and effect. The applicant may reapply at any time following an abandoned application. The City will not refund any fees for incomplete or abandoned applications.
- C. The Director of Financial Management may extend the deadline upon showing of good cause by the applicant for the inability to provide all required information by the deadline, if a written request for an extension is received no later than ten (10) calendar days prior to the deadline. For purposes of this subsection, the term "good cause" shall mean the applicant's failure to complete the application process occurred due to circumstances outside of the applicant's control.

5.92.250 - One applicant per property address.

- A. The Director of Financial Management shall only accept applications from one (1) applicant per property address at a time.
- B. Any applications received by the Director of Financial Management from a different applicant, while an active application is pending for the same property address, is deemed void and of no force and effect.
- C. If more than one (1) application for an Adult-Use Cannabis Business Permit has been submitted for the same property address, the first application received by the Director of Financial Management shall be eligible to proceed.

- C. If more than one (1) application for an Adult-Use Cannabis Business Permit has been submitted for the same property address, the first application received by the Director of Financial Management shall be eligible to proceed.

5.92.255 - Withdrawal of application.

- A. An applicant may withdraw an application any time prior to the issuance or denial of a permit by submitting a signed and dated request to withdraw, on a form provided by the City for that purpose.
- B. Upon the Director of Financial Management's receipt of the request to withdraw, the application is deemed withdrawn, void, and of no further force and effect.
- C. Withdrawal of an application submitted under this Chapter does not deprive the Director of Financial Management of his or her authority to institute or continue any proceeding against the applicant for the denial of an application for a permit upon any ground provided by law or to enter an order denying an application for a permit upon any such ground.

5.92.260 - Revocable privilege.

A permit issued by the City is a revocable privilege. It is the responsibility of the applicant to provide all information required for approval of the permit and to demonstrate compliance with this Chapter and any other applicable law, rule, or regulation.

5.92.265 - Persons prohibited as owners.

- A. It shall be unlawful for any of the following persons to be an owner of an Adult-Use Cannabis Business pursuant to this Chapter:
 - 1. A sheriff deputy, police officer, or prosecuting officer, or an officer or employee of the State or the City.

2. A person otherwise prohibited in this Chapter from engaging in commercial cannabis activity.
3. A licensed physician making patient recommendations for cannabis.
4. An individual who is under twenty-one (21) years of age.
5. A person who has been convicted of any offense within the last ten (10) years that is substantially related to the qualifications, functions, or duties of the operation of a Commercial Cannabis Business and conducting commercial cannabis activity, which includes the following offenses:
 - a. A violent felony, as specified under Penal Code Section 667.5(c).
 - b. A serious felony, as specified under Penal Code Section 1192.7(c).
 - c. A felony involving fraud, deceit, or embezzlement.
6. A person who has been convicted of any offense that is substantially related to the qualifications, functions, or duties of the operation of a Commercial Cannabis Business and conducting commercial cannabis activity, which includes the following offenses:
 - a. A felony conviction for hiring, employing, or using a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling, any controlled substance to a minor; or selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor.
 - b. A felony conviction for drug trafficking with enhancements pursuant to California Health and Safety Code Section 11370.4 or 11379.8.
7. Any person who has failed to remedy any outstanding delinquent taxes, fees, or judgment owed to the City.
8. A person who has, within the past (3) years, been sanctioned or fined for, enjoined from, found guilty of, or plead guilty or no contest to, any charge of

engaging in commercial cannabis activity without the required permits, licenses, registrations, or approvals required by State or local law.

- B. Conviction for any controlled substance felony after the issuance of an Adult-Use Cannabis Business Permit shall be grounds for revocation of said permit or denial of the renewal of said permit.
- C. A plea or verdict of guilty, or a conviction following a plea of nolo contendere is deemed a conviction within the meaning of this Chapter.
- D. Except as provided for in Section 5.92.265.A.6 above, a prior conviction, where the sentence, including any term of probation, incarceration, or supervised release, is completed, for possession of, possession for sale, sale, manufacture, transportation, or cultivation of cannabis and/or cannabis goods shall not be the sole ground for denial of a permit.

5.92.270 - Limitations on liability.

To the fullest extent permitted by law, the City will not assume any liability whatsoever with respect to issuing any permit pursuant to this Chapter or otherwise approving the operation of any Adult-Use Cannabis Business or Co-Located Cannabis Business. Prior to issuance of an Adult-Use Cannabis Business Permit, the applicant, or its legal representative, shall execute an agreement, on a form approved by the City Attorney, regarding the following:

- A. The applicant will indemnify, defend (at applicant's sole cost and expense), and hold harmless the City, and its officers, officials, employees, representatives, and agents from any and all claims, losses, damages, injuries, liabilities or losses which arise out of, or which are in any way related to, the City's issuance of the Adult-Use Cannabis Business Permit, the City's decision to approve the applicant's operation

- of any commercial cannabis activity or any Commercial Cannabis Business operation, the process used by the City in making its decision, or the alleged violation of any federal, State, or local laws by the Adult-Use Cannabis Business applicant, permittee, or any of its officers, managers, employees, or agents; and
- B. The applicant will agree to reimburse the City for all costs and expenses, including but not limited to attorney fees and costs, which the City may be required to pay as a result of any legal challenge related to the City's approval of the applicant's Adult-Use Cannabis Business Permit, or related to the City's approval of the applicant's commercial cannabis activity. The City may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve any of the obligations imposed hereunder.

5.92.275 - Payment of fees.

- A. No person may commence or continue any adult-use commercial cannabis activity in the City, without timely paying in full all fees and taxes required for the operation of an Adult-Use Cannabis Business.
- B. The actual cost to the City arising from the processing and oversight of permits, business permits and licenses, and the costs of monitoring and ensuring compliance with this Chapter, including the Equity Assistance Program, the Responsible Vendor Pilot Program, investigations, enforcement actions, and disciplinary or abatement proceedings, shall be offset through application fees, and annual renewal fees, and shall be established by resolution of the City Council which may be amended from time to time.
- C. The amount of any fee, cost, or charge imposed pursuant to this Chapter shall be deemed a debt to the City that is recoverable in any manner authorized by this Code, State law, or in any court of competent jurisdiction.

Subdivision III - Permit Terms and Modifications.

5.92.310 - Term and renewal of permit.

- A. All permits issued under the provisions of this Chapter shall be effective for a period not to exceed five (5) years after issuance. The City Manager may renew a permit if the City Manager determines that the permittee has complied with the provisions of this Chapter and all applicable laws during the preceding permit term, and if the permittee pays the renewal fees and taxes required by this Chapter.
- B. Any permit issued under this Chapter does not confer a vested right or entitlement to receive a future permit under this Chapter.
- C. Any permit issued under this Chapter does not authorize any conduct or continuance of any operation of a Commercial Cannabis Business, in the event a permittee fails to provide required business tax returns and taxes to the City.

5.92.320 - Permit changes or modifications generally.

- A. Form and fees required. Any permit changes or modifications made pursuant to this Subdivision shall be submitted on a form, provided by the City for that purpose, with a nonrefundable fee established by resolution of the City Council.
- B. No permittee may avail themselves of the provisions of this Subdivision if the Director of Financial Management has notified the permittee that the Adult-Use Cannabis Business Permit or Co-Located Cannabis Business Permits have been, or may be, suspended or revoked, or may not be renewed.

5.92.330 - Change of address.

- A. Any relocation or expansion of the permitted premises that includes a different property address is considered a change of address.

- B. No permittee shall operate an Adult-Use Cannabis Business or Co-Located Cannabis Business at any premises other than the premises specified in the permittee's permit(s).
- C. The relocation of any Adult-Use Cannabis Business shall first be approved by the Director of Financial Management who shall determine whether all ordinances and regulations of the City will be complied with at any proposed new premises.
- D. Only permittees may request to relocate an Adult-Use Cannabis Business operation to a new premises. Applicants seeking to relocate shall withdraw their existing application and submit a new application for the new proposed premises pursuant to the requirements of this Chapter.
- E. The Director of Financial Management may approve a permittee's request to relocate the operation of an Adult-Use Cannabis Business if the relocation complies with the following requirements:
 - 1. The permittee, and any owners identified in the permit, and the commercial cannabis activity specified in the existing permit remain unchanged if the request to relocate is approved.
 - 2. The existing Adult-Use Cannabis Business Permit, and the corresponding State license, shall not be the subject of a pending revocation or suspension action by the City, State, or any of the State's divisions or departments.
 - 3. If the permittee is a Dispensary, both the Medical Marijuana Dispensary and the Adult-Use Cannabis Dispensary shall relocate to the same premises at the same time. It shall be unlawful for a Co-Located Dispensary to relocate the operation of either the Adult-Use Cannabis Dispensary or the Medical Marijuana Dispensary without likewise changing the location of the other.

4. The proposed premises complies with the requirements in this Chapter and all other applicable State and local laws and regulations, including, but not limited to, the locations requirements specified in Section 5.92.420.

5.92.340 - Change of ownership.

- A. Except as otherwise set forth in this Chapter, any sale, transfer, assignment, attempted sale, attempted transfer, or attempted assignment of a permit in violation of this Chapter shall be deemed to constitute a voluntary surrender of such permit, and all rights to operate a Commercial Cannabis Business in the City shall terminate, and any such permit(s) shall thereafter be deemed null and void.
- B. No permittee may sell, transfer, or assign, or change ownership or control of an Adult-Use Cannabis Business Permit to another person, or by operation of law, unless and until the proposed new owner(s), or the proposed transferee(s), submit all required materials at least thirty (30) days prior to the change of ownership or transfer, pay all applicable fees, and independently meet the requirements of this Chapter. For purposes of this Chapter:
 1. A change in ownership occurs when one (1) or more of the owners of a permit change and the new person added to the permit meets the definition of an "Owner" pursuant to this Chapter.
 2. A change in ownership does not occur when one (1) or more owners leave the business by transferring their ownership interest to the other existing owner(s). In cases where one (1) or more owners leave the business by transferring their ownership interest to the other existing owner(s), the owner(s) that are transferring their interest shall provide a signed statement to the City confirming that they have transferred their interest.

- C. If the permittee is a Co-Located Cannabis Business, any request to change ownership, or transfer a permit, shall not be approved unless both the Medical Marijuana Business and the Adult-Use Cannabis Business changes permit ownership at the same time, to the same owners, same business name, and in the same business formation. It shall be unlawful for a Co-located Commercial Cannabis Business to change ownership of either the Medical Marijuana Business Permit or the Adult-Use Cannabis Business Permit without likewise changing the ownership of the other.
- D. The existing permittee may conduct business under the existing permit while the Director of Financial Management reviews the application for a change of ownership or permit transfer. Denial of an application for a change of ownership does not result in the revocation of the existing permit.

5.92.350 - Change in business name.

No permittee shall operate, conduct, manage, engage in, or carry on an Adult-Use Cannabis Business under any name other than the name of the Adult-Use Cannabis Business specified in the permit and/or any "doing business as" or "DBA" provided in the permit application.

5.92.360 - Physical modification of premises.

- A. A permittee shall not make a physical change, alteration, or modification of the permitted premises without the prior written approval of the Director of Financial Management.
- B. If a permitted premises is to be changed, modified, or altered, the permittee is responsible for filing a request for a premises modification with the Director of

Financial Management and securing all necessary City approvals, project plan approvals, and permits.

C. Alterations or modifications requiring City approval include, without limitation:

1. The removal, creation, or relocation of a common entryway, doorway, passage, or a means of public entry or exit, when such common entryway, doorway, or passage alters or changes the limited-access areas within the permitted premises.
2. The removal, creation, addition, or relocation of the cultivation area.
3. Any other physical modification resulting in a material or substantial change in the mode or character of business operation.
4. The requirements of this Section are in addition to compliance with any other applicable State or local rule, law, or regulation pertaining to approval of building modifications, zoning, or land use requirements.

D. The Director of Financial Management may refer the plans and specifications to all concerned City departments for review and inspection, as appropriate.

DIVISION III - GENERAL OPERATING CONDITIONS

The following general operating requirements are applicable to all Adult-Use Cannabis Businesses. Requirements in this Section are in addition to the requirements specific to each type of Adult-Use Cannabis Business set forth in Division IV (Dispensary operating conditions); Division V (Cultivation operating conditions); Division VI (Manufacturing operating conditions); Division VII (Distribution operating conditions); and Division VIII (Testing Laboratory operating conditions) of this Chapter.

Subdivision I - Cannabis facility and location requirements.

5.92.410 - Compliance.

- A. Every Adult-Use Cannabis Business shall comply with all applicable State laws and regulations, as may be amended and adopted, including all permit, approval, inspection, reporting and operational requirements, imposed by the State or its regulatory agencies having jurisdiction over cannabis, commercial cannabis activity, or Commercial Cannabis Businesses.
- B. Every Adult-Use Cannabis Business shall comply with all applicable State laws, guidelines, and regulations for cannabis and commercial cannabis activity, as may be adopted and as amended by any State agency or department, including, but not limited to, the Bureau of Cannabis Control, the State Department of Food and Agriculture, the State Department of Public Health, the State Department of Pesticide Regulation, the Attorney General, and the State Department of Tax and Fee Administration.
- C. Every Adult-Use Cannabis Business shall comply with all applicable local and regional agency regulations, including, but not limited to, regulations issued by the State Water Resources Control Board and the Los Angeles County Agricultural Commissioner/Weights and Measures.
- D. Adult-Use Cannabis Businesses shall provide copies of State, regional and local agency licenses, permits, approvals, or certificates upon verbal or written request by the City Manager, to serve as verification for such compliance.

5.92.415 - Right to use and occupy premises.

Every Adult-Use Cannabis Business permittee, and applicant for the same, shall maintain a legal right to occupy and a right to use the premises upon which the Adult-Use Cannabis Business operates.

5.92.420 - Location requirements.

- A. Except as otherwise provided for in this Chapter, a premises shall comply with zoning districts in Title 21 (Zoning Ordinance) of this Code, Specific Plans, or Planned developments, and a premises shall not be located:
 - 1. Within a one-thousand foot (1,000') radius of a public or private school (as defined in California Health and Safety Code Section 11362.768(h)).
 - 2. Within a one-thousand foot (1,000') radius of a public beach.
 - 3. Within a six-hundred foot (600') radius of a public park, public library, or day care center.
 - 4. A Dispensary shall not be within a one-thousand foot (1,000') radius of any other Dispensary.
 - 5. Within a building which contains a dwelling unit.
 - 6. Within a dwelling unit within any zoning district.
- B. Youth center buffer. Pursuant to its authority under California Business and Professions Code Section 26054, the City hereby establishes a zero-foot (0') radius buffer for youth centers for Adult-Use Cannabis Businesses licensed under this Chapter; therefore, there is no buffer distance requirement for youth centers for Adult-Use Cannabis Business within the City.

5.92.425 - Noncompliant locations.

- A. If the Director of Financial Management has deemed an application complete, any Adult-Use Cannabis Business may continue the application process unaffected if the proposed premises becomes non-compliant with the buffers in subsections (1) through (4) of Section 5.92.420.A due to the establishment of any sensitive use.
- B. A permittee pursuant to this Chapter may continue to operate unaffected if the permitted premises becomes non-compliant with the buffers in subsections (1)

through (4) of Section 5.92.420.A due to the establishment of any sensitive use, so long as an Adult-Use Cannabis Business Permit remains valid.

5.92.430 - Measurement of distance between sites.

The distance between a proposed premises and any sensitive use, as set forth in subsections (1) through (4) of Section 5.92.420.A, shall be determined by the horizontal distance measured in a straight line from the site boundary of the sensitive use to the closest site boundary of the site on which the proposed premises is to be located, without regard to intervening structures.

5.92.435 - Premises requirements.

- A. Except as otherwise provided in this Chapter, the premises of two (2) or more Commercial Cannabis Businesses proposed on the same site or within the same cannabis facility shall be granted approval only if:
 - 1. All of the proposed Commercial Cannabis Businesses and their operation from the same site or cannabis facility are authorized by both local and applicable State law and regulations; and
 - 2. Every Commercial Cannabis Business within said cannabis facility or on any one site operates from a separate premises and property address.
- B. Commercial Cannabis Businesses issued permits for multiple permit types at the same physical address shall maintain clear separation between permit types unless otherwise authorized by local and State law.
- C. Two (2) or more permitted premises may share a common lobby, common interior walkway, or common interior hallway and bathroom(s), wherein no permitted privileges will be exercised, provided that all premises comply with the requirements of this Chapter and any applicable State laws and regulations.

- D. Commercial Cannabis Businesses shall obtain all necessary local and State licenses and permits, and land use approvals from local and State agencies for each type of commercial cannabis activity proposed at every separate premises.
- E. Commercial Cannabis Businesses shall ensure the requirements set forth in this Code for each type of commercial cannabis activity and every separate premises are satisfied, including all parking requirements.
- F. Except for Commercial Cannabis Businesses authorized by the State to operate as a Type 12 Microbusiness, Commercial Cannabis Businesses shall only conduct one (1) type of commercial cannabis activity per permitted premises. Commercial Cannabis Businesses intending to apply with the State for, and operate as, a Type 12 Microbusiness State license shall obtain a separate permit for every type of commercial cannabis activity on the proposed premises.
- G. The City may allow one (1) permittee to conduct both adult-use and medicinal commercial cannabis activities from the same permitted premises if:
 - 1. The requirements of this Section are satisfied; and
 - 2. The permittee holds both an Adult-Use Cannabis Business Permit and a Medical Marijuana Business Permit for the identical type of commercial cannabis activity at the same premises.

5.92.440 - Business identification signage.

- A. Exterior business identification signage for every Adult-Use Cannabis Business shall conform to the requirements of State law and this Code, including, but not limited to, Title 21 of this Code and California Business and Professions Code, Chapter 15 (“Advertising and Marketing Restrictions”) of Division 10.
- B. Business identification signage shall be limited to that needed for identification only and shall not contain any logos or information that identifies, advertises, or lists the

services or the products offered. Business identification signage is discouraged for Adult-Use Cannabis Businesses that are not open to the public.

- C. Exterior signage for one (1) Commercial Cannabis Business issued permits for two (2) or more commercial cannabis activities at the same physical address shall be cumulative; one (1) business identification sign shall represent all uses.

5.92.445 - Fire prevention system.

- A. Where applicable, every Adult-Use Cannabis Business shall implement fire prevention measures on the premises in compliance with Title 18 of this Code, including but not limited to, fire sprinkler systems, fire alarm systems, fire extinguishers, and gas detections systems.
- B. The Adult-Use Cannabis Business shall obtain all necessary permits for any fire prevention systems installed at the premises and/or cannabis facility from the Long Beach Fire Department.
- C. A minimum of a one (1) hour fire barrier shall be maintained between every premises of a Commercial Cannabis Business and any adjacent business that is not engaged in commercial cannabis activity or that is not a Commercial Cannabis Business.
- D. Every premises shall be fully separated from any other premises where commercial cannabis activities are conducted by walls that extend from floor to underneath the roof with five-eighths inch (5/8") drywall on both sides. All doors and windows separating commercial cannabis activities shall be one (1) hour rated.

5.92.450 - General sanitation requirements.

- A. Washing facilities. Every premises shall have:

1. Hand-washing facilities designed to ensure an employee's hands do not pose a source of contamination to products, surfaces, or packaging materials. Hand-washing facilities shall also be convenient and furnish hot running water running water of at least 100°F;
 2. Effective hand-cleaning (liquid soap) and disposable paper towel or suitable drying devices;
 3. Three (3) compartment utensil washing facilities;
 4. Bathrooms; and
 5. Mop sinks with hot and cold running water.
- B. Adequate lighting. Cannabis facilities shall have adequate lighting in the following areas: hand-washing areas; dressing and locker rooms; toilet facilities; all areas where components or cannabis goods are examined, trimmed, harvested, manufactured, processed, packed, or held; and in all areas where equipment or utensils are cleaned.

5.92.455 - Cannabis public health permit.

- A. Permit required. Every Adult-Use Cannabis Business shall obtain a cannabis public health permit prior to the establishment or operation of any adult-use commercial cannabis activity and in addition to any other applicable permits and licenses required pursuant to State and local law to engage in adult-use commercial cannabis activity.
- B. Application and fees required. To obtain a cannabis public health permit, every Adult-Use Cannabis Business shall file an application with the City Health Officer, on a form provided for that purpose, and pay a nonrefundable cannabis public health permit fee established by resolution of the City Council. The City Health Officer may

request additional documentation and information as deemed necessary for the Adult-Use Cannabis Business to demonstrate compliance.

C. Permit provisions.

1. All cannabis public health permits are valid for twelve (12) months from the date of issuance and may be renewed annually.
2. Every cannabis public health permit is valid only for the person, premises, and type of commercial cannabis activity specified in the permit. Cannabis public health permits are not transferable upon change of ownership or relocation of the premises.
3. Every premises where commercial cannabis activities occur within the same cannabis facility requires a separate cannabis public health permit.
4. All public health permits and licenses shall be posted in a conspicuous place within the premises.

D. Permit renewals.

1. An application for renewal of any cannabis public health permit shall be submitted to the City Health Officer at least sixty (60) business days prior to the expiration date of the current cannabis public health permit, but no more than one-hundred and twenty (120) calendar days prior to the expiration of the current cannabis public health permit.
2. An Adult-Use Cannabis Business that does not obtain a renewed cannabis public health permit by the end of the business day of the expiration date shall discontinue operation of the Adult-Use Cannabis Business until a new cannabis public health permit is issued.
3. Any cannabis public health permit that has not been renewed by the annual renewal date will not be valid and is deemed inactive.

4. Denial of applications or renewals. The City Health Officer may deny an application or renewal application for a cannabis public health permit for any reason enumerated in Section 5.92.1440 of this Chapter.

E. Permit suspension or revocation.

1. Any cannabis public health permit issued under this Chapter may be suspended or revoked by the City Health Officer for any violation of the requirements of this Chapter, this Code, or State or local laws or regulations.
2. Any premises, or portion of a premises, for which the cannabis public health permit has been suspended or revoked shall close, cease doing business, and remain closed until the cannabis public health permit has been reinstated or reissued by the City Health Officer.
3. Whenever the City Health Officer finds the operation of any Adult-Use Cannabis Business does not comply with the requirements of this Chapter or State or local laws or regulations, a written notice to comply, that contains a required compliance date, shall be issued to the Adult-Use Cannabis Business.
4. If the Adult-Use Cannabis Business fails to comply within the specified time, the City Health Officer may issue a written notice setting forth the acts or omissions with which the Adult-Use Cannabis Business is charged, and informing the Adult-Use Cannabis Business of a right to a hearing, if requested, to show cause why the cannabis public health permit should not be suspended or revoked.
5. Notice requirements for an Adult-Use Cannabis Business's request for an appeal, and the suspension or revocation of a cannabis public health permit shall be governed by the provisions of Division IX of this Chapter. No person shall conduct any activity regulated by this Section after a cannabis public

health permit for such activity has been revoked or during the time a cannabis public health permit therefor has been suspended.

Subdivision II - General Operating Requirements.

5.92.510 - Community Liaison.

- A. Adult-Use Cannabis Businesses shall have a Community Relations Liaison designated at all times, who shall be twenty-one (21) years of age or older. Any Co-Located Cannabis Business or Commercial Cannabis Business conducting two (2) more commercial cannabis activities within the same cannabis facility shall designate one (1) Liaison for the site.
- B. The Liaison shall be responsible for receiving and responding to all concerns and complaints made to the City regarding the Adult-Use Cannabis Business and for making a good faith attempt to promptly address all concerns and resolve all complaints.
- C. The Liaison shall respond by phone or e-mail within forty-eight (48) hours of any complaint(s) or concern(s) reported by a City official.
- D. The Liaison's name and contact information shall be:
 - 1. Publicly available, such as, available to any individual upon request, on the Adult-Use Cannabis Business's website, marketing material, or the technology platform used by the Adult-Use Cannabis Business.
 - 2. Provided to the City Manager prior to operation of the business and within forty-eight (48) hours of a designation of a new Liaison.
 - 3. Provided to all neighboring businesses located within one-hundred feet (100') of the permitted premises or cannabis facility, as measured in a straight line without regard to intervening structures, between the front doors of each establishment prior to opening.

4. Posted conspicuously, and in a conspicuously visible font size, on the main entry doors to the business.

5.92.515 - Display of permit and license.

Every Adult-Use Cannabis Business shall maintain a copy of its City permit and State license on display during business hours and in a conspicuous place so that the City permit and State license may be readily seen by all persons entering the premises.

5.92.520 - Age restrictions.

Individuals under twenty-one (21) years of age shall not be allowed on the premises of any Adult-Use Cannabis Business, except as pertaining to the sale of cannabis for medicinal use by a Dispensary to a medical patient or primary caregiver who is at least eighteen (18) years of age.

5.92.525 - No direct sales to the public.

Except as otherwise provided for in this Chapter and Chapter 5.90 of this Code for Dispensaries, no direct sales of cannabis goods to the public may occur upon a permitted premises of a Distributor, Cultivator, Manufacturer, or Testing Laboratory.

5.92.530 - Advertising and marketing.

- A. All advertisements and marketing, including off-site advertising signs, on-premises signs, labels, and billboards by an Adult-Use Cannabis Business shall comply with this Chapter, Title 21 of this Code, any regulations implemented by the State or any of its divisions or departments, and California Business and Professions Code Chapter 15 ("Advertising and Marketing Restrictions") of Division 10.

- B. Not attractive to children. Advertisements and marketing may not be designed to appeal to children or encourage children to consume cannabis goods, contain any false or misleading statements, or make any misrepresentations.
- C. Billboard advertising and marketing.
 - 1. No person shall place, establish, keep, allow, maintain, or locate any advertisement or marketing for cannabis goods on any billboard located within a one-thousand foot (1,000') radius of a public park, day care center, or public or private school (as defined in California Health and Safety Code Section 11362.768(h)).
 - 2. The City hereby establishes a zero-foot (0') radius buffer for youth centers and playgrounds for any advertisements or marketing of cannabis goods on a billboard within the City by a Commercial Cannabis Business; therefore, there are no buffer distance requirements for youth centers or playgrounds for billboards advertising or marketing cannabis goods within the City.

5.92.535 - Waste management.

- A. Obligation to comply. When managing cannabis goods, chemicals, hazardous or dangerous waste, Adult-Use Cannabis Businesses are obligated to obtain all required permits, licenses, or other clearances and comply with all orders, laws, regulations, or other requirements of other regulatory agencies, including, but not limited to, local health agencies, regional water quality control boards, air quality management districts or air pollution control districts, local land use authorities, and fire authorities.
- B. The sale of cannabis waste is prohibited.
- C. Storage of cannabis waste. All cannabis waste shall be stored in a secured waste receptacle or in a secured area on the permitted premises. For the purposes of this

section, "secure waste receptacle" or "secured area" means that physical access to the receptacle or area is restricted to the permittee, employees of the permittee, or by the local agency or local agency franchised or contracted waste hauler only. Public access to the designated receptacle or area shall be strictly prohibited.

- D. Before removing any cannabis waste from the premises for disposal, the Adult-Use Cannabis Business shall render cannabis goods unusable and unrecognizable in compliance with State and local laws or regulations.
- E. Records of cannabis waste. Every Adult-Use Cannabis Business shall maintain accurate and comprehensive records at the premises regarding cannabis waste that accounts for, reconciles, and provides evidence of, all activity related to the generation and disposal or deposition of cannabis waste.

5.92.540 - Ventilation and filtration system.

- A. Every Adult-Use Cannabis Business shall implement adequate ventilation system and odor control filtration measures to prevent odors from inside the cannabis facility from being detected outside the cannabis facility.
- B. Certification of system. A licensed professional engineer shall certify that the system is capable of preventing odors from inside the cannabis facility from being detected outside the cannabis facility. The design of the ventilation and filtration system shall be based on industry-specific best control technologies and best management practices to effectively mitigate cannabis odors. The system shall use a range of odor mitigation practices to control odor-emitting activities, sources, and locations.
- C. Training and maintenance. The Adult-Use Cannabis Business is responsible for regular maintenance to ensure the system remains functional and shall implement staff training procedures regarding use and maintenance of the system.

- D. Records. All records relating to odor management shall be made available upon verbal or written request of the City Health Officer, including but not limited to:
1. Odor complaints received, actions taken by the business, and responses to the complaint; and
 2. System installation, maintenance, and any equipment malfunctions.

5.92.545 - Discourage illegal, criminal, or nuisance activities.

- A. Every Adult-Use Cannabis Business shall take reasonable steps to discourage persons on the Site of the permitted premises, and within any parking areas under the control of the Adult-Use Cannabis Business, from engaging in illegal, criminal, or nuisance activities. For purposes of this Section, “illegal, criminal, or nuisance activities” includes, but is not limited to, disturbances of the peace, public intoxication, drinking alcoholic beverages in public or on the site of the permitted premises, smoking or ingesting cannabis goods in public or on the site of the permitted premises, illegal drug activity, vandalism, obstruction of the operation of a another business, harassment of passersby, gambling, prostitution, loitering, public urination, lewd conduct, drug trafficking, excessive loud noise, or any other behavior that adversely affects or detracts from the quality of life for adjoining residents, property owners, or businesses.
- B. Loitering prohibited. Loitering is prohibited on or around the premises or any area under control of the Adult-Use Cannabis Business. Adult-Use Cannabis Businesses shall prevent individuals from remaining on the premises or site of the Adult-Use Cannabis Business if they are not engaging in an activity directly related to the permitted operations of the Adult-Use Cannabis Business.
- C. Property maintenance. The site, premises, and all associated parking areas, including the adjacent area under the control of the Adult-Use Cannabis Business

and any sidewalk or alley, shall be maintained in an attractive condition and shall be kept free of obstruction, trash, litter, and debris.

- D. Graffiti. Adult-Use Cannabis Businesses shall remove graffiti from the premises within forty-eight (48) hours of its occurrence.
- E. Nuisances. Commercial cannabis activity shall not adversely affect the health or safety of the nearby residents by creating dust, glare, heat, noise, smoke, vibration, or other negative impacts, and shall not be hazardous due to use or storage of materials, processes, products, chemicals, or wastes. Commercial Cannabis Activity shall not adversely affect health, safety, or welfare of any persons engaged in the operation of the Adult-Use Cannabis Business.

5.92.550 - Recordkeeping.

- A. Adult-Use Cannabis Businesses shall comply with all recordkeeping requirements, as set forth in this Chapter, California Business and Professions Code Section 26000 et seq., and all applicable regulations implemented and enforced by the State or any of its departments and divisions.
- B. Every owner and operator of an Adult-Use Cannabis Business shall maintain legible, clear, adequate, and accurate books, records, and documentation, demonstrating that all cannabis goods have been obtained from, and are provided to, other State licensees, and shall detail all of the revenues and expenses of the business, and all of its assets and liabilities on the premises. All records shall be in English.
- C. All required records shall be stored, preserved, and maintain on the premises for a minimum of (7) years. Mandatory records shall be stored in a secured area where the records remain protected from debris, moisture, contamination, hazardous waste, fire, or theft. Electronic records shall be secured and backed up in a manner

that prevents unauthorized access and that ensures the integrity of the records is maintained.

- D. Adult-Use Cannabis Businesses shall maintain a current register of the names and the contact information (including the address, e-mail address and telephone number) of anyone owning or holding an interest in the Adult-Use Cannabis Business, and separately a register of all the officers, managers, employees, responsible persons, and volunteers currently employed or otherwise engaged by the Adult-Use Cannabis Business. The register required by this subsection shall be provided to the City Manager upon a verbal or written request.
- E. Point-of-sale inventory control and reporting system.
 - 1. Adult-Use Cannabis Businesses shall maintain a point-of-sale software inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis goods for all stages of the growing, production, manufacturing, laboratory testing, distribution processes, sale, transfer, purchase, receipt, and delivery of cannabis goods, as set forth in California Business and Professions Code Section 26000 et seq. and any regulations implemented thereunder.
 - 2. The software shall be capable of producing electronic shipping manifests, tracking all cannabis inventory in possession of the Adult-Use Cannabis Business, promptly identifying any discrepancy in the stock, and tracking cannabis from the customer back to its source in the event of a serious adverse event.
 - 3. The system shall have the capability to produce historical transactional data for review by the City.
- F. Track-and-Trace.

1. Tracking inventory. Adult-Use Cannabis Businesses shall promptly comply with any track-and-trace system requirements established by the State or any of its departments and divisions.
2. Every Adult-Use Cannabis Business is responsible for the accuracy and completeness of all data and information entered into the track-and-trace system. Data entered into the track-and-trace system shall be accurate. Inaccuracies in the track-and-trace system, if not corrected, may result in an enforcement action against the Adult-Use Cannabis Business.

5.92.555 - Notification to City.

- A. Breaches of security. Every Adult-Use Cannabis Business shall notify the City Manager and the Long Beach Police Department in writing, within twenty-four (24) hours after discovering any of the following:
 1. Significant discrepancies identified in inventory.
 2. Suspected diversion, theft, loss, or any other criminal activity pertaining to the operation of the Adult-Use Cannabis Business and cannabis goods.
 3. Discovering diversion, theft, loss, or any other criminal activity by any individual authorized to engage in the operation of the Adult-Use Cannabis Business and pertaining to the operations of the business.
 4. The loss or unauthorized alteration of records related to cannabis goods, customers, or employees of the Adult-Use Cannabis Business.
 5. Any other breach of security.
 6. All written notifications regarding a breach of security shall include the date and time of occurrence of theft, loss, or criminal activity and a description of the incident including, where applicable, and the item(s) that were taken or lost.
- B. Criminal acts.

1. Adult-Use Cannabis Businesses shall notify the City Manager in writing, either by mail or by electronic mail, of any felony conviction against any owner or manager of the Adult-Use Cannabis Business within forty-eight (48) hours of the conviction.
2. The written notification to the City Manager shall include the date of conviction, the court docket number, the name of the court in which the person was convicted, and the specific offense(s) for which the person was convicted.

C. Change in permit or license status.

1. Adult-Use Cannabis Businesses shall notify the City Manager in writing within ten (10) days, either by mail or by electronic mail, of any denial, suspension, modification, revocation, or expiration or any applicable State or local license and/or permit required for the operation of the Adult-Use Cannabis Business.
2. The written notification shall include the name of the agency involved, a written explanation of the proceeding or enforcement action, and the specific violation(s) that led to the discipline or revocation.

Subdivision III - Cannabis Goods.

5.92.610 - Handling of cannabis goods.

- A. Every person that handles cannabis goods shall comply with the provisions of all relevant State and local laws regarding the storage, preparation, handling, packaging, preparation, distribution, and sale of food.
- B. Employee health and handling cannabis goods.
 1. To reduce the likelihood of foodborne disease transmission, individuals who are suffering from symptoms associated with acute gastrointestinal illness, or are known to be infected with a communicable disease that is transmissible through foodstuffs, are prohibited from handling cannabis goods until they are free of

that illness or disease, or are incapable of transmitting the illness or disease through cannabis goods.

2. The City Health Officer has authority to exclude any Adult-Use Cannabis Business employee that handles cannabis goods from any Adult-Use Cannabis Business if the employee is diagnosed with an illness caused by an infectious agent, and the employee is either symptomatic and still considered infectious, or is not experiencing symptoms of the illness associated with that agent but is still considered infectious.
3. For purposes of this Section, "illness caused by an infectious agent" means a condition caused by any of the following infectious agents: Hepatitis A virus; Salmonella typhi; Salmonella spp; Shigella spp; Entamoeba histolytica; Enterohemorrhagic or shiga toxin producing Escherichia coli; Norovirus; and any other communicable diseases that may be transmitted to others through the handling of cannabis goods.
4. The Adult-Use Cannabis Business may remove a restriction placed on an employee upon the resolution of symptoms, as reported by an employee, if the employee states that he or she no longer has any symptoms of an acute gastrointestinal illness.
5. Only the City Health Officer may remove exclusions or restrictions, or both, related to diagnosed illnesses due to infectious agents specified in this Section after the City Health Officer provides a written clearance stating that the excluded or restricted employee is no longer considered infectious.

5.92.620 - Storage of cannabis goods.

- A. Every Adult-Use Cannabis Business shall store currency and cannabis goods, including all living cannabis plants, in a manner that prevents diversion, theft, loss, hazards, contamination, and nuisances.
- B. Cannabis goods shall be stored separate and apart from employee break rooms, changing facilities, or bathrooms.
- C. Except for limited amounts of cannabis goods used for display purposes, samples, or immediate sale, cannabis goods that do not require refrigeration, and currency, shall be stored in a limited-access area, such as a secured and locked safe room, or in a locked safe or vault, that is secured to the structure of the cannabis facility.
- D. Any refrigerator, refrigerated storage, or freezer used for storage of cannabis products shall be locked and secured to the structure of the cannabis facility in a limited-access area.
- E. All extractions, concentrates, infusions, components, and edible cannabis products intended for human consumption and capable of supporting the growth of undesirable microorganisms shall be refrigerated at temperatures of 41°F continually, unless otherwise approved by the City Health Officer. Adult-Use Cannabis Businesses shall follow the Manufacturer's requirements for safe storage of such cannabis products.
- F. Refrigeration equipment standards. All refrigerators, refrigerated storage, or freezers used for commercial cannabis activity under this Chapter shall:
 - 1. Meet National Sanitation Foundation (NSF) or American National Standards Institute (ANSI) standards or an equivalent.
 - 2. Be equipped with an NSF thermometer or temperature-recording device that is accurate to plus or minus 2°F and installed in a location to indicate the air temperature in the warmest part of the unit and to be readily visible.

3. Be approved by the City Health Officer prior to use.

5.92.630 - Laboratory testing of cannabis goods.

Cannabis goods may not be sold or transferred to a Dispensary, or released for retail sale, unless a representative sample of the cannabis goods have undergone and passed all testing pursuant to California Business and Professions Code Section 26000 et seq. and any applicable regulations implemented and enforced by the State or any of its divisions or departments.

5.92.640 - Quality assurance of cannabis goods.

- A. Internal quality assurance testing. Notwithstanding any of the provisions of this Chapter, an Adult-Use Cannabis Business may conduct internal quality assurance testing of any cannabis goods as part of its reasonable business operations. This provision shall not be interpreted to authorize or permit cross-licensing of a Laboratory with any other type of permit under this Chapter or with respect to State law.
- B. Quality assurance testing by the City.
 1. The City Health Officer may collect and analyze samples or specimens of cannabis goods, including any living cannabis plants and any components used in cannabis products, from any premises during business hours, or any reasonable time, without notice and at no cost to the Health Department, to verify compliance with State and local laboratory testing, packaging, and labeling requirements for cannabis goods.
 2. The City Health Officer shall provide the Adult-Use Cannabis Business with a receipt or documentation for any samples or specimens of cannabis goods collected from an Adult-Use Cannabis Business prior to leaving the permitted

premises. A copy of the results of the sample analysis shall be provided to the Adult-Use Cannabis Business.

3. The City Health Officer may take any enforcement action necessary to protect the health, safety, and welfare of the public depending on the testing results and analysis of the sample(s) or specimen(s) of cannabis goods collected at a permitted premises.

5.92.650 - Adulterated or misbranded cannabis goods.

- A. When the City Health Officer has evidence that cannabis goods in possession of an Adult-Use Cannabis Business are adulterated or misbranded, the City Health Officer may notify and order the Adult-Use Cannabis Business to immediately cease any commercial cannabis activity related to all cannabis goods that have been identified as being potentially adulterated or misbranded.
- B. Upon confirmation from the State, including any of its departments or divisions, that the identified cannabis goods are adulterated or misbranded, the City Health Officer may issue orders to the Adult-Use Cannabis Business regarding the required movement, segregation, isolation, or destruction of the adulterated or misbranded cannabis goods, and may order those to be held in place, embargoed, or quarantined.
- C. It is unlawful for any person to move, or allow to be moved, any cannabis goods that are subject to an order to quarantine, embargo, or hold cannabis goods in place unless that person has first obtained written authorization from the City Health Officer and/or State Department of Public Health.

Subdivision IV - Security.

5.92.710 - Security standards.

Every Adult-Use Cannabis Business shall implement security measures to prevent unauthorized entrance into areas containing cannabis goods and currency, prevent the theft of cannabis goods and currency from the premises, and to protect the physical safety of employees in compliance with this Chapter, State law, and any regulations implemented and enforced by the State or any of its divisions or departments. These security measures shall include, but shall not be limited to, all of the provisions of this Subdivision.

5.92.715 - Limited-access areas.

Adult-Use Cannabis Businesses shall establish limited-access areas accessible only to authorized employees of the Adult-Use Cannabis Business.

5.92.720 - Identification badges.

All employees of an Adult-Use Cannabis Business shall display or wear a laminated or plastic-coated identification badge at all times while engaging in commercial cannabis activity, including during transport and delivery of cannabis goods. At a minimum, the identification badge shall include:

- A. The Adult-Use Cannabis Business's "doing business as" name, City permit number, and State license number;
- B. The first name of the individual;
- C. Any employee number exclusively assigned to that individual for identification purposes; and
- D. A color photograph of the individual that clearly shows the full front of the individual's face that is at least one inch (1") in width and one and a half inches (1.5") in height.

5.92.725 - Secure transportation area.

- A. Adult-Use Cannabis Businesses shall implement procedures for safe and secure transportation and delivery of cannabis goods and currency in accordance with State and local laws and regulations.
- B. Adult-Use Cannabis Businesses shall have an area of the premises designed for the secure transfer of cannabis goods from the cannabis facility to a vehicle for transportation or delivery, wherever possible.
- C. Any individual or employee transferring cannabis goods from a cannabis facility to a vehicle for transportation or delivery shall be accompanied by a security escort during the transfer, if the cannabis facility does not have an area designed for the secure transfer of cannabis goods from the cannabis facility to a vehicle for transportation or delivery.

5.92.730 - Digital video surveillance system.

- A. Every Adult-Use Cannabis Business shall implement an operational digital video surveillance system at the premises that meets or exceeds the following criteria:
 - 1. The digital video surveillance system with a minimum video camera resolution of 1280 × 1024 pixels.
 - 2. Each video surveillance camera shall record continuously twenty-four (24) hours per day, seven (7) days a week, and at a minimum of fifteen (15) frames per second (FPS).
 - 3. The location and position of each camera shall be capable of recording images of the area under surveillance, in any light condition, to allow facial feature identification of persons in the following locations on the premises:
 - a. In interior and exterior areas where cannabis goods or currency are present at any given time.

- b. In the immediate interior and exterior areas of doors, windows, or other avenues of potential access.
 - c. Areas open to the public, including a full view of public right-of-way and any parking lot under the control of the Adult-Use Cannabis Business.
 - d. Point-of-sale locations and areas where cannabis goods are displayed for sale at a Dispensary, including but not limited to, a retail area.
 - e. Any other areas as required by this Chapter, State law, or any regulations implemented and enforced by the State or any of its divisions or departments.
- B. Each camera shall be permanently mounted and in a fixed location and, to the extent reasonably possible, shall be installed in a manner that prevents intentional obstruction, tampering with, and/or disabling the camera.
- C. All video surveillance equipment shall have sufficient battery backup to support a minimum of four (4) hours of recording in the event of a power outage.
- D. Every video surveillance system shall be equipped with a failure notification system that provides prompt notification to the Adult-Use Cannabis Business of any prolonged surveillance interruption and/or the complete failure of the surveillance system.
- E. Surveillance video recordings shall clearly and accurately display the date and time. Time is to be measured in accordance with the United States National Institute of Standards and Technology standards for the Pacific Time zone.
- F. Security notice required. The permitted premises shall have a sign posted in a conspicuous place near each monitored area on the interior and exterior of the premises and shall not be less than twelve inches (12") wide and twelve inches (12") long, composed of letters not less than one inch (1") in height, stating "All Activities Monitored by Video Camera" or "This Premises is Being Digitally Recorded," or

otherwise advising all persons entering the premises that a video surveillance and camera recording system is in operation at the premises and recording all activity as provided in this Chapter.

5.92.735 - Security records.

- A. Surveillance recordings of every Adult-Use Cannabis Business are subject to inspection by the City Manager, or any City Manager designee, without a search warrant, court order, or subpoena. The Adult-Use Cannabis Business shall send, or otherwise provide, copies of the recordings immediately upon verbal request or within a time specified by the City Manager.
- B. Secure storage. To prevent tampering or theft, all surveillance recordings and monitoring equipment shall be kept in a secure limited-access area of the permitted premises.
- C. At a minimum, every Adult-Use Cannabis Business shall maintain the following security records at the premises:
 - 1. Surveillance video recordings shall be maintained for a minimum of ninety (90) days and on an IP-configurable Digital Video Recorder (DVR) capable of producing a still photograph in color from any live or recorded camera image at the premises and capable of exporting the images in TIFF, BMP, or JPG format.
 - 2. A map of the camera locations, the direction of camera coverage, and assigned camera numbers.
 - 3. Surveillance equipment maintenance activity logs and operating instructions for the surveillance equipment.
 - 4. A user authorization list of individuals who have access to the surveillance system, including, but not limited to, the secured area for recording and

monitoring equipment and physical media and surveillance recording storage devices.

5.92.740 - Security alarm system.

Every Adult-Use Cannabis Business shall implement an operational security alarm system at the premises that meets or exceeds the following criteria:

- A. The security alarm system shall be operated, maintained, monitored by, and responded to by a security company staffed twenty-four hours (24) a day, seven (7) days a week and licensed by the Department of Consumer Affairs, Bureau of Security and Investigative Services.
- B. The security alarm system shall include sensors to detect all points of entry and exit, from all limited-access and secured areas, all roof hatches, and all windows.
- C. Every Adult-Use Cannabis Business shall obtain a security alarm system permit pursuant to Chapter 5.12 of this Code.

5.92.745 - Commercial-grade locks.

Every Adult-Use Cannabis Business shall secure the following areas using commercial-grade, non-residential door locks, roof hatches, and window locks in a manner that prevents free and unauthorized access:

- A. All points of ingress and egress to a premises.
- B. Limited-access areas.
- C. Areas where cannabis goods, living cannabis plants, cannabis waste, and currency are stored and/or present at any given time.
- D. Areas where surveillance equipment and records are stored.

5.92.750 - Security barriers.

- A. Any security barriers installed on the windows or the doors of the premises shall be installed only on the interior of the building and in compliance with all City Building, Zoning, and Fire Codes. Security bars are discouraged for all Adult-Use Cannabis Businesses and shall not be minimally visible from the public right-of-way.
- B. Security barriers shall meet the following criteria:
 - 1. Only open grill design security systems located on the inside of the building shall be permitted on elevations visible from the street.
 - 2. Open grill design security systems shall be primarily transparent with not less than seventy-five percent (75%) visibility from the street.
 - 3. Solid roll-down security doors are prohibited unless part of a vehicle loading bay.
 - 4. Interior security gates shall be opened and fully retracted during the hours of operation.

5.92.755 - Remain secure during power outage.

Every Adult-Use Cannabis Business shall have the capability to remain secure during a power outage. Adult-Use Cannabis Businesses shall also ensure that all access doors on the premises are not solely controlled by an electronic access panel, to ensure that locks are not released during a power outage.

5.92.760 - Visibility.

- A. From a public right-of-way, there shall be no exterior evidence of cannabis goods, graphics depicting cannabis goods, or commercial cannabis activity, except for any signage authorized by this Code.

B. Exterior lighting. Every Adult-Use Cannabis Business shall implement exterior lighting security measures including, but not limited to:

1. All exterior light fixtures shall be vandal resistant, installed on exterior walls, and shall be the type of fixture with proper cut-offs to avoid any light pollution, including but not limited to, urban sky glow, light trespass, glare, and clutter.
2. Exterior lighting shall clearly illuminate the building address, all parking, driving, and walking surfaces, exterior doors, and all window areas during the hours of darkness.
3. Any broken or burned out lights shall be replaced within seventy-two (72) hours.

5.92.765 - Building design.

The nature and operations of Adult Use Cannabis Businesses have the potential to result in building design changes that represent a departure from typical building appearances. The following criteria is intended to minimize impacts to neighborhood character caused by building design changes resulting from remodeled and new premises for Adult-Use Cannabis Business and commercial cannabis activities:

- A. Building Design must meet any applicable criteria in Title 21 of this Code, Specific Plans, or Planned Developments.
- B. Blank building facades over twenty-five feet (25') fronting the street or parking lot shall be prohibited and must incorporate architectural features, such as building plane breaks, three-dimensional elements, windows, doors, and changes in color and materials that result in a building with articulation.
- C. Windows.

1. On any building elevation visible from the street, windows shall comprise at least forty percent (40%) of the ground floor building elevation. On all other ground floor elevations visible from the street, windows shall comprise at least twenty-five percent (25%) of the building elevation.
2. An identifiable entrance to the cannabis facility shall be visible from the street.
3. Windows along the street-facing frontage shall be transparent. Such glass should be clear with an exterior daylight reflectance of not more than eight percent (8%).
4. Where feasible, the storefront window shall provide visibility to the tenant space. Where visibility to the tenant space by means of the storefront window is not feasible due to security needs of the permittee's operation, the creation of a storefront window display may be permitted.
5. Window display areas shall have a minimum depth of at least forty-eight inches (48"), not including walls. Display windows shall be permitted for up to sixty percent (60%) of the building's storefront window area. Display areas shall be well lit during hours of operation. The window display area shall be maintained with a creative attractive window display including but not limited to display of artwork, non-cannabis plants, and the like.

Subdivision V - Prohibited Activities.

5.92.810 - Consumption of cannabis prohibited; signage required.

- A. Cannabis goods shall not be consumed by any individual on the premises of an Adult-Use Cannabis Business. The term "consumed" includes, but is not limited to, vaporizing, inhaling, ingesting, smoking, eating, or otherwise introducing cannabis goods into the human body.
- B. Adult-Use Cannabis Businesses shall post a sign in a conspicuous place near the interior entrance to the premises, that shall be visibly posted with a clear and legible

notice with the following language: "Smoking, vaporizing, ingesting, or consuming cannabis, cannabis products, tobacco, or alcohol on these premises, or in their vicinity, is prohibited and a violation of the Long Beach Municipal Code."

5.92.820 - Alcohol or tobacco prohibited.

No person shall cause or permit the sale, dispensing, storage, distribution, or consumption of alcohol or tobacco products on or about the premises of an Adult-Use Cannabis Business.

5.92.830 - Physician evaluations prohibited.

Adult-Use Cannabis Businesses shall not:

- A. Permit a physician to evaluate existing or potential medicinal cannabis patients on its premises by any means, or permit a physician to provide a physician's recommendation on its premises, including, but not limited to: a physician that provides evaluations or recommendations in-person from the permittee's site or on-site via the internet, or a physician that provides recommendations via the internet, fax, electronic means, or by any other means from the permittee's site.
- B. Enter into an agreement with, employ, provide, or offer to provide, any form of remuneration to, a physician who provides physician's recommendations for medicinal cannabis.
- C. Advertise or market services for a physician who provides physician's recommendations for medicinal cannabis.

5.92.840 - Weapons or firearms prohibited.

Weapons and firearms are prohibited on the premises of an Adult-Use Cannabis Business. This provision does not apply to public officials engaged in official duty or

uniformed security personnel or patrol hired or contracted by an Adult-Use Cannabis Business.

5.92.850 - Generators prohibited.

The use of generators by any Adult-Use Cannabis Business is prohibited, except as short-term temporary emergency back-up systems.

5.92.860 - Subletting prohibited.

Adult-Use Cannabis Businesses shall not sublet any portion of a permitted premises for any purpose.

5.92.870 - Outdoor storage of cannabis goods prohibited.

No outdoor storage of cannabis goods is permitted at any time.

5.92.880 - Drive-through services prohibited.

Drive-through services or walk-up window services where cannabis goods are sold, or made available to any person, that are operated in conjunction with any Adult-Use Cannabis Business are prohibited.

DIVISION IV - DISPENSARY OPERATING CONDITIONS

In addition to the general operating requirements set forth in Division III of this Chapter, this Division provides additional requirements for Dispensaries and delivery services.

5.92.910 - Compliance.

Dispensaries may sell, distribute, dispense, provide, deliver, or transport Cannabis, only in accordance with all applicable laws and regulations, including but not limited to, this Code, any regulations implemented by the Bureau of Cannabis Control, California Business and Professions Code Sections 26000 et seq., and all other applicable State, federal and local laws and regulations.

5.92.915 - Hours of operation.

Dispensaries may only be open to the public between the hours of 9:00 a.m. to 9:00 p.m. up to seven (7) days per week. All deliveries of cannabis goods to customers by a Dispensary shall be completed by 10:00 p.m.

5.92.920 - Security personnel.

- A. Dispensaries shall hire or contract for uniformed security personnel to provide twenty-four (24) hour random security patrols of the premises to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities. At a minimum, uniformed security personnel shall be generally located at an indoor guard station on the premises during all hours of operation and security-patrolling services shall patrol the premises during all hours the Dispensary is closed to the public.
- B. All uniformed security personnel hired or contracted by a Dispensary shall be licensed with the State of California Bureau of Security and Investigative Service, and shall comply with requirements in California Business and Professions Code Chapters 11.4 and 11.5 of Division 3.

5.92.925 - Protocols for individuals entering the premises.

- A. No person shall be permitted to enter a Dispensary without government-issued identification. Dispensaries shall not provide cannabis goods to any person, whether by purchase, trade, gift, or otherwise, who does not possess a valid government-issued identification and who does not meet the age requirements of this Chapter.
- B. Electronic age verification device required. Dispensaries shall verify the proof of age of every person entering the business with an electronic age verification device, prior to entry of the retail area. The electronic age verification device may be mobile or

fixed, and shall be able to retain a log of all scans that includes the following information: date, time, and age. Said log shall be kept for a minimum of one-hundred and eighty (180) business days and all records shall be made available to the City Manager upon request.

5.92.930 - Point-of-sale tracking required.

A Dispensary shall facilitate the dispensing, making available, sale, and delivery of cannabis goods with a technology platform that uses point-of-sale technology to track, and database technology to record and store, the following information for each transaction involving the exchange of cannabis goods between the Dispensary and customer:

- A. The date and time of transaction.
- B. The first name and employee number of the Dispensary employee who processed the sale of cannabis goods on behalf of the Dispensary.
- C. A list of all the cannabis goods purchased, including the quantity purchased.
- D. The total amount paid for the sale, including the individual prices paid for cannabis or cannabis products purchased, and any amounts paid for taxes.

5.92.935 - Taxes.

Transactions for Dispensaries shall be taxed at the non-medical marijuana tax rate pursuant to Section 3.80.261.C.2 of this Code, unless the Dispensary is able to prove by reasonable and verifiable standards which portion of the gross receipts are tied to the sale of the adult-use cannabis goods and which portion are tied to the sale of medicinal cannabis goods.

5.92.940 - Cannabis goods.

- A. A Dispensary shall not make any cannabis goods available for sale or delivery to a customer unless the cannabis goods were received from a State licensed Distributor.
- B. Prior to making cannabis goods available to customers, Dispensaries shall ensure that all cannabis goods dispensed, sold, delivered, or made available by the Dispensary, at a minimum:
 - 1. Are packaged and sealed in tamper-evident packaging that includes a unique identifier, such as a batch number and lot number or bar code, to identify and track the cannabis goods.
 - 2. For manufactured cannabis products, that the product complies with all requirements of California Business and Professions Code Section 26130 and all other applicable laws and regulations.
 - 3. The Dispensary has verified that the cannabis goods have not exceeded their expiration or sell-by date, if one is provided.
 - 4. For edible cannabis product, that the products comply with State packaging and labeling requirements, including, but not limited to:
 - a. Edible cannabis products shall not exceed 10 milligrams of tetrahydrocannabinol (THC) per serving.
 - b. The THC content for the cannabis product in its entirety is printed on the package.
 - c. All applicable requirements pursuant to California Business and Professions Code Sections 26120 and 26121 and any regulations promulgated thereunder.
- C. Exit packaging. Cannabis goods purchased by a customer shall not leave the Dispensary's premises unless placed in an opaque (not see-through) exit package.

- D. Secure storage of cannabis goods. Cannabis goods that are not used for display purposes or immediate sale shall be stored in a limited-access area, such as a secure and locked room, safe, or vault, and in a manner reasonably designed to prevent diversion, theft, and loss. It is unlawful, and a violation of this Chapter for a Dispensary to store cannabis goods in the retail area after the close of business.
- E. Edible cannabis products.
1. Dispensaries may only dispense, sell, provide, or make available those edible cannabis products authorized by the State Department of Public Health and the City Health Officer.
 2. The sale, distribution, and delivery of edible cannabis products shall be conducted in a manner that complies with all applicable food safety laws for the protection of humans consuming cannabis.
- F. No sales of expired cannabis products. Dispensaries are prohibited from selling any expired cannabis goods. It is unlawful for any person to alter, edit, or adjust, in any manner, an expiration date on any item or cannabis product once affixed by its Manufacturer.

5.92.945 - Daily limit per person.

No Dispensary shall sell, distribute, or deliver more than 28.5 grams of cannabis or eight (8) grams of concentrated cannabis, including concentrated cannabis contained in cannabis products, to the same customer in the same business day.

5.92.950 - No free adult-use cannabis goods.

A Dispensary shall not provide free adult-use cannabis goods to any person. A Dispensary shall not allow individuals that are not employed by the Dispensary to provide free adult-use cannabis goods to any person on the permitted premises. In this Section,

“free adult-use cannabis goods” shall mean any amount of cannabis goods provided to any person without cost or payment in exchange of any other thing of value.

5.92.955 - Interior signage required.

Dispensaries shall post the following notice(s), on a separate sign, or by adding the following notices to the interior sign required pursuant to Section 5.90.060 of this Code, conspicuously and where an average customer is likely to clearly view said notice within the permitted premises:

- A. “Smoking, vaporizing, ingesting, or consuming cannabis, cannabis products, tobacco, or alcohol on these premises, or in their vicinity, is prohibited and a violation of the Long Beach Municipal Code.”
- B. "Patrons must immediately leave the premises and should not consume cannabis goods until at home or in an equivalent private location."
- C. "CALIFORNIA PROP. 65 WARNING: Smoking of cannabis and cannabis-derived products will expose you and those in your immediate vicinity to cannabis smoke. Cannabis smoke is known by the State of California to cause cancer."

5.92.960 - Delivery services.

In addition to the requirements set forth in this Chapter for Dispensaries, the delivery of cannabis goods shall be subject to the following requirements:

- A. Compliance. Delivery services shall be conducted in accordance with any relevant State and local laws and regulations, any applicable local laws in the delivery location, and any conditions imposed upon a Dispensary.
- B. Delivery services may operate only as a part of, and in conjunction with, a Dispensary with a storefront open to the public during business hours and permitted

pursuant to this Chapter and Chapter 5.90 of this Code and any applicable State laws and regulations.

- C. No person shall conduct sales of cannabis goods exclusively by delivery.
- D. Any application for a Dispensary shall include a statement as to whether the proposed use will include delivery of cannabis goods to customers.
- E. Vehicle standards. Dispensaries shall only allow delivery of cannabis goods in a vehicle that:
 - 1. Is capable of securing (locking) the cannabis goods during transportation.
 - 2. Is capable of being time and/or temperature controlled, if perishable cannabis goods are being transported.
 - 3. Does not display advertising or symbols visible from the exterior of the vehicle that suggest the vehicle is used for cannabis delivery or affiliation with a Dispensary.
- F. Inspections. Any motor vehicle used by a Dispensary to deliver cannabis goods is subject to inspection by the City Manager or Chief of Police and may be stopped at the premises or during the delivery for inspection.
- G. Delivery employees. Every delivery employee of a Dispensary shall be at least twenty-one (21) years of age and shall have a valid California Driver's License.
- H. Documentation during transport. Delivery employees of a Dispensary shall carry a physical or electronic copy of the delivery request receipt with details regarding the delivery, a copy of the Dispensary's current permits and/or licenses required by the State and City, the employee's government-issued identification, and an identification badge provided by the Dispensary. All documentation shall be made available upon request to the City Manager or Chief of Police.

- I. Dispensaries shall maintain a database, and provide to the City Manager upon verbal or written request, a list of delivery employees and vehicles authorized to conduct deliveries on behalf of the Dispensary.
- J. Delivery employees shall personally verify, for each individual transaction, that the identity of the customer receiving cannabis goods from the Dispensary is the same as the person who ordered the delivery, and that said person is twenty-one (21) years of age or older, via the presentation of a valid government-issued identification.
- K. Limitations.
 - 1. While making deliveries, a Dispensary's delivery employee shall not carry cannabis goods worth more than limits imposed by the State at any time. This value shall be determined using the current retail price of all cannabis goods carried by the delivery employee.
 - 2. Direct route only. Except where a delivery employee requires rest, fuel, vehicle repair, or where the road conditions make the continued use of the road unsafe, impossible, or impracticable, a delivery employee may only travel to and from the Dispensary, to the delivery address, and between delivery addresses while delivering cannabis goods.
 - 3. Dispensaries and delivery employees may only deliver cannabis goods to customers within a city or county that does not expressly prohibit such delivery by ordinance.
 - 4. Consumption prohibited. No person shall consume or otherwise ingest cannabis goods, alcohol, any controlled substance, or intoxicants while transporting or delivering cannabis goods.
 - 5. The Dispensary shall prepare a delivery request receipt for each delivery of cannabis goods that shall include the following:

- a. The name and address of the Dispensary;
 - b. The first name and employee number of the Dispensary's delivery employee who delivered the order;
 - c. The first name and employee number of the Dispensary's employee who prepared the order for delivery;
 - d. The first name of the customer and a Dispensary-assigned customer number for the person who requested the delivery;
 - e. The date and time the delivery request was made;
 - f. The delivery address;
 - g. A detailed description of all cannabis goods requested for delivery. The description shall include the weight, volume, or any other accurate measure of the amount of all cannabis goods requested;
 - h. The total amount paid for the delivery, including any taxes or fees, the cost of the cannabis goods, and any other charges related to the delivery; and
 - i. Upon delivery, the date and time the delivery was made, and the signature of the customer who received the delivery.
6. A vehicle used for the delivery of cannabis goods shall be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle in compliance with all applicable State laws and regulations.
- a. The dedicated GPS device must be owned by the Dispensary and used for delivery only.
 - b. The device shall be either permanently or temporarily affixed to the delivery vehicle, shall remain active, and inside of the delivery vehicle at all times during delivery.

- c. At all times, the Dispensary shall be able to identify the geographic location of all delivery vehicles that are making deliveries for the Dispensary and shall provide that information to the City Manager or Chief of Police upon request.

5.92.965 - Responsible Vendor Training Pilot Program.

- A. Purpose and Intent. Recognizing the potential harms and public health implications associated with cannabis use, the purpose of this Section is to promote public health and safety to reduce the likelihood of the problematic use of cannabis by proactively requiring that all customer-facing employees and managers of Dispensaries learn the necessary skills to protect customers, the public, employees of the Dispensary, and Dispensaries through a Responsible Vendor Training Program.
- B. Compliance. Every customer-facing manager and employee of a permitted Dispensary shall enroll in the Department of Health and Human Services' standardized training for Dispensaries within ninety (90) days of the establishment of the City's Responsible Vendor Training Pilot Program. Upon completion of such training, employees and managers shall receive written confirmation from the Department of Health and Human Services of successful completion of the program. Dispensaries shall keep a copy of said written confirmation on the permitted premises for every customer-facing employee and manager.
- C. New employees and managers. Any newly hired manager or employee of a permitted Dispensary shall successfully complete the Responsible Vendor Training Pilot Program within sixty (60) days of said individual's first day of employment.
- D. Renewal of Training. After initial successful completion of the Responsible Vendor Pilot Training Program, every manager and employee of a Dispensary shall

successfully complete the Responsible Vendor Training Pilot Program every twenty-four (24) months.

- E. Online or in-person training is at the discretion of the Department of Health and Human Services. Nothing in this Section shall prevent the City from becoming a training provider under any similar program for Dispensaries implemented by the State.
- F. Within three (3) years of the establishment of the program, the City Council will consider the available data and determine whether and how to continue the program. This Section shall remain in effect until revoked by the City Council.

DIVISION V - CULTIVATION OPERATING CONDITIONS

In addition to the general operating requirements set forth in Division III of this Chapter, this Division provides additional requirements for Cultivators.

5.92.1010 - Compliance.

- A. Cultivation shall always be conducted in accordance with State and local laws and regulations related to cultivation, zoning, grading, electricity, water usage, water quality, fish and wildlife habitat protection, wastewater discharges, pesticides, and fertilizers, handling and storage of gases, and employee safety.
- B. Cultivation shall always be conducted in such a way as to ensure the health, safety, and welfare of the public, the employees working at the cultivation site, neighboring properties, to protect the environment from harm to waterways, fish, and wildlife; to ensure the security of the cannabis; and to safeguard against the diversion of cannabis for unlicensed purposes.

5.92.1015 - Outdoor cultivation prohibited.

All cultivation shall occur indoors, and only on a site holding a valid Adult-Use Cannabis Business Permit from the City pursuant to this Chapter. All outdoor or mixed light cultivation is prohibited, including but not limited to, the use of greenhouses.

5.92.1020 – Maximum canopy size.

- A. The total canopy size on one (1) premises shall not exceed the maximum number of square feet authorized by State license classifications Type 1A, Type 1C, Type 2A, Type 3A, and Type 4.
- B. The total canopy size on one (1) premises shall not exceed the maximum number of square feet identified in the application and authorized by the Adult-Use Cannabis Business Permit. Permittees shall obtain written permission from the City prior to engaging in any activity that results in an increase of the square feet of maximum canopy authorized by the Adult-Use Cannabis Business Permit.

5.92.1025 - Extension cords prohibited.

The use of extension cords to supply power to any electrical equipment used in cultivation is prohibited. All electrical equipment used in cultivation shall be plugged directly into a wall outlet or otherwise hardwired.

5.92.1030 - Interior lighting.

All lighting used for indoor cultivation shall be fully shielded, downward casting, and shall not spill over onto structures, other properties, or into the night sky. Indoor cultivation lighting shall be contained so that little to no light escapes and any light that escapes from the cultivation site shall be at a level that is not visible from neighboring properties between sunset and sunrise.

5.92.1035 - Environmental control systems.

- A. In addition to the general odor control and ventilation requirements in Section 5.92.540, every Cultivator shall implement environmental control systems to minimize and/or prevent the likelihood of mold and mildew growth. Cultivators shall regularly test for mold and mildew within the cultivation site.
- B. Environmental control systems at a cultivation site shall include a range of environmental control technologies and practices to control humidity levels, illumination, heating, cooling, air circulation, and ventilation.
- C. Compatibility with odor prevention and ventilation systems. Cultivators shall implement an environmental control system that is adequately compatible with any odor control prevention and ventilation systems at the cultivation site. For purposes of this Section, “adequately compatible” means that any environmental control systems and odor control systems operating at the cultivation site operate concurrently to prevent cannabis odors from being detected outside the cultivation site, while still allowing for the permittee to successfully cultivate.

5.92.1040 - Water source.

Cultivators shall comply with California Water Code Section 13149 and any implementing regulations, policies, or guidelines adopted by the State Water Resources Control Board regarding water usage, the diversion of water, and the discharge of waste while cultivating cannabis.

5.92.1045 - Carbon dioxide testing.

Cultivators shall test carbon dioxide levels within cultivation areas at the cultivation site, if carbon dioxide is added to the air. No carbon dioxide shall be utilized for cultivation

without prior inspection and approval of the City's Building Official and the Fire Code Official.

5.92.1050 - Storage and use of compressed gas.

- A. Storage and use of compressed gases in compressed gas containers, cylinders, tanks, and systems used for cultivation shall comply with this Code and the California Fire Code.
- B. Any compressed gases used in cultivation shall not be stored on any property within the City in containers that exceed the amount that is approved by the Fire Code Official and authorized by the Adult-Use Cannabis Business Permit.

5.92.1055 - Pesticides.

- A. Cultivators shall comply with all applicable federal, State and local laws and regulations regarding use, storage, and disposal of pesticides and fertilizers, including, without limitation, those enforced by the State Department of Food and Agriculture and State Department of Pesticide Regulation. Cultivators shall ensure hazards are not created on the permitted premises by the use or storage of chemicals, fertilizers, materials, processes, products, or wastes.
- B. Pesticides, insecticides, and/or fertilizers prohibited by federal, state, or local law for fertilization or production of edible produce shall not be used for cultivation.
- C. Employee safety. At a minimum, Cultivators using pesticides shall protect all employees from exposure to pesticides by following pesticide labels; providing required personal protective equipment; providing access to pesticide labels, safety information, and training on an annual basis; properly ventilating all areas of the cultivation site; and proper storage, handling, and disposal of pesticides in

compliance with State, federal, and local laws and regulations pertaining to pesticide use and worker safety.

5.92.1060 - Packaging and labeling.

- A. All cannabis packaged and/or labeled by a Cultivator shall meet the provisions of packaging and labeling requirements specified by State law, including but not limited to, California Business and Professions Code Division 5 (“Weights and Measures”) and Division 10 (“Cannabis”) and any regulations implemented and enforced by the Bureau of Cannabis Control, the State Department of Public Health, or State Department of Food and Agriculture.
- B. Prior to distribution and transportation, a Cultivator shall package and seal all cannabis in tamper-evident packaging and use a unique identifier of the harvest batch to identify and track said cannabis.
- C. Product labels. All labels for cannabis shall include all of the following: all required government warnings; the net weight of cannabis in the package; source and the date of cultivation; the type of cannabis; the date of packaging; and the product’s unique identifier for the harvest batch.
- D. Packaging that makes cannabis attractive to children or imitates candy is prohibited.

5.92.1065 - Accurate weights and measures.

- A. Weighing devices used by a Cultivator shall be approved, tested, sealed, and registered with the Los Angeles County Agricultural Commissioner/Weights and Measures in compliance with California Business and Professions Code Division 5 (“Weights and Measures”) and Division 10 (“Cannabis”), any regulations implemented by the State Department of Food and Agriculture, and all other applicable local, State, and Federal laws.

- B. Cultivators are prohibited from using scales, weights, or measures that do not accurately conform to the standard of weights and measures of the State and county.

DIVISION VI - MANUFACTURING OPERATING CONDITIONS

In addition to the general operating requirements set forth in Division III of this Chapter, this Division provides additional requirements for Manufacturers.

5.92.1110 - Compliance.

- A. The manufacture of cannabis products shall comply with the standards set by State and local law, including but not limited to those related to volatile and nonvolatile extractions; labeling, packaging, repackaging, and relabeling; infusions; safety; discharges; waste disposal; processing, handling, and storage of solvents or gases; and food handling.
- B. Manufacturers shall only be allowed to engage in the manufacture of cannabis authorized by State law and in the Adult-Use Cannabis Business Permit issued for the premises. No additional manufacturing activities may be conducted without applying for, and receiving written permission, from the City for said additional activity.
- C. The manufacture of cannabis products shall be conducted in a manner to ensure the operation does not pose a significant threat to the health, safety, and welfare of the public or to neighboring properties

5.92.1115 - Additional ventilation requirements.

- A. In addition to the general odor control and ventilation requirements in Section 5.92.540, Manufacturers shall utilize adequate ventilation or control equipment to

minimize dust, odors, and vapors (including steam and noxious fumes) in areas where they may cause allergen cross-contact or contamination of cannabis products.

- B. Fans and other air-blowing equipment used at a manufacturing facility shall be used in a manner that minimizes the potential for allergen cross-contact and contamination of manufactured cannabis products or packaging materials and contact surfaces intended for manufactured cannabis handling or production.

5.92.1120 - Sanitation standards.

A Manufacturer shall comply with sanitation standards equivalent to the California Retail Food Code (Part 7 (commencing with Section 113700) of Division 104 of the California Health and Safety Code) for food preparation, storage, handling, and sale of products. Cannabis, including concentrated cannabis in a cannabis product, manufactured in compliance with this Chapter and State law is not considered an adulterant under this Chapter.

5.92.1125 – Quality and preventative controls.

- A. Quality control. A Manufacturer shall employ quality control personnel and establish standard operating procedures that comply with current good manufacturing practices, as outlined by the State Department of Public Health and the U.S. Food and Drug Administration.
- B. Preventative controls. All Manufacturers have a continuous obligation to identify and/or evaluate known or reasonably foreseeable hazards and implement written preventive controls to significantly minimize or prevent manufactured cannabis products from becoming adulterated or misbranded.

5.92.1130 - Standard operating procedures.

A Manufacturer creating cannabis extracts shall develop standard operating procedures, good manufacturing practices, and a training plan prior to producing extracts for the marketplace.

5.92.1135 - Fire Code Official approval required.

Manufacturers conducting extractions, including any professional closed loop systems or equipment used in extraction or processing, shall be approved for their use by the Fire Code Official and shall comply with the following requirements:

- A. Any required fire, safety, and building code requirements specified in the California Building and Fire Codes, as adopted by the City.
- B. Any State laws and regulations implemented and enforced by the State Department of Public Health.

5.92.1140 – Vacuum ovens.

- A. Vacuum ovens shall not be used to process volatile solvents or flammable/combustible liquids contained in cannabis concentrate unless said vacuum oven is rated to process the vapors of volatile solvents or flammable/combustible liquids, such as a vacuum oven that is rated with an explosion-proof classification.
- B. Manufacturers conducting extractions with a vacuum oven shall take adequate precautions to ensure that any cannabis concentrate introduced into said oven does not contain volatile solvents or flammable/combustible liquids.
- C. All vacuum ovens used in the manufacture of cannabis products shall be listed by a Nationally Recognized Testing Laboratory (NRTL).

5.92.1145 – Doors to extraction room.

Doors to any room where Manufacturers use volatile solvents, hazardous materials, or flammable/combustible liquids in the manufacture of cannabis shall swing in the direction of egress, be self-closing and/or self-latching, and be provided with panic hardware.

5.92.1150 – Refrigerators.

- A. Volatile solvents, hazardous chemicals, and flammable/combustible liquids, including volatile solvents, hazardous chemicals, and flammable/combustible liquids contained in concentrated cannabis or cannabis goods, shall be stored in a refrigerator, refrigerated storage, or a freezer rated to store flammable liquids.
- B. Manufacturers shall store and process all volatile solvents or flammable/combustible liquids, including concentrated cannabis and manufactured cannabis that contains volatile solvents or flammable/combustible liquids, in refrigerators, refrigerated storage, or freezers rated to store flammable liquids which are, at a minimum, rated “Lab-Safe” or “Flammable Safe.”

5.92.1155 - Closed loop system required.

- A. Chemical extractions using carbon dioxide or a volatile solvent shall be conducted in a professional and commercially manufactured closed loop extraction system that has been certified by a California-licensed engineer. All professional and commercially manufactured closed loop systems shall bear a permanently affixed and viable serial number.
- B. No closed loop systems shall be utilized without prior inspection and approval of the Fire Code Official.
- C. Certification requirements.

1. Certifications from a California-licensed engineer of any closed loop system used by a Manufacturer shall be provided to the Fire Code Official to certify that the system was commercially manufactured, is safe for its intended use, and was built to codes of recognized and generally accepted good engineering practices, including but not limited to:
 - a. The American Society of Mechanical Engineers (ASME);
 - b. American National Standards Institute (ANSI);
 - c. Underwriters Laboratories (UL); or
 - d. The American Society for Testing and Materials (ASTM).
 2. The certification document required pursuant this subsection shall contain the signature and stamp of the professional engineer and serial number of the extraction unit being certified.
- B. Training required. Any person using solvents or gases in a closed looped system to create cannabis extracts shall be fully trained on how to use the system, have direct access to applicable material safety data sheets, and handle and store the solvents and gases safely in compliance with State and local laws and regulations.

5.92.1160 - Volatile and nonvolatile solvents permitted.

- A. Manufacturers may only use volatile solvents or gases approved by the Fire Code Official and State law for extractions. Manufacturers may use nonvolatile solvents or mechanical processes to create or refine extracts, if approved by the Fire Code Official.
- B. Any extraction process must use solvents or gases in a professional grade closed loop extraction system designed to recover the solvents and work in an environment with proper ventilation. Manufacturers shall control all sources of ignition where a flammable atmosphere is or may be present.

5.92.1165 - Change in solvent.

- A. Any Manufacturer that changes the medium of extraction or solvent used in manufacturing from the technical report previously approved by the Fire Code Official shall submit a revised technical report for approval of the Fire Code Official prior to the use of the equipment with said new medium or solvent. The technical report shall be revised at the cost of the Manufacturer.
- B. If the original engineer of record that drafted the last approved technical report is not available, then the Manufacturer shall comply with the following requirements prior to submitting a revised technical report to the Fire Code Official that has been drafted by a new engineer of record:
 - 1. The Manufacturer shall submit the new engineer's educational background and professional experience specific to the review and approval of system, equipment, and processes with like hazards of those associated with the extraction system to the Fire Code Official.
 - 2. Once the proof of qualifications is deemed acceptable by the Fire Code Official, the engineer of record shall produce the technical report and the report shall be signed and sealed in accordance with State requirements. The proof of qualifications shall include documentation indicating the person is a professional engineer licensed in the State.

5.92.1170 - Storage and use of compressed gas.

- A. Storage and use of compressed gases in compressed gas containers, cylinders, tanks, and systems used for cannabis manufacturing shall comply with this Code and the California Fire Code.

- B. Any compressed gases used in the manufacturing process shall not be stored on any property within the City in containers that exceed the amount that is approved by the Fire Code Official and authorized by the Adult-Use Cannabis Business Permit.

5.92.1175 - Hazardous material requirements.

Manufacturers that use and generate hazardous materials or hazardous waste shall comply with all applicable hazardous material regulations for hazardous waste generators and hazardous material handling requirements and shall maintain any applicable permits from the Certified Unified Program Agency (CUPA) of Long Beach for said regulations and requirements.

5.92.1180 - Edible cannabis products.

- A. The manufacture, distribution, and transportation of edible cannabis products shall be conducted in a manner that complies with all applicable food safety laws for the protection of humans consuming cannabis.
- B. Cannabis facility requirements and limitations.
 - 1. All products, storage facilities, utensils, equipment, and materials used for the manufacture of edible cannabis products shall be approved, used, managed, and handled in accordance to the provisions of all State and local laws regarding the preparation, distribution, labeling, and sale of food.
 - 2. Any manufacturing site that proposes to prepare, store, dispense, and distribute edible cannabis products shall comply with the relevant provisions of all State and local laws regarding the preparation, distribution, labeling, and sale of food.
 - 3. No food production shall be allowed in a facility where edible cannabis products are manufactured to avoid the unintentional contamination of non-cannabis foods with cannabis.

4. Facilities where edible cannabis products are manufactured shall be constructed, permitted, operated, and inspected in accordance with the applicable building code and applicable food safety requirements.

5.92.1185 - Food handler certification.

All owners, employees, volunteers, or other individuals that participate in the production of edible cannabis products shall be State certified food handlers. The valid certificate number of each such owner, employee, volunteer, or other individual shall be on record at the permitted premises where said individual participates in the production of edible cannabis products.

5.92.1190 - Packaging and labeling.

- A. All manufactured cannabis products packaged and/or labeled by a Manufacturer shall meet the provisions of packaging and labeling requirements specified by State law, including but not limited to, California Business and Professions Code Division 5 (“Weights and Measures”) and Division 10 (“Cannabis”), and any regulations implemented and enforced by the Bureau of Cannabis Control or the State Department of Public Health.
- B. Packaging that makes cannabis products attractive to children or imitates candy is prohibited.
- C. Prior to release of a product to a Distributor, Manufacturers shall package and seal all cannabis products in tamper-evident packaging and use a unique identifier for the manufactured cannabis batch to identify and track the cannabis products.
- D. Edible cannabis products shall not exceed 10 milligrams of tetrahydrocannabinol (THC) per serving. The THC content for the edible cannabis product in its entirety shall be printed on the edible cannabis product packaging.

5.92.1195 - Accurate weights and measures.

- A. Manufacturers shall maintain all weighing devices in good working order, approved, tested, sealed, and registered with the Los Angeles County Agricultural Commissioner/Weights and Measures in compliance Division 5 ("Weights and Measures") of the California Business and Professions Code, any regulations implemented by the Manufactured Cannabis Safety Branch, and all other applicable local, State, and Federal laws.
- B. Manufacturers are prohibited from using scales, weights, or measures that do not accurately conform to the standard of weights and measures of the State and county.

DIVISION VII - DISTRIBUTION OPERATING CONDITIONS

In addition to the general operating requirements set forth in Division III of this Chapter, this Division provides additional requirements for Distributors.

5.92.1210 - Compliance.

- A. A Distributor and the premises shall meet all health protection operating criteria for the distribution of cannabis goods as required by State law and regulations implemented and enforced by the Bureau of Cannabis Control.
- B. Distributors shall transfer cannabis goods only between State licensees.

5.92.1215 - Transport Only Distributor.

- A. Transport Only Distributor may transport cannabis goods between State licensees if the transport, and the type of cannabis goods transported, is authorized by State and local law.

- B. A Transport Only Distributor shall comply with all provisions required by this Code and State law for Distributors, except for those related to quality assurance and testing.
- C. A Transport Only Distributor shall not hold title to any cannabis goods unless said Transport Only Distributor also holds a State-issued Cultivation, Manufacturing, Retailer, or Microbusiness license.
- D. Transport Only Distributors shall not be authorized to:
 - 1. Engage in the delivery of cannabis goods to a customer; or
 - 2. Engage in the wholesale, destruction, packaging, labeling, or storing of cannabis goods; or
 - 3. Arrange for the testing of cannabis goods by a Testing Laboratory.

5.92.1220 - Storage.

- A. Separate and distinct. Distributors shall ensure that each batch is stored separately and distinctly from every other batch on the Distributor's premises.
- B. Labels required for batch storage containers. Distributors shall ensure a label with the following information is physically attached to each container of each batch: the Manufacturer or Cultivator's name and State license number; the date of entry into the Distributor's storage area; the unique identifiers and batch number associated with the batch; a description of the cannabis goods with enough detail to easily identify the batch; and the weight of or quantity of units in the batch.
- C. A Distributor shall store cannabis goods in a building designed to permit control of temperature and humidity and shall prevent the entry of environmental contaminants such as smoke and dust. The area in which cannabis goods are stored shall be vermin proof and shall not be exposed to direct sunlight. Distributors shall not store cannabis goods outdoors.

- D. Storage-only services. Distributors may provide cannabis or cannabis product storage-only services to a Cultivator, Manufacturer, or other Distributor, which are unrelated to the quality assurance and laboratory testing processes required of the Distributor.

5.92.1225 - Quality assurance.

- A. Distributors shall ensure compliance with any requirements for packaging and labeling cannabis goods pursuant to State and local law and regulations.
- B. After taking physical possession of a cannabis batch, the Distributor shall meet all testing requirements and procedures as required by local and State law and regulations. Upon the request of the City Manager, the Distributor shall immediately make available the results of all tests performed on each cannabis batch by a certified State licensed Laboratory.
- C. A Distributor shall only procure, sell, or transport cannabis goods that are packaged and sealed in tamper-evident packaging that use a unique identifier, such as a batch and lot number or bar code, to identify and track the cannabis goods.

5.92.1230 - Transport.

- A. Documentation during transport. Transporters shall carry a physical or electronic copy of the shipping manifest for the transport of cannabis goods, a copy of the Distributor's current permits and/or licenses required by the State and City, the Transporter's government-issued identification, and an identification badge provided by the Distributor. All documentation shall be made available upon request to the City Manager or Chief of Police.
- B. Transporters shall be at least twenty-one (21) years of age and shall have a valid California Driver's License.

- C. Vehicle standards. A Distributor shall only allow transport of cannabis goods in a vehicle:
1. That is capable of securing (locking) the cannabis goods during transportation.
 2. That is capable of being time and/or temperature controlled if perishable cannabis goods are being transported.
 3. That does not display advertising or symbols visible from the exterior of the vehicle that suggest the vehicle is used for cannabis transport or affiliated with a Commercial Cannabis Business.
- D. Inspections. Any motor vehicle used by a Distributor to transport cannabis goods is subject to inspection by the City Manager or Chief of Police and may be stopped during transport, delivery, or pick-up of cannabis goods for inspection.

5.92.1235 - Accurate weights and measures.

- A. Distributors shall maintain all weighing devices in good working order, approved, tested, sealed, and registered with the Los Angeles County Agricultural Commissioner/Weights and Measures in compliance Division 5 (“Weights and Measures”) of the California Business and Professions Code, any applicable State laws and regulations implemented by the State or its departments or divisions, and all other applicable local, State, and Federal laws.
- B. Distributors are prohibited from using scales, weights, or measures that do not accurately conform to the standard of weights and measures of the State and county.

5.92.1240 - Records.

- A. In addition to records generally required of all Adult-Use Cannabis Businesses, every Distributor shall maintain records specific to the operation, including but not

limited to: records relating to branding, packaging and labeling; inventory logs and records; transportation bills of lading and shipping manifests for completed transports and for cannabis goods in transit; vehicle and trailer ownership records; quality-assurance records; records relating to destruction of cannabis goods; laboratory-testing records; warehouse receipts; records relating to tax payments collected and paid. The Distributor shall make all records available to the City upon request.

- B. Storage records. A Distributor shall maintain a written contract with other State licensees storing cannabis goods on the Distributor's premises. A Distributor shall maintain a separate storage inventory log for every State licensee storing cannabis goods on the Distributor's premises. The Distributor's storage inventory logs and written contracts shall be provided to the City Manager upon request. All inventory documents shall contain the identity and State license number of all contracting parties.
- C. A Distributor shall maintain a database, and provide to the City upon request, a list of the individuals and vehicles authorized to conduct transportation on behalf of the Distributor.

DIVISION VIII - TESTING LABORATORY OPERATING CONDITIONS

In addition to the general operating requirements set forth in Division III of this Chapter, this Division provides additional requirements for Testing Laboratories.

5.92.1310 - Compliance.

All laboratory testing of cannabis goods shall be performed in accordance with this Chapter, this Code, and any applicable State law and regulations, implemented and enforced by the State and its divisions and departments.

5.92.1315 - No other employment or interest.

No owner or employee of a Laboratory may be employed by, or have any ownership or financial interest, in any other type of commercial cannabis activity.

5.92.1320 - Laboratory employee requirements.

Laboratory employees shall meet the experience, education, and training requirements specified and required by the State or any of its departments and divisions.

5.92.1325 - Certificate of accreditation required.

Every Laboratory shall hold a valid certificate of ISO/IEC 17025 accreditation, issued by an accreditation body that attests to the Laboratory's competence to perform testing of the cannabis goods for compounds and contaminants, in compliance with State laws and regulations for cannabis testing. Said accreditation body shall be a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement for testing. The certificate of accreditation shall be kept at the premises.

5.92.1330 - Standard operating procedures.

A Laboratory shall adopt a standard operating procedure using methods consistent with general requirements established by the International Organization for Standardization, specifically ISO/IEC 17025, to test cannabis goods, and shall operate in compliance with State law at all times.

5.92.1335 - Chain of custody controls.

A Laboratory shall establish standard operating procedures that provide for adequate chain of custody controls for samples transferred to the Laboratory for testing.

5.92.1340 - Certificate of Analysis.

A Laboratory shall generate a Certificate of Analysis (COA) for all representative samples analyzed by the Laboratory in compliance with State law and any regulations implemented and enforced by the Bureau of Cannabis Control.

5.92.1345 - Annual audit.

A Laboratory shall conduct an internal audit at least once per year or according to the ISO Accrediting Body and the State's requirements, whichever is more frequent.

5.92.1350 - Transportation and storage of testing samples.

Every Laboratory shall ensure samples are transferred, transported, and securely stored in a manner that prevents degradation, contamination, and tampering, and in compliance with labeling on the cannabis product pursuant to a specified chain of custody protocol.

5.92.1355 - Destruction of samples.

A Laboratory shall destroy the remains of samples of any cannabis goods upon completion of analyses, and after the expiration of any post-testing sample retention period, in compliance with State law and any regulations implemented and enforced by the Bureau of Cannabis Control.

5.92.1360 - Additional ventilation requirements.

In addition to the general odor control and ventilation requirements in Section 5.92.540, the Laboratory shall implement adequate ventilation or control equipment to minimize dust, odors, and vapors (including steam and noxious fumes) in areas where they may cause allergen cross-contact or contamination of cannabis products. Fans and other air-blowing equipment used at a Laboratory premises shall be used in a manner that minimizes the potential for allergen cross-contact and contamination of cannabis goods.

5.92.1365 - Hazardous material requirements.

Laboratories that use and generate hazardous materials or hazardous waste shall comply with all applicable hazardous material regulations for hazardous waste generators, and hazardous materials handling requirements and shall maintain any applicable permits for these programs from the Certified Unified Program Agency (CUPA) of Long Beach.

5.92.1370 - Records.

A Laboratory shall ensure the transport, handling, storage, and destruction of samples are accurately documented. All documentation and the results of all testing shall be maintained as a part of the required records of the Laboratory.

DIVISION IX - ENFORCEMENT AND PENALTIES

5.92.1410 - Violations generally.

- A. It is unlawful for any person to violate any provision, or to fail to comply with any of the conditions or requirements of this Chapter, or any regulation adopted pursuant to it.
- B. Separate violation. Every day, during any portion of which, any violation of this Chapter is committed, continued, or allowed to continue is a separate offense and is subject to all remedies and enforcement measures authorized by this Code.
- C. Every cannabis plant, including both immature and mature plants, cultivated in violation of this Chapter by an illegal cannabis operation constitutes a separate violation subject to the penalties of this Chapter.
- D. Paying a fine or serving a jail sentence does not relieve any person from responsibility for correcting any condition that violates any provision of this Chapter.
- E. Whenever in this Chapter any act or omission is made unlawful, it shall include causing, permitting, aiding, abetting, suffering, or concealing the fact of such act or omission.

F. Violation of any provision of this Chapter shall be considered a strict liability; accordingly, the City shall not be required to prove knowledge, criminal intent, or any other mental state to establish a violation of this Chapter.

5.92.1415 - Remedies cumulative.

- A. The remedies provided for in this Chapter are not mutually exclusive. Pursuit of any one remedy does not preclude the City from availing itself of any or all available administrative, civil, or criminal remedies, at law or equity. The remedies provided by this Chapter are cumulative and in addition to any other remedies available at law or in equity.
- B. This Chapter does not limit the City's additional remedies for recovering taxes or damages in accordance with any applicable law including, without limitation, cannabis business taxes owed by an unlawful Commercial Cannabis Business pursuant to Chapter 3.80 of this Code.

5.92.1420 - Declaration of public nuisance.

- A. Any violation of the provisions of this Chapter is hereby deemed unlawful and a public nuisance.
- B. As a nuisance per se, any violation of this Chapter is subject to any of the following remedies, including, without limitation: injunctive relief, revocation of applicable permits or licenses, revocation of the certificate of occupancy for the real property where the violation occurred, disgorgement and payment to the City of all monies unlawfully obtained, costs of abatement, costs of investigation, attorney fees, and any other relief or remedy available at law or equity.
- C. For purposes of notification of nuisance and abatement pursuant to Section 9.37.100 of this Code, a reasonable time limit for a property owner or person to correct or

abate the nuisance of an illegal cannabis operation is no less than five (5) calendar days.

5.92.1425 - Liability of employees and agents.

Liability of employees and agents. In construing and enforcing the provisions of this Chapter, the act, omission, or failure of an agent, officer, representative, or other person acting for or employed by an Adult-Use Cannabis Business, within the scope of his or her employment or office, will be in every case be deemed the act, omission, or failure of the Adult-Use Cannabis Business.

5.92.1430 - Liability of property owners.

- A. No property owner in charge of, or in possession of, any real property within the City shall cause, permit, maintain, conduct, or otherwise suffer or allow a public nuisance as defined in this Chapter to exist.
- B. It is the duty of every property owner, and person that controls any real property or interest therein, within the City to remove, abate, and prevent the reoccurrence of the public nuisance upon such real property. Such duty of the property owner exists regardless of whether the property owner is in actual possession of his or her real property, and includes an obligation to act to evict or otherwise remove an illegal cannabis operation who illegally exists or creates a public nuisance upon the property owner's real property.
- C. In addition to any abatement costs incurred by the City for closing or removing an illegal cannabis operation from private real property, failure of a property owner to voluntarily abate an illegal cannabis operation after notification by the City shall result in the penalties set forth in this Chapter.

5.92.1435 - Liability of costs, fines, and fees.

- A. Liability of costs. In any enforcement action brought pursuant to this Chapter, whether by administrative proceedings, judicial proceedings, or summary abatement, every person who causes, suffers, maintains, or permits any illegal cannabis operation and/or operation to exist, or remain in violation of this Chapter, is liable for all actual costs incurred by the City, including, but not limited to: all actual costs for inspection, enforcement, revocation, suspension, abatement, or any other actual costs incurred to undertake, or to cause or compel any responsible party to undertake, any abatement action in compliance with the requirements of this Chapter, including costs of litigation and reasonable attorney's fees, whether those costs are incurred prior to, during, or following enactment of this Chapter.
- B. Any person may abate an illegal cannabis operation or cause it to be abated at any time prior to commencement of abatement by, or at the direction of, the City Manager. Abatement prior to the hearing does not absolve any person from paying costs, fees, and administrative penalties that accrued up to the date of abatement. Proof of Abatement shall be provided to the Hearing Officer(s) at the time of hearing.
- C. Liability for cost of destruction. If required by State law, regulation, or court order to destroy any cannabis goods associated with a violation of this Chapter, a violator is responsible for the cost of the destruction of cannabis goods associated with said violation.
- D. Failure to pay fines and fees. Failure to pay a fine or penalty within thirty (30) calendar days of the date of assessment may result in penalties, suspension, or revocation of the permit, unless the citation is being appealed. The full amount of any assessed fine or penalty may be added to the fee for renewal of the permit.

5.92.1440 - Permit suspension, revocation, or denials.

- A. Noncompliance. Failure to comply with any of the provisions of this Chapter will constitute grounds for suspension, denial, or revocation of the permit. The noticing and hearing requirements for suspension or revocation of the permit shall be governed by the provisions of Chapter 5.06 of this Code.
- B. Cease activity. No person may conduct any business or activity regulated by this Chapter while an application for a permit is pending, at any time after a permit denial or revocation, or while a permit is suspended.
- C. Grounds for denial, revocation, or suspension of permit. In addition to the provisions of Chapter 5.06 of this Code, the Director of Financial Management may deny any application for a permit, or revoke or suspend any permit, on the following grounds:
 - 1. A permit application does not satisfy the minimum qualifications or fails to comply with the applicable requirements of this Chapter.
 - 2. Failure to comply with any of the terms and conditions attached to the permit at the time of approval.
 - 3. Any act or omission that violates the requirements of this Code, including any rule, regulation, condition, or standard adopted pursuant to this Chapter, or any other applicable State or local rule, law, or regulation.
 - 4. Any act or omission that results in the denial, revocation, or suspension of the permittee's State license.
 - 5. Failure to renew the permittee's State license.
 - 6. The permit was granted, in whole or in part, based on any written or oral misrepresentation or omission of a material statement in the permit application.
 - 7. Conducting a commercial cannabis activity in a manner that constitutes a nuisance, where the permittee has failed to comply with reasonable conditions to abate the nuisance.

8. Conviction for any controlled substance felony by an owner after a permit has been issued.
9. A person has been, or is, prohibited from having an ownership interest in an Adult-Use Cannabis Business pursuant to Section 5.92.265.
10. A person has committed a deliberate or willful violation of an applicable law, or applicable rule and regulation related to commercial cannabis activity.

5.92.1445 - Appeal of permit denial.

- A. Any applicant pursuant to this Chapter whose application for an Adult-Use Cannabis Business Permit, whose application for such permit has been denied, shall be notified in writing of the denial and their right to file an appeal, pursuant to Section 5.06.030 of this Code, within ten (10) calendar days after the date of mailing of the Notice of such denial.
- B. Any written request for an appeal of a permit denial pursuant to this Chapter shall include details regarding the denial and the specific ground(s) on which the dispute of the denial is based. At the time of filing the notice of appeal, the applicant shall pay to the Director of Financial Management the fee set by resolution of the City Council for appeals hereunder.
- C. If the written request is filed within the time period specified, within thirty (30) days following the filing of said written request, the City shall set a hearing to be held not less than ten (10) days nor not more than thirty (30) days thereafter, and such hearing may for good cause be continued by the City.
- D. The hearing shall be held in accordance with Chapter 2.93 of this Code, except that the matter shall be automatically referred to the City Clerk for selection of a Hearing Officer, without the City Council's referral, in accordance with Subsection 2.93.050.B of this Code.

- E. Failure to file the written request within the time period specified shall result in waiver of any right to dispute the denial of an application for an Adult-Use Cannabis Business Permit pursuant to this Chapter. Failure of an appellant or their authorized representative to appear at any noticed hearing shall constitute an abandonment of the hearing appeal and shall constitute a failure to exhaust administrative remedies.
- F. Right to recover costs. In the event a civil action is initiated by the City to enforce any decision under this Section, and a judgment is entered to enforce said decision, any person against whom the order of enforcement has been entered shall be liable to pay the City's total costs of enforcement, including reasonable attorney fees.

5.92.1450 - Factors for suspension or revocation.

- A. The City Manager may consider the following factors in deciding whether a permit should be suspended or revoked in accordance with this Chapter, as applicable:
 - 1. The nature and severity of the acts, offense, or crimes under consideration.
 - 2. Any corrective action taken by the permittee.
 - 3. Prior violations at the permitted premises by the permittee and the effectiveness of prior corrective action.
 - 4. Previous sanctions imposed against the permittee.
 - 5. The number and/or variety of current violations.
 - 6. The likelihood of recurrence.
 - 7. All circumstances surrounding the violation.
 - 8. Whether the violation was willful.
 - 9. Any actual or potential harm to the public.
 - 10. The length of time the permit has been held by the permittee.
 - 11. Evidence of expungement proceedings under Penal Code Section 1203.4.

12. Any other factor that makes the situation unique or the violation of greater concern, with respect to the permittee or the permitted premises.

5.92.1455 – Permit reapplications.

- A. Whenever an application for a permit is denied, no other application by such permittee will be considered for a period of one (1) year from the date of the denial of an application, with an exception granted to any applicant whose Adult-Use Business License Application was denied solely because the applicant's proposed premises does not comply with the sensitive use buffers in subsection (1) through (4) of Section 5.92.420.A.
- B. Whenever a permit has been revoked, no other similar application by such permittee for an Adult-Use Cannabis Business Permit shall be considered for a period of five (5) years from either the date the notice of the permit revocation was mailed or the date of the final decision of the City Council to revoke the permit, whichever is later.
- C. The provisions of subsections (A) and (B), above, apply to all of the following:
 - 1. Any individual whose permit was revoked or whose application was denied who later becomes a director or officer of a corporation, profit or nonprofit, or a member of a partnership or a person owning or possessing any portion of the shares of a corporation seeking to obtain a new permit.
 - 2. A corporation, profit or nonprofit, whose permit was revoked or application was denied, to any of its directors or officers or to any person who owned any portion of its shares, who attempts by way of a new corporation or using their individual names or becoming a member of a partnership or a director or officer or a person owning or possessing any portion of the shares in another corporation seeking to obtain a new permit.

D. Effect of suspension, revocation, or denial on Co-Located Cannabis Business Permits.

1. Suspension of a permittee's co-located Adult-Use Cannabis Business Permit or Medical Marijuana Business Permit, shall immediately suspend the permittee's other co-located permit for the same premises and permittee's ability to operate a Commercial Cannabis Business within the City, until the City reinstates or reissues permittee's Adult-Use Cannabis Business Permit and Medical Marijuana Business Permit.
2. Revocation or termination of a permittee's co-located Adult-Use Cannabis Business Permit or Medical Marijuana Business Permit, shall also immediately revoke, terminate, or surrender permittee's co-located permit for the same premises, and permittee's ability to operate a Commercial Cannabis Business from that premises.
3. Surrender of the permittee's co-located Medical Marijuana Dispensary permit shall also immediately revoke, terminate, or surrender the permittee's co-located Adult-Use Cannabis Dispensary Permit for the same premises, and permittee's ability to operate a Commercial Cannabis Business from that premises.

E. Effect of suspension, revocation, or denial on State licenses.

1. Suspension of a permittee's State license shall immediately suspend the permittee's Adult-Use Cannabis Business Permit, any co-located Medical Marijuana Business Permits for the same premises, and permittee's ability to operate a Commercial Cannabis Business within the City, until the State, or its respective department or division, reinstates or reissues permittee's State license.

2. Revocation, termination, or surrender of a permittee's State license shall immediately suspend the permittee's Adult-Use Cannabis Business Permit, any co-located Medical Marijuana Business Permits for the same premises, and permittee's ability to operate a Commercial Cannabis Business within the City.

5.92.1460 - Criminal penalty.

Any person who violates any provision of this Chapter is guilty of a misdemeanor, and upon conviction thereof, may be punished by a fine of not more than one thousand dollars (\$1,000.00), or by imprisonment in the City or county jail for a period not exceeding six (6) months, or by both such fine and imprisonment.

5.92.1465 - Administrative civil penalties.

A. Administrative citations. In addition to all other legal remedies at law, violations of this Chapter and building, health, and safety violations caused as a result of a violation of this Chapter are enforceable using the administrative citation procedures set forth in Chapter 9.65 of this Code.

1. Administrative citations for violations of this Chapter shall be set by resolution of the City Council pursuant to Chapter 9.65 of this Code for any violation of the Long Beach Municipal Code that could potentially be criminally cited as an infraction.
2. Fines for illegal cannabis operations shall be set by resolution of the City Council pursuant to Chapter 9.65 of this Code.

B. Administrative penalties imposed pursuant to this Section also constitute a personal obligation on each person who causes, permits, maintains, conducts, or otherwise suffers or allows the nuisance to exist. In the event administrative penalties are imposed pursuant to this Section on two (2) or more persons for the same violation,

all such persons are jointly and severally liable for the full amount of the penalties imposed.

- C. In addition to any other remedy, the City may prosecute a civil action through the City Attorney to collect any administrative penalty imposed pursuant to this Chapter.

5.92.1470 - Actions for injunctive relief and civil penalties.

- A. As an alternative, or in addition to any other remedy, the City Attorney may enforce the provisions of this Chapter against any illegal cannabis operation and/or property owner in any court of competent jurisdiction. The City Attorney may apply to such court for an order seeking injunctive relief to abate or remove any nuisance caused, maintained, or permitted by an illegal cannabis operation and/or property owner, to restrain any illegal cannabis operation and/or property owner from taking any action contrary to the provisions of this Chapter or other applicable law; and/or to require any illegal cannabis operation and/or property owner to take any action to comply with this Chapter or other applicable law.
- B. In any civil court action brought by the City Attorney pursuant to this Section in which the City succeeds in obtaining an order from the court, the City shall be entitled to recover from an illegal cannabis operation and/or property owner all of the City's costs of investigation, enforcement, abatement, destruction, and litigation, including but not limited to attorneys' fees.
- C. Civil penalties.
 - 1. The City is entitled to recover civil penalties against an illegal cannabis operation and/or property owner a maximum amount of five thousand dollars (\$5,000.00) per violation for each day an illegal cannabis operation is operated, permitted, or maintained on the subject property, and the court may order the

destruction of cannabis associated with that violation in accordance with California Health and Safety Code Section 11479.

2. In assessing the amount of a civil penalty, the court shall consider any one or more of the relevant circumstances presented by any of the parties to the case, including, but not limited to, the following:
 - a. The nature and seriousness of the violation;
 - b. Any economic benefit gained through the violation;
 - c. The number of violations;
 - d. The length of time over which the violation occurred;
 - e. The willfulness of the defendant's violation; and
 - f. The defendant's assets, liabilities, and net worth.
- D. The City Attorney is authorized, without further direction from the City Council, to institute any civil actions permitted pursuant to this Section.

5.92.1475 - Liens and special assessments.

- A. Notwithstanding any other provision of this Chapter to the contrary, the costs incurred by the City in the abatement of a violation or nuisance may be placed against any privately owned and affected property as either a nuisance abatement lien or a special assessment lien pursuant to California Government Code Section 38771 et seq., as amended from time-to-time, or a lien pursuant to California Government Code Section 54988, as amended from time to time.
- B. Liens. All actual costs required by this Section constitute a lien upon the property upon which the Adult-Use Cannabis Business is situated. The lien for any inspection, enforcement, or abatement costs may attach thirty (30) days after the responsible parties are notified of the costs, and will remain until the costs are paid or the premises is sold in payment thereof.

- C. Lien enforcement. The City may enforce a lien under this Chapter in any manner permitted by law, including filing a civil action either to foreclose on its liens or to obtain a money judgment or both, or pursuing non-judicial foreclosure.
- D. Conversion of liens. The City may elect, upon thirty (30) calendar days written notice to all known and record owners of the privately owned and affected property, to convert any nuisance abatement lien authorized by this Chapter to a special assessment lien, or vice versa. Costs recoverable under this Chapter may include those categories of costs and fees set forth in Civil Code Section 3496, regardless of the type of nuisance involved.
- E. Special Assessment. If the property is specially assessed, said assessment may be collected at the same time and in the same manner as ordinary real property taxes are collected and will be subject to the same penalties and the same procedure and sale in case of delinquency as provided for ordinary real property taxes. All laws applicable to the levy, collection, and enforcement of real property taxes are applicable to the special assessment.

5.92.1480 - Prohibited premises sites due to prior illegal cannabis operations.

- A. The City may, in its sole discretion, take any action as specified in this subsection.
- B. If the City discovers an illegal cannabis operation is currently and/or was operating within the previous sixty (60) days at or on a property, or any portion thereof, without valid State or City permits or licenses the City may take action as specified herein. The City shall notify the property owner in writing of their right to file, within fifteen (15) days after the date of mailing of the Notice, written request of a hearing to the City disputing the alleged illegal cannabis operation. Such written request shall set forth the specific ground(s) on which the dispute is based and the property owner

shall pay to the City at the time of filing said written request a filing fee in an amount to be set by resolution of the City Council.

- C. Failure to file the written request within the time period specified shall result in waiver of any right to dispute the allegation of operation of an illegal cannabis operation at the subject property. In the event of such waiver, no Commercial Cannabis Business, whether licensed or non-licensed, shall be permitted to operate at the subject property for a period of one (1) year from the 16th day after the date of mailing of the Notice.
- D. The illegal cannabis operation and/or property owner shall have the right of appeal as set forth in Section 5.92.1445.
- E. Whenever it has been determined that an illegal cannabis operation was and/or is in operation, no Commercial Cannabis Business, whether licensed or non-licensed, shall be permitted to operate at the subject property for a period of one (1) year from the effective date of such determination.
- F. The prohibitions contained in this Section are sufficient grounds to deny any application for operation of a Commercial Cannabis Business or cannabis operation at the subject property received within the one (1) year time.
- G. In the event the City revokes a Property Owner's Non-Residential Rental Business License for violating this Chapter, no Commercial Cannabis Business or cannabis operation, whether licensed or non-licensed, is permitted to operate at the subject property for a period of five (5) years from the effective date of revocation of the Non-Residential Rental Business License. Such revocation is sufficient grounds to deny any application for operation of a Commercial Cannabis Business or cannabis operation at the subject property received within the five (5) year period. This prohibition shall also remain in effect in the event a property owner (or an entity owned by or affiliated with such property owner) obtains another Non-Residential

Rental Business License anytime within the five (5) year period for the subject property.

5.92.1485 - Disconnection of utilities.

- A. To the maximum extent permitted by law, and in accordance with the processes thereof, the City may discontinue utility services to any premises upon which an illegal cannabis operation is operating.
- B. Prior to the disconnection of utility services, the City must notify, wherever possible, the property owner and occupant of the building, structure, or premises upon which the illegal cannabis operation is operating, of the decision to disconnect the utility service(s) and the reason(s) for service suspension at least seven (7) calendar days before taking such action, unless a different period of notification is mandated by law; provided that the City's Building Official may dispense with any attempt at prior notification if, in the sole discretion of the Building Official, the nature or severity of any apparent dangerous hazard justifies such disconnection in accordance with other provisions of this Code.
- C. In the event utilities are disconnected, the Building Official must notify the owner or occupant of the building, structure, or premises in writing of the disconnection as soon as practical thereafter.
- D. Disconnected utilities shall not be re-established until an inspection has been made by the City's Building Official and the Building Official has determined that the unlawful illegal cannabis operation has ceased operations; that any imminent hazard has been abated or eliminated (if applicable); that the building complies with applicable law; and that any applicable fees for disconnection, reconnection, penalties, and/or other related services have been paid.

- E. Removing or defacing a notice posted in relation to this provision shall constitute a separate and distinct violation of this Chapter.

5.92.1490 - Medical Marijuana Task Force.

The authority, powers, and duties of the Medical Marijuana Task Force, established pursuant to Section 5.90.260 of this Code, are limited exclusively to the provisions in Chapter 5.90 and shall not extend to any applicant, permittee, Adult-Use Cannabis Business, and/or Medical Marijuana Business electing to engage in commercial cannabis activity pursuant to this Chapter.

5.92.1495 - Severability.

In the event, any provision in this Chapter is deemed invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and such provision is ineffective only to the extent of such invalidity, illegality, or unenforceability.

DIVISION X - EQUITY ASSISTANCE PROGRAM

5.92.1510 - Definitions.

- A. "Equity Employee" means an individual who meets the criteria in subsections (1) through (3) in Section 5.92.1520.A.
- B. "Equity Business Owner" means an Adult-Use Cannabis Business where fifty-one percent (51%) or more of the entity holding, and applying for, an Adult-Use Cannabis Business Permit is owned by an individual that meets the criteria of subsections (A) and (B) of Section 5.92.1520.

5.92.1520 - Eligibility for Equity Assistance Program.

- A. To be eligible for the Equity Assistance Program as an equity employee, an individual shall satisfy the following criteria:

1. Be a natural person; and
2. In the last year, have had an annual family income at or below eighty percent (80%) Los Angeles – Long Beach – Glendale (Los Angeles County) Area Median Income (AMI) adjusted for family size, and a net worth below \$250,000; and
3. The individual satisfies at least one of the following criteria:
 - a. Has lived in a Long Beach census tract for a minimum of three (3) years where at least fifty-one percent (51%) of current residents have a household income at or below eighty percent (80%) of the Los Angeles County Area Median Income; or
 - b. Was arrested or convicted for a crime relating to the sale, possession, use, or cultivation of cannabis in the City of Long Beach prior to November 8, 2016 that could have been prosecuted as a misdemeanor or citation under current California law.

B. To be eligible for the Equity Assistance Program as an equity business owner, an individual shall satisfy the criteria in subsection (A) above and the individual shall also have a minimum of fifty-one percent (51%) ownership of the entity applying for an Adult-Use Cannabis Business Permit.

C. Review of eligibility criteria.

1. Proof of income shall be supported with federal tax returns and at least one (1) of the following documents: two (2) months of pay stubs, current profit and loss statement, balance sheet, or proof of current eligibility for General Assistance,

Food Stamps, Medical/CALWORKs, or Supplemental Security Income or Social Security Disability (SSI/SSDI).

2. Residency shall include proof of residency in any combination of qualifying Long Beach census tracts pursuant to Section 5.92.1520.A.3 for a minimum of three (3) years. A minimum of two (2) of the documents listed below, evidencing a minimum of three (3) years of residency, shall be considered acceptable proof of residency. All residency documents must list the first and last name of the equity business owner applicant or the equity employee applicant, and the Long Beach residence address in a qualifying Long Beach census tract pursuant to Section 5.92.1520.A.3:
 - a. California Driver's record or Driver's License; or
 - b. California identification card record; or
 - c. Property tax billing and payments; or
 - d. Verified copies of State or federal income tax returns where a Long Beach address within a qualifying Long Beach census tracts pursuant to Section 5.92.1520.A.3 is listed as a primary address; or
 - e. School records; or
 - f. Medical records; or
 - g. Banking records; or
 - h. Long Beach Housing Authority records; or
 - i. Utility, cable, or internet company billing and payment covering any month in each of the three (3) years.
3. Proof of conviction should be demonstrated through federal or State court records indicating the disposition of the criminal matter.

5.92.1530 - Assistance available to equity business owners.

Individuals applying for an Adult-Use Cannabis Business Permit as an equity business owner applicant, shall be eligible to receive the following assistance during the application process: expedited Adult-Use Cannabis Business Permit application review; Adult-Use Cannabis Business Permit application and compliance assistance; cultivation business license tax deferrals during the first year; expedited building plan check review; and waivers of City permitting fees.

5.92.1540 - Requirements for all Adult-Use Cannabis Businesses.

Adult-Use Cannabis Businesses that do not qualify for the Equity Assistance Program shall comply with the following requirements:

A. Employment.

1. Adult-Use Cannabis Businesses that do not qualify for the Equity Assistance Program shall employ individuals that meet the criteria in Section 5.92.1520.A for a minimum of forty percent (40%) of total annual work hours performed at the business. Upon a showing of good cause by an Adult-Use Cannabis Business, the City Manager may waive the employment requirement.
2. Compliance. To ensure compliance with this requirement, Adult-Use Cannabis Businesses shall submit certified payroll records to the City Manager at such frequency as determined by the City Manager. Adult-Use Cannabis Businesses that fail to meet this requirement may be subject to penalties pursuant to this Chapter, including but not limited to, suspension or revocation of the Adult-Use Cannabis Business Permit pursuant to Section 5.92.1440. To avoid penalties for noncompliance, a business may demonstrate that it utilized its best efforts to hire and employ individuals that meet the criteria in Section 5.92.1520.A by detailing all efforts made and affixing documents to support such efforts.

- B. Support for equity business owners. Adult-Use Cannabis Business shall submit a Community Reinvestment and Small Business Incubation Plan to the City describing how they intend to support equity business owners, adjacent neighborhoods, and communities within the eligible social equity program census tracts. Support for equity business owners may include, but shall not be limited to, business plan guidance at the time of application, business operations consulting, and industry specific technical assistance, shelf space for cannabis goods cultivated or manufactured by equity business owners, or any other form of support by an Adult-Use Cannabis Business consistent with the intent and spirit of this Division.
- C. Labor peace agreement. Any Adult-Use Cannabis Business with two (2) or more employees (as defined by California Business and Professions Code 26051.5(a)(5)) shall provide a statement at the time of application that the applicant will enter into, or demonstrate that it has already entered into, and abide by the terms of a labor peace agreement.

5.92.1550 - Authority to develop and implement Equity Assistance Program.

The City Manager is authorized to make reasonable rules, policies, and procedures to consistent with the intent and spirit of this Division to develop and implement and administrative program for this Equity Assistance Program. Regulations promulgated by the City Manager become effective upon date of publication, unless specified otherwise.