ORDINANCE NO. 602-24

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MURRIETA, CALIFORNIA, AMENDING TITLE 16 OF THE MURRIETA DEVELOPMENT CODE TO REVISE SECTIONS 16.08.010, 16.10.010, 16.11.010, 16.12.010, 16.13.010, 16.14.010, AND 16.44.250 FOR THE ESTABLISHMENT OF MEDICINAL CANNABIS DELIVERY LOCATION AND OPERATIONAL STANDARDS AND MISCELLANEOUS UPDATES TO EXISTING CANNABIS STANDARDS

WHEREAS, the City of Murrieta ("City") currently regulates and prohibits marijuana, also known as cannabis, dispensaries and distribution facilities within the City under Section(s) 16.08.010, "Purpose", 16.10.010, "Purpose", 16.11.010, "Purpose", 16.12.010, "Purpose", 16.13.010, "Purpose", 16.14.010, and 16.44.250, "Marijuana and Hemp Use," of Title 16, "Development Code," of the Murrieta Development Code ("MDC"); and

WHEREAS, under Senate Bill No. 1186 ("SB 1186"), signed into law by Governor Newsom on September 18, 2022 and effective January 1, 2024, a local jurisdiction shall not adopt or enforce any regulation that prohibits the retail sale by delivery within the local jurisdiction of medicinal cannabis to medicinal cannabis patients or their primary caregivers, or that otherwise has the effect of prohibiting the retail sale by delivery within the local jurisdiction of medicinal cannabis to medicinal cannabis patients or their primary caregivers by licensed medicinal cannabis businesses in a timely and readily accessible manner, and in types and quantities that are sufficient to meet demand from medicinal cannabis patients within the local jurisdiction; and

WHEREAS, the City desires to amend its existing regulations governing the sale and delivery of medicinal cannabis in order to bring the MDC into compliance with SB 1186.

WHEREAS, cannabis and medicinal cannabis delivery services present challenges and impacts to the health, safety, and welfare of City residents due to secondary impacts and effects associated with cannabis and related activities, including but not limited to, sales of cannabis to minors, drug sales, robbery, burglaries, assaults, and other violent crimes, fraud in obtaining or using medicinal cannabis identification cards, and increased demands on police and other valuable and scarce city administrative, financial, or personnel resources; and

WHEREAS, since 2014, federal law, as interpreted by United States v. McIntosh (9th Cir. 2016) 833 F.3d 1163, 1177, has prohibited federal prosecutors from spending funds to prosecute individuals who engage in conduct permitted by California's medicinal cannabis laws who and are in full compliance with those laws; and

WHEREAS, the Planning Commission has considered the potential for environmental effects as a result of the proposed Development Code Amendment pursuant to the California Environmental Quality Act (CEQA), and concurs with staff's recommendation.

WHEREAS, the Planning Commission, after notice duly given as required by law, held a public hearing on January 10, 2024 at 6:00 p.m., in the City Hall council chamber to consider this proposed Ordinance No. 602-24, and heard all arguments for and against this proposal.

WHEREAS, the City Council, after notice duly given as required by law, held a public hearing on February 20, 2024 at 6:00 p.m., in the City Hall council chamber to consider this

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proposed Ordinance No. 602-24, and heard all arguments for and against this proposal.

WHEREAS, the City Council adopted Interim Urgency Ordinance No. U-600-23 on December 19, 2023 to establish a temporary 45-day moratorium on the acceptance or processing of applications, issuance of permits, and construction of all structures (with enumerated exceptions) on the establishment or expansion of medical marijuana dispensaries, facilities, and mobile medical marijuana dispensaries within the City.

WHEREAS, the City Council on January 16, 2024 adopted a temporary 45-day extension of the existing interim urgency ordinance under Interim Urgency Ordinance No. U-601-24.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Murrieta does ordain as follows:

SECTION 1. RECITALS

The recitals above are each incorporated by reference and adopted as findings by the City Council.

SECTION 2. FINDINGS

Based upon the substantial evidence presented to the City Council on February 20, 2024, including written and oral staff reports and public written and oral testimony, and in accordance with Murrieta Development Code Chapter 16.58, the City Council of the City of Murrieta approves the Development Code Amendment set forth herein in accordance with the following findings pursuant to Development Code Section 16.58.080:

Findings and Recommended Approval for Development Code Amendments:

a. The proposed amendment ensures and maintains internal consistency with all of the objectives, policies, general plan land uses, programs and actions of all elements of the general plan;

FACTS: The Development Code is the primary tool for implementing the General Plan, providing regulating standards, identification of permitted uses, and other regulations that support the proper implementation of the General Plan Land Use Element. This Development Code Amendment updates and amends Sections 16.08.010, 16.10.010, 16.11.010, 16.12.010, 16.13.010, 16.14.010, and 16.44.250 in order to implement regulations to permit, as required by state law, the delivery of medicinal cannabis products and the establishment of physical distribution hubs for the delivery of medicinal cannabis within the City.

b. The proposed amendment would not be detrimental to the public convenience, health, safety or general welfare of the city;

FACTS: The General Plan will promote the health, safety, and welfare of the City through the listed goals and policies included within each element, the proposed project includes reasonable regulations to ensure that the public convenience, health, safety and general welfare are protected as a result of the state requirement

that medicinal cannabis delivery locations be allowed in the City.

c. The proposed amendment is internally consistent with other applicable provisions of the development code.

FACTS: The proposed amendment has been integrated into the Code and aligns with the existing regulations which prohibit retail sales and the establishment of recreational marijuana dispensaries in the City. The proposed regulations provide an exception to such prohibitions solely for medicinal cannabis delivery locations as required by state law.

d. The proposed amendment is in compliance with the provisions of the California Environmental Quality Act (CEQA).

FACTS: The project has been evaluated pursuant to CEQA and it has been determined that the amendments will have no significant adverse impacts on the environment as it is simply updating existing operating standards related to medicinal marijuana delivery consistent with State requirements and is similar in nature to other delivery services that occur throughout the City on a daily basis. Furthermore, the amendment is exempt for California Environmental Quality Act (CEQA) Chapter 3 of Title 14 of the California Code of Regulations beginning at Section 15000, specifically: Section 15060(c)(2), because the proposed Ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment; and Section 15061(b)(3), because the Ordinance is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.

SECTION 3. MUNICIPAL CODE AMENDMENT

Section 16.08.010, Table 16.08-1, entitled "USE TABLE FOR RESIDENTIAL (SINGLE-FAMILY) ZONING DISTRICTS Permit Requirement by District is hereby amended to read as follows:

| TABLE 16.08-1 USE TABLE FOR RESIDENTIAL (SINGLE-FAMILY) ZONING DISTRICTS Permit Requirement by District | | | | | |
|--|--|--------------|--|--|--|
| Symbol | Applicable Process | See Chapter | | | |
| Р | Permitted Land Use - Compliance with development standards and zoning clearance required | <u>16.74</u> | | | |

| C Conditional Use - Conditional use permit required | | | | | | <u>16.52</u> | |
|--|------|-----------|----------|------|------|--------------|--------------------------------|
| ''Blank'' | Land | use not j | permitte | d | | | |
| Land Use ^{(1) (2)} | RR | ER-1 | ER-2 | ER-3 | SF-1 | SF-2 | See Standards in Section |
| Cannabis Cultivation, Processing, Delivery, and Dispensary (Commercial) | | | | | | | |
| Cannabis Testing Laboratory | | | | | | | |
| Cannabis Dispensary (Recreational Retail Storefront) | | | | | | | |
| Medicinal Cannabis Delivery Service (Mobile Activities for Patients and Caregivers) | Р | Р | Р | Р | Р | Р | 16.44.250 |
| Medicinal Cannabis Delivery Service (Physical Delivery Logistics Location) | | | " | | | | |

Section 16.08.010, Table 16.08-2, entitled "USE TABLE FOR RESIDENTIAL (SINGLE-FAMILY) ZONING DISTRICTS Permit Requirement by District is hereby amended to read as follows:

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|---|---|--|
| | - | |

| TABLE 16.08-2 USE TABLE FOR RESIDENTIAL (MULTI-FAMILY) ZONING DISTRICTS Permit Requirement by District | | | | | |
|---|---|--------------|--|--|--|
| Symbol | Applicable Process | See Chapter | | | |
| Р | Permitted Land Use - Compliance with development standards and zoning compliance required | <u>16.74</u> | | | |
| С | Conditional Use - Conditional use permit required | <u>16.52</u> | | | |

| | <u>16.52</u> | | | |
|----------|-------------------------------|--|---|--|
| Land use | not allowed | 1 | | |
| MF-1 | MF-2 | MF-3 | MF-4 | See Standards in Section |
| | | | | |
| | | | | |
| | | | | |
| Р | Р | Р | Р | 16.44.250 |
| | | | | |
| | permit re Land use MF-1 | permit required Land use not allowed MF-1 MF-2 | permit required Land use not allowed MF-1 MF-2 MF-3 | Land use not allowed MF-1 MF-2 MF-3 MF-4 Image: Colspan="2">Image: Colspan="2" Image: |

Section 16.10.010, Table 16.10-1, entitled "USE TABLE FOR COMMERCIAL ZONING DISTRICTS" is hereby amended to read as follows:

| TABLE 16.10-1 USE TABLE FOR COMMERCIAL ZONING DISTRICTS | | | | | | | |
|---|-----------|--|------|-------------|--|--|--|
| Symbol | Ap | oplicable Pro | cess | See Chapter | | | |
| Р | with deve | Permitted Land Use - Compliance with development standards and zoning clearance required | | | | | |
| С | | Conditional Use - Conditional use permit required | | | | | |
| 'Blank'' | Land | | | | | | |
| Land Use ^{(1) (2)} | NC | | | | | | |

| Р | Р | Р | 16.44.250 |
|---|---|-----|---|
| | | | |
| | Р | P P | P P P Image: P P P Image: P P P |

Section 16.11.010, Table 16.11-1, entitled "ALLOWABLE USES AND PERMIT REQUIREMENTS FOR OFFICE DISTRICTS" is hereby amended to read as follows:

| ALLOWABLE USES AND PER | TABLE 16. RMIT REQUI | | CE DISTRICTS |
|---|---|--------|-----------------------------|
| Symbol | Applicable P | rocess | See Chapter |
| Р | Permitted La with develop zoning cleara | 16.74 | |
| С | Conditional permit requi | 16.52 | |
| "Blank" | Land use not | | |
| Land Use ^{(1) (2) (3) (4) (5) (6)} | 0 | ORP | See Standards in Section |
| Cannabis Cultivation, Delivery, Dispensary, and Processing (Commercial) | | | |
| Cannabis Testing Laboratory | | | |
| Cannabis Dispensary (Recreational Retail Storefront) | | | |
| Medicinal Cannabis Delivery Service (Mobile Activities for Patients and Caregivers) | Р | Р | 16.44.250 |

"

| Medicinal Cannabis Delivery Service (Physical Delivery Logistics Location) | | | | |
|--|--|--|--|--|
| " | | | | |

Section 16.12.010, Table 16.12-1, entitled "USE TABLE FOR BUSINESS PARK AND INDUSTRIAL DISTRICTS" is hereby amended to read as follows:

| Key to Permit Requirements | | | | |
|---|---|-----------------------|-------------|-----------------------------|
| Symbol | AI | oplicable Pro | ocess | See Chapter |
| Р | Permitted U developmen clearance re | | 16.74 | |
| С | Conditional permit requ | l Use - Cond 1ired | itional use | 16.52 |
| ''Blank'' | Use not allo | wed | | |
| Land Use ^{(1) (2) (3) (4) (5) (6) (7) (8)} | BP | GI | GI-A | See Standards in Section |
| Cannabis Cultivation, Delivery, Dispensary, and Processing (Commercial) | | | | |
| Cannabis Testing Laboratory | С | C | С | 16.44.250 |
| Cannabis Dispensary (Recreational Retail Storefront) | | | | |
| Medicinal Cannabis Delivery Service (Mobile Activities for Patients and Caregivers) | Р | Р | Р | 16.44.250 |
| Medicinal Cannabis Delivery Service (Physical Delivery Logistics Location) | P ⁽¹³⁾ | | | 16.44.250 |

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"

Section 16.13.010, Table 16.13-1, entitled "ALLOWABLE USES AND PERMIT REQUIREMENTS FOR THE INNOVATION ZONING DISTRICT" is hereby amended to read as follows:

| TABLE 16.13-1 ALLOWABLE USES AND PERMIT REQUIREMENTS FOR THE INNOVATION ZONING DISTRICT | | | | | |
|---|--|-----------------------------|--|--|--|
| Symbol | Applicable Process | See Chapter | | | |
| Р | Permitted Land Use - Compliance with development standards and zoning clearance required | <u>16.74</u> | | | |
| С | Conditional Use - Conditional use permit required | <u>16.52</u> | | | |
| MC | Minor Conditional Use - Conditional use permit required | <u>16.52</u> | | | |
| "Blank" | Land use not allowed | | | | |
| Land Use ^{(1) (2) (3) (4) (5) (6)} | INN | See Standards in Section | | | |
| Cannabis Cultivation, Delivery, Dispensary, and Processing (Commercial) | | | | | |
| Cannabis Testing Laboratory | | | | | |
| Cannabis Dispensary (Recreational Retail Storefront) | | | | | |
| Medicinal Cannabis Delivery Service (Mobile Activities for Patients and Caregivers) | Р | 16.44.250 | | | |
| Medicinal Cannabis Delivery Service (Physical Delivery Logistics Location) | | | | | |

Section 16.14.010, Table 16.14-1, entitled "USE TABLE FOR SPECIAL PURPOSE DISTRICTS" is hereby amended to read as follows:

"

TABLE 16.14-1USE TABLE FOR SPECIAL PURPOSE DISTRICTS

Key to Permit Requirements

01375.0005/955033.1

| Symbol | App | See Chapter | | |
|---|----------------------------------|-------------|---|-----------|
| Р | Permitted developmen clear | 16.74 | | |
| С | Conditiona pe | 16.52 | | |
| "Blank" | Us | | | |
| Land Use ^{(1) (2)} | P&R C&I OS | | | |
| Cannabis Cultivation, Delivery, Dispensary, and Processing (Commercial) | | | | |
| Cannabis Testing Laboratory | | | | |
| Cannabis Dispensary (Recreational Retail Storefront) | | | | |
| Medicinal Cannabis Delivery Service (Mobile Activities for Patients and Caregivers) | Р | Р | Р | 16.44.250 |
| Medicinal Cannabis Delivery Service (Physical Delivery Logistics Location) | | | | |

Section 16.44.250 is hereby retitled to "Cannabis and Hemp Use" and amended in its entirety to read as follows:

"16.44.250 Cannabis and Hemp Use.

A. Definitions. For purposes of this Chapter, the following definitions shall apply:

1. "Cannabis", also known as "Marijuana", means any or all parts of the plant Cannabis Sativa Linnaeus, Cannabis Indica, Cannabis Ruderalis and any genetic or synthetic derivative thereof, whether growing or not; the seeds thereof; the resin or separated 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, including marijuana infused in foodstuff or any other ingestible or consumable product containing marijuana or any marijuana derivative. The term "marijuana" shall also include "medical cannabis" as such phrase is used in the August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use, and "cannabis" as defined in the Business and Professions Code § 19300.5(f), as may be amended from time to time, that was issued by the office of the Attorney General for the state of California or subject to the provisions of the California Health and Safety Code § 11362.5 (Compassionate Use Act) or California Health and Safety Code §§ 11362.7 to 11362.83 (Medical Marijuana Program Act). Notwithstanding the above, the definition of "cannabis" does not include "industrial hemp."

2. "Cannabis Cultivation" means growing, planting, harvesting, drying, curing, grading, trimming, or processing of marijuana.

3. "Cannabis Dispensary" or "Cannabis Dispensaries" means any business, office, store, facility, location, retail storefront or wholesale component of any establishment, cooperative or collective that delivers (as defined in Business and Professions Code §19300.5(m) or any successor statute thereto) whether mobile or otherwise, dispenses, distributes, exchanges, transmits, transports, sells or provides cannabis for any reason to any person, group of persons, corporation, limited liability company, non-profit corporation or any other entity of any kind.

4. "Cannabis Processing" means any method used to prepare cannabis or its byproducts for commercial retail and/or wholesale use including, but not limited to: drying, cleaning, curing, packaging, and extraction of active ingredients to create cannabis related products and concentrates, production of foodstuffs containing cannabis and production of any pill, tablet, liquid, lozenge or other delivery system containing cannabis or any derivative thereof.

5. "Cannabis Testing Laboratory" means a laboratory, facility, or entity in the state that offers or performs tests of cannabis or cannabis products and that meets the following:

a. Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the state; and

b. Licensed by the Bureau of Cannabis Control within the Department of Consumer Affairs, formerly named the Bureau of Marijuana Control, the Bureau of Medical Cannabis Regulation, and the Bureau of Medical Marijuana Regulation; or

c. As otherwise defined under § 26001 of the California Business and Professions Code.

6. "Industrial Hemp" means a crop that is limited to types of the plant Cannabis Sativa L. having no more than three-tenths of 1 percent tetrahydrocannabinol (THC) contained in the dried flowering tops, whether growing or not; the seeds of the plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin produced therefrom, consistent with California Health and Safety Code § 11018.5.

7. "Medicinal cannabis" or "Medicinal Cannabis Product" means cannabis or a cannabis product, respectively, intended to be sold or donated for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found in Section 11362.5 of the Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician's recommendation, or in compliance with any compassionate use, equity, or other similar program administered by a local jurisdiction.

8. "Medicinal Cannabis Delivery Service" means a physical business location in the City with no retail storefront and where the sole purpose and use of the facility is for the storage and logistics to support the delivery of Medicinal Cannabis.

B. Prohibited Activities. Cannabis cultivation, cannabis processing, cannabis delivery and cannabis dispensaries shall be prohibited activities within the city of Murrieta, except where the city is preempted by federal or state law from enacting a prohibition on such activity. No use permit, variance, building permit, business license, or any other entitlement, license or permit, whether administrative or discretionary shall be approved or issued for the activities of cannabis cultivation, cannabis processing, cannabis delivery, or the establishment or operation of a cannabis dispensary in the City, and no person shall otherwise establish or conduct such activities in the City, except where the City is preempted by federal or state law from enacting a prohibition on any such activity for which the use permit, variance, building permit, or any other entitlement, license, or permit is sought.

C. Limited Exceptions. Notwithstanding § 16.44.250.B, the following shall be permitted subject to limitations:

1. The retail sale of industrial hemp products, with the exception of foods and supplements for consumption. Cultivation and processing of Industrial Hemp shall be prohibited activities within the City. No cannabis products or graphics depicting cannabis products shall be visible from the exterior of any property selling industrial hemp, or on any of the vehicles owned or used as part of the retail sales.

2. Cannabis Testing Laboratory shall be allowed in the Business Park (BP), General Industrial (GI), and General Industrial-A (GIA) Zone Districts consistent with Table 16.12-1: Use Table for Business Park and Industrial Districts and subject to the Conditional Use Permit requirements specified in § 16.52 and the following miscellaneous operating requirements.

a. No cannabis products or graphics depicting cannabis products shall be visible from the exterior of any property issued a cannabis testing laboratories permit, or on any of the vehicles owned or used as part of the cannabis testing laboratories. No outdoor storage of cannabis or cannabis products is permitted at any time.

b. Cannabis shall not be consumed or sampled by any testing lab employee, visitor, operator or vendor on the premises of any cannabis testing laboratories.

c. Odor control devices and techniques shall be incorporated in all cannabis testing laboratories to ensure that any odors from testing are not detectable off-site. Cannabis testing laboratories shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the cannabis testing laboratories that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the cannabis testing laboratories.

d. Prior to commencing operations, a cannabis testing laboratories shall be subject to all required permits and approvals which would otherwise be required for any business of the same size and intensity operating in that zone. This includes but is not limited to obtaining any required building permit(s), fire department approvals, Health Department approvals and other zoning and land use permit(s) and approvals.

e. Cannabis testing laboratories permits may be revoked for any violation of any law and/or any rule, regulation and/or standard adopted pursuant to this chapter or as a result of the loss of any other applicable state or local license.

f. Suspension of a license issued by the State of California, or by any of its departments or divisions, shall immediately suspend the ability of a cannabis testing laboratories to operate within the City, until the State of California, or its respective department or division, reinstates or reissues the State license. Should the State of California, or any of its departments or divisions, revoke or terminate the license of a cannabis testing laboratories, such revocation or termination shall also revoke or terminate the ability of a cannabis testing laboratories to operate within the City.

3. Medicinal Cannabis Delivery Service

a. Medicinal Cannabis Delivery Service License Required.

i. No person shall engage in or conduct any Medicinal Cannabis Delivery Service within the City without an approved Medicinal Cannabis Delivery Service license under this Section.

ii. A separate Medicinal Cannabis Delivery Service license shall be required for each physical address location within the City.

iii. An application for a Medicinal Cannabis Delivery Service license shall be on forms provided by the Chief of Police or designee, which require all information, permits, licenses, criminal background check results, and other approvals necessary to verify compliance with this Section and all applicable laws. The Chief of Police or designee reserves the right to request and obtain additional information from any business owner and property owner submitting a medicinal cannabis delivery service license application to show compliance with relevant codes and regulations.

iv. Applicants shall execute an agreement indemnifying the City from any claims, damages, injuries, or liabilities of any kind associated with the operation of the delivery-only medicinal cannabis business, issuance of a permit to a delivery-only medicinal cannabis business, or the prosecution of the delivery-only medicinal cannabis business or its owners, managers, directors, officers, employees, or its qualified patients or primary caregivers for violation of Federal or State laws

v. Insurance Requirements. Applicant shall provide and maintain insurance in the amounts and of the types that are acceptable to the City Manager or designee.

iv. The business owner and the property owner, if different, shall each sign the Medicinal Cannabis Delivery Service license application form.

v. A Medicinal Cannabis Delivery Service license issued pursuant to this Section shall expire 12 months after the date of its issuance. Thereafter, a new

or renewal license application must be submitted to continue the Medicinal Cannabis Delivery Service.

b. Application Requirements. A completed application, together with the application fee in an amount established by resolution of the City Council shall be submitted with all of the following:

i. Site and Floor Plan.

A. A site plan, drawn to scale and professionally prepared by a licensed civil engineer or architect, of the parcel of property on which the proposed cannabis business will be located. The site plan shall include the outline of all structures, driveways, parking and landscape areas, and boundaries of the parcel.

B. A floor plan, drawn to scale and professionally prepared by a licensed civil engineer or architect, designating all interior dimensions of the premises, the proposed use of all spaces, identification of limited access areas, areas of ingress and egress, and all security camera locations.

ii. Lighting Plan. A lighting plan showing existing and proposed exterior and interior lighting levels that would be the minimum necessary to provide adequate security lighting for the use.

iii. Copies of the applicant's current M-License from the California Department of Cannabis Control.

iv. Odor Control Management Plan. All applications shall submit an adequate on-site odor control management plan such that all odors resulting from the storage or transport of cannabis and cannabis-related products cannot be readily detected from outside of the structure or vehicle in which the business operates.

v. Safety and Security Plan.

vi. Sensitive Uses Information. The names and addresses of all libraries, schools, religious worship institutions, youth activity centers and day care centers and parks within 500 feet as measured from the property lines of a proposed facility. For business condominiums, this measurement would be taken from the outer boundaries of the common parcel where the structure is located and not from the building.

c. Background Check. All owners, operators, partners, investors, employees, and agents must submit to a background check.

d. Operational Requirements.

i. All requirements of the state shall be met at all times, except where local requirements apply.

ii. All business operations must be conducted in conformance with the approved Medicinal Cannabis Delivery Service license and all approved plans included therewith.

iii. A City Business License shall be obtained prior to operation and maintained in good standing during the entirety of operations.

iv. City Permits. A Medicinal Cannabis Delivery Service shall secure all necessary building permits and be required to comply with applicable building, fire, mechanical, and plumbing codes, and State and Federal disability access laws.

v. Dimensions. The cumulative size of all structures associated with a Medicinal Cannabis Delivery Service shall not exceed 3,000 square feet of gross building area.

vi. Visibility and Signs.

A. No cannabis or cannabis products may be visible from outside the Medicinal Cannabis Delivery Service's fixed location or any delivery vehicles.

B. Signage shall be limited to one wall sign consisting of the property address only and meet the requirements of Murrieta Municipal Code Section 16.38120(J) – Wall Signs.

C. Signs shall contain no advertising of other companies, brands, goods, or services, or of this use.

vii. Hours of Operation. Medicinal Cannabis Delivery Services may only operate during hours authorized by their state license and the Department of Cannabis Control regulations.

viii. Food Products. Medicinal Cannabis Delivery Services shall comply with all state laws and regulations with respect to edible products.

ix. Odor Control Requirements.

A. All Medicinal Cannabis Delivery Services shall incorporate and maintain adequate on-site odor control measures pursuant to an approved Odor Control Management Plan such that the odors as a result of storing or transport of cannabis and cannabis-related products cannot be readily detected from outside of the structure or vehicle in which the business operates.

B. The Plan shall incorporate the following elements: filtration system(s) for air purification with a minimum efficiency reporting value (MERV-13) rating or greater, polarized filters with activated carbon inserts, carbon scrubbers, ozone generators, electrostatic air curtains, circulation fans, training measures for employees, and a maintenance log and schedule.

x. All business activities may only occur in a permitted, fully enclosed and secure structure.

xi. Delivery shall be only to qualified Medicinal Cannabis patients or their primary caregivers who possess a valid identification card as described in California Health and Safety Code Section 11362.7.

xii. Inspected Products. Each Medicinal Cannabis Delivery Service shall deliver Medicinal Cannabis products only after those products have been inspected and quality tested by a qualified third-party testing facility as required by applicable State laws.

xiii. Labeling and Packaging. Prior to sale for a delivery, Medicinal Cannabis products shall be labeled and placed in tamper-evident packaging. Labels and packages of Medicinal Cannabis products shall, at minimum, meet the requirements specified under applicable State laws.

xiv. Product Tracking System. Medicinal Cannabis Delivery Services must be compliant with and participating in the State mandated California Cannabis Track and Trace system.

xv. Recordkeeping Requirements. Medicinal Cannabis Delivery Services must comply with Department of Cannabis Control recordkeeping requirements.

xvi. Prohibited Activities.

A. On-Site Sales and Pick-Up Orders. Medicinal Cannabis Delivery Services shall only conduct sales through delivery. On-site sales or order pick-ups are prohibited.

B. Cannabis Paraphernalia Sales. Medicinal Cannabis Delivery Services shall not sell, deliver or advertise for sale any products other than medicinal cannabis or medicinal cannabis products.

C. Sales or delivery to other cannabis businesses (other than to other delivery locations owned by the same entity) is prohibited.

D. A Medicinal Cannabis Delivery Service shall not grow, cultivate, manufacture, or process cannabis.

E. No person shall cause or permit the sale, dispensing, or consumption of alcoholic beverages or cannabis at or within 200 feet of the physical address location of a Medicinal Cannabis Delivery Service.

F. No loitering shall be permitted in within 50 feet of the exterior walls or within the parking area of any Medicinal Cannabis Delivery Service.

e. Permitted Locations.

i. A Medicinal Cannabis Delivery Service shall be a Permitted Use in the Business Park (BP) Zone.

ii. A Medicinal Cannabis Delivery Service (Physical Delivery Logistics Location) shall not be located within 500 feet of sensitive uses, or any other medicinal cannabis delivery business location. Distance specified in this subsection shall be measured by the horizontal distance measured in a straight line from the property lines of where the delivery-only medicinal cannabis operator is to be located to the property line of the potential sensitive use. For business condominiums, this measurement would be taken from outer boundaries of the common parcel where the structure is located and not from the building. Sensitive uses for purposes of this Section include:

A. Residential zones or private residences.

- B. Public or private schools.
- C. Daycare centers.
- D. Churches.
- E. Public parks.
- F. Youth activity centers.
- G. Any other medicinal cannabis delivery service business

f. Screening, Safety, and Security Requirements.

i. No public access is allowed within the premises.

ii. Outdoor vehicle storage shall be provided in a secured area with screening methods as provided under Section 16.44.130.A "Outdoor Storage Areas" of the Murrieta Development Code.

iii. Secured Site Access. All exterior vehicle parking areas shall be gated and secured. Any gate or barrier across a fire access roadway must meet the Murrieta Fire & Rescue requirements and have specific plans and permits approved prior to installation. A Knox brand key-operated electric key switch keyed to Murrieta Fire & Rescue specification are required. The Knox switch shall override all gate functions and open the gate. Other access control systems, such as Opticom, are required and must be installed as directed by the Fire Marshal and Chief of Police.

iv. Surveillance Systems. Security surveillance cameras and video recording systems shall be installed, and maintained in good condition, to monitor the entire interior (except bathrooms), main entrance, and exterior areas, including parking areas, of all Medicinal Cannabis Delivery Service physical locations to discourage loitering, crime, and illegal or nuisance activities. The areas to be covered by the security cameras include, but are not limited to, the storage areas, secured parking areas, delivery areas, all doors and windows, and any other areas

as determined by the City Manager or the City Manager's designee. The cameras shall be in use 24 hours per day, seven days per week. The camera and recording system must be of adequate quality, color rendition, and a minimum of resolution at 8 megapixels per foot at the point of focus to allow for the identification of any individual present in the fixed locations of delivery-only medicinal cannabis operations. Any disruption in security camera images should be cured expeditiously.

v. Security Video Retention. Video from the security surveillance cameras shall be maintained for a period of not less than thirty (30) days and shall be made immediately available to City representatives upon request.

vi. City Surveillance System. A Medicinal Cannabis Delivery Service permitted under this Section may elect to purchase all necessary equipment to integrate their video surveillance system into any comprehensive video surveillance system currently in place or implemented by the City.

vii. Alarm System. A third-party and centrally monitored fire, robbery, and burglar alarm system shall be installed and maintained in good working condition at the premises.

viii. Right of Inspection. All vehicles and facilities permitted pursuant to this Section are subject to inspection by City personnel any time the Medicinal Cannabis Delivery Service is in operation. Prior notice of an inspection is not required.

ix. Secure Storage. The use of the facility shall be limited to the storage of medicinal cannabis and medicinal cannabis products solely within a secured, isolated interior environment. All medicinal cannabis and medicinal cannabis products shall be kept in a secured manner during business and non-business hours. Each Medicinal Cannabis Delivery Service shall have locked storage at the fixed location for after-hours storage of cannabis and cannabis products. Medicinal Cannabis shall be stored in secured rooms, with limited or keycard access, that are completely enclosed or in a safe that is bolted to the floor. Additional details for creating security storage design can be located within "Law Enforcement Evidence and Property Management Guide", Fourth Edition, 2022, produced by POST Management Counseling and Projects Bureau, California Commission On Peace Officer Standards And Training.

x. Panic Hardware. All entrances and exits of the Medicinal Cannabis Delivery Service shall remain locked at all times from outside entry, with entry strictly controlled. All exit doors leading from the facility shall be installed with listed and City approved panic hardware; shall open out, towards the direction of egress; shall be equipped with a listed and approved self-closing mechanism; and shall be equipped with a sealing gasket around the door.

xii. Disposal Requirements. No on-site disposal or composting of cannabis waste is allowed. Use of an authorized third-party waste hauler is required,

whom shall be City approved, and approved under the Applicant's Waste Management Plan by Department of Cannabis Control.

xiii. Report of violations. Within 24-hours, the operator shall notify the Chief of Police of any actions taken by the Department of Cannabis Control to revoke, suspend, or deny an applicant's ability to operate, including the issuance of a Notice to Comply, or issuance of a citation.

xiv. Designated security liaison. The licensee shall designate a security representative/liaison who can meet with the Chief of Police or designee regarding any security-related measures and/or operational issues.

g. Delivery / Delivery Vehicle Requirements.

i. GPS Tracking of Vehicles. All delivery vehicles shall be equipped with a Global Position System, hereinafter referred to as "GPS" tracking devices. Data from the GPS tracking system shall be retained for a period of thirty (30) days. GPS data shall be made available to the Police Department upon request.

ii. Product shall be stored during transport in secure safes.

iii. No product shall be allowed to remain in vehicles without an employee present in the vehicle.

iv. Delivery vehicles shall be stored in approved secured and screened vehicle parking/ loading areas only.

v. No publicly accessible parking shall be allowed. Parking areas shall be limited to employee use only.

vi. All delivery vehicles shall be registered with the Police Department.

vii. A direct communication system between the Medicinal Cannabis Delivery Service operator and each driver is required.

viii. In-Transit requirements.

A. Only owners, operators, or employees of the Medicinal Cannabis Delivery Service may be present in vehicles during deliveries.

B. No more than the maximum amount of Medicinal Cannabis permitted under state law in total value of product and cash may be transported at any one time in an individual vehicle during deliveries.

C. Delivery vehicles may only travel between fixed locations of the Medicinal Cannabis Delivery Service and the residential addresses specified by customers while transporting Medicinal Cannabis and/or Medicinal Cannabis products.

D. All delivery drivers shall carry valid identification and proof of employment at a licensed Medicinal Cannabis Delivery Service.

E. All delivery drivers shall carry a copy of the Medicinal Cannabis Delivery Service regulatory permit, a copy of the delivery request, a form of government-issued identification, and all other information required by State law. The driver shall present these documents upon the request of law enforcement, the City Manager, or the City Manager's designee.

F. All drivers shall carry an inventory log of Medicinal Cannabis and Medicinal Cannabis products being transported.

G. Delivery drivers shall be trained in the process for verifying that Medicinal Cannabis and Medicinal Cannabis products are delivered to qualified patients and adult-use customers and that the delivery drivers are trained in the proper usage of Medicinal Cannabis.

H. Medicinal Cannabis and Medicinal Cannabis products may be transported by one Medicinal Cannabis Delivery Service's physical address location to another Medicinal Cannabis Delivery Service's physical address location if the State licenses for both locations are held by the same licensee.

iv. Vehicle Signage. Due to the potential for the targeted theft of highvalue products as contained within a delivery vehicle, and in order to protect the public's safety and welfare, there should be no vehicle signs or wraps identifying the business, or advertising products related to the business or industry-related products/services.

h. Owner, Operator, and Employee Requirements.

i. All owners, operators and employees must be (21) years of age or older.

ii. All owners, operators and employees are subject to a criminal background search.

iii. Convictions. No owner, operator, investor, partner, employee, or agent of a Medicinal Cannabis Delivery Service shall have been convicted of a felony or crime of moral turpitude nor has been found by any State or local jurisdiction to have committed a violation of the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA). The Chief of Police reserves the right, in his or her sole discretion, to waive this requirement in relation to violations of MAUCRSA, in the event that he or she determines that the violation of MAUCRSA was minor in nature and would not undermine the safe and effective operation of the proposed business in accordance with applicable laws.

iv. Owner/Employee Rosters and Notice of Change. Prior to a change in ownership or employees, the Chief of Police shall be notified. New ownership and/or employees shall be subject to a background checks prior to commencement of employment, or prior to any change in ownership. i. Revocation. Any violation of this Section, any other provision of this Code or state laws relating to Cannabis may result in the suspension or revocation of the license issued pursuant to his Section.

j. Appeals. Any decision made pursuant to this Section may be appealed in accordance with Chapter 2.28 of this Code.

D. Public Nuisance. Any violation of this chapter is hereby declared to be a public nuisance and subject to abatement under the laws of this Municipal Code and the state of California.

E. Violations. Any violation of this chapter shall be punishable as provided in § 1.32.010 of this Municipal Code or any successor section thereto.

F. Conflicting Provisions. If any other provisions of the Municipal Code conflict with the provisions of this chapter as it relates to the regulation of land use related to cannabis, this chapter shall be controlling.

G. Severability. If any section, subsection, sentence or clause of this chapter is for any reason, held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this chapter."

SECTION 4. REPEAL OF INTERIM URGENCY ORDINANCE NO. U-601-24

Interim Urgency Ordinance No. U-601-24, adopted January 16, 2024, is hereby repealed.

SECTION 5. EFFECTIVE DATE

This ordinance shall take effect thirty (30) days after its adoption.

SECTION 6. SEVERABILITY.

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications, and to this end the provisions of this ordinance are declared to be severable.

SECTION 7. NOTICE OF ADOPTION.

This Ordinance shall become effective on the thirty-first (31st) day after its passage and adoption, and within fifteen (15) days after its final passage and the City Clerk shall cause it to be posted and published in a newspaper of general circulation, printed, published and circulated in the City in the manner required by law and shall cause a copy of this Ordinance and its certification, to be entered in the Book of Ordinances of the City.

SECTION 8. CEQA EXEMPTION.

The "Project" has been evaluated pursuant to the California Environmental Quality Act (CEQA), and it has been determined that the amendments will have no significant adverse impacts on the environment as it is simply updating existing operating standards related to medical cannabis delivery consistent with State requirements and is similar in nature to other delivery services that occur throughout the City on a daily basis. Furthermore, the amendment is exempt for California Environmental Quality Act (CEQA) Chapter 3 of Title 14 of the California Code of Regulations

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beginning at Section 15000, specifically: Section 15060(c)(2), because the proposed Ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment; and Section 15061(b)(3), because the Ordinance is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.

SECTION 9. CEQA FILING.

The City Council hereby directs staff to prepare, execute, and file with the Riverside County Clerk and the State of California Office of Planning and Research. A notice of exemption within five (5) working days of the adoption of this Ordinance.

PASSED AND ADOPTED this 5th day of March, 2024.

Lori Stone, Mayor

ATTEST:

Cristal McDonald, City Clerk

APPROVED AS TO FORM:

Tiffany J. Israel, City Attorney

STATE OF CALIFORNIA)COUNTY OF RIVERSIDE)CITY OF MURRIETA)

I, Cristal McDonald, City Clerk of the City of Murrieta, California, do hereby certify that the foregoing Ordinance No. 602-24 was duly passed and adopted by the City Council of the City of Murrieta at the regular meeting thereof, held on the 5th day of March, 2024, and was signed by the Mayor of the said City, and that the same was passed and adopted by the following vote:

AYES:

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NOES:

ABSENT:

ABSTAIN:

Cristal McDonald, City Clerk

I, Cristal McDonald, City Clerk I, Cristal McDonald, City Clerk of the City of Murrieta, California further certify that Ordinance No. 602-24 was duly published according to law and the order of the City Council of said City and the same was so published in *Press Enterprise*, a newspaper of general circulation on the following date(s):

| Adopted Ordinance: | | | , 2024. |
|--------------------|--|--|---------|
| 1 | | | , |

In witness whereof, I have hereunto subscribed my name this <u>day of March</u>, 2024.

Cristal McDonald, City Clerk