SUBJECT: A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA, CALIFORNIA RECOMMENDING THAT THE CITY COUNCIL GIVE FIRST READING TO AN ORDINANCE TO ADOPT CODE AMENDMENT CO-21-01 TO AMEND CHAPTER IX, ARTICLE 21 AND CHAPTER IV, TABLE 13-30 OF TITLE 13 TO ESTABLISH THE DEVELOPMENT STANDARDS FOR CANNABIS USES, INCLUDING RETAIL CANNABIS STOREFRONT AND NON-STOREFRONT USES AND AN ORDINANCE TO AMEND CHAPTER I, ARTICLE 5, CHAPTER II, ARTICLE 1 AND CHAPTER VI OF TITLE 9 OF THE COSTA MESA MUNICIPAL CODE REGARDING THE TAXATION, REGULATION, OPERATING REQUIREMENTS AND STANDARDS FOR CANNABIS USES INCLUDING RETAIL CANNABIS STOREFRONT AND NON-STOREFRONT USES, IN ORDER TO IMPLEMENT THE CITY OF COSTA MESA RETAIL CANNABIS TAX AND REGULATION MEASURE (MEASURE Q)

DATE: FEBRUARY 19, 2021

FROM: DEVELOPMENT SERVICES DEPARTMENT / PLANNING DIVISION

PRESENTATION BY: NANCY HUYNH, ASSOCIATE PLANNER

FOR FURTHER INFORMATION: 714.754.5609

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RECOMMENDATION:

Staff recommends that the Planning Commission adopt a Resolution recommending that the City Council:

- Find that the adoption of the Zoning Code Amendment is exempt from the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15061(b)(3), General Rule, Section 15301 (Class 1), Existing Facilities, Section 15303 (Class 3), New Construction or Conversion of Small Structures, Section 15308 (Class 8), Actions by Regulatory Agencies, and Section 15332 (Class 32), In-fill Development Projects; and
- Give first reading to Ordinance 2021-X1 to adopt Zoning Code Amendment CO-21-01 to amend the following chapters of the Costa Mesa Municipal Code:
  - Chapter IX (Special Land Use Regulations), Article 21 (Location of
Marijuana Distributing, Manufacturing, Research and Development and Testing Laboratories) of Title 13 (Planning, Zoning and Development); and Chapter IV (Citywide Land Use Matrix), Table 13-30 (Land Use Matrix) of Title 13.

Staff recommends that the Planning Commission review Ordinance 2021-X2 that amends the following chapters of Title 9 of the Costa Mesa Municipal Code, and make recommendations to the City Council regarding the definitions set forth in Chapter VI:
- Chapter I (Business Tax), Article 5 (Administration, Application and Procedures) of Title 9 (Licenses and Business Regulations);
- Chapter II (Regulation of Certain Businesses), Article I (Generally) of Title 9; and
- Chapter VI (Marijuana Business Permits) of Title 9.

APPLICANT OR AUTHORIZED AGENT:

The subject Code Amendment is a City-initiated effort to implement the approved voter ballot initiative, Measure Q.

BACKGROUND:

Measure X

On November 8, 2016, concurrent with the passage of State Proposition 64, city voters approved the “City of Costa Mesa Medical Marijuana Measure”, also known as “Measure X.” Measure X allows the following cannabis-related uses in the City: distributors, manufacturers, processors, research and development laboratories, as well as testing laboratories, subject to the approval of a Marijuana Business Permit and a Conditional Use Permit (CUP). These uses may only be located in specific Industrial Park (MP) and Planned Development Industrial (PDI) zoned properties north of South Coast Drive, west of Harbor Boulevard, excluding the South Coast Collection (SOCO) property located at 3303 Hyland Avenue. This area is now known as the “Green Zone.” Under Measure X, cannabis retail as well as commercial cultivation are prohibited in the City. More recently, however, there has been interest in modifying the City’s cannabis regulations to allow cannabis retail including storefront cannabis retail (commonly referred to as a cannabis dispensary) and non-storefront cannabis retail (also referred to as cannabis delivery).

However, the City’s existing Measure X-related cannabis regulations cannot be amended if the amendments are related to dispensaries, delivery, cultivation or the specific area within the City where cannabis businesses may be located. Such amendments must be approved by the voters through a separate ballot measure.

Measure Q

In summer 2020, the City conducted a community survey to help assess interest and potential support for a ballot measure allowing retail cannabis uses to operate in the City.
In addition, the City Council formed a Cannabis Ad Hoc Committee and staff conducted outreach meetings via Zoom with the local cannabis business industry (primarily made up of manufacturers, distributors, and dispensary owners). Based on the result of the community survey and positive feedback from the local cannabis industry, the City Council voted on July 21, 2020 to place a measure on the ballot regarding cannabis retail for the 2020 General Election.

July 21, 2020 City Council Meeting Staff Report, minutes, and video:


Minutes:  https://www.costamesaca.gov/home/showpubliseddocument?id=45671

Video:  https://costamesa.granicus.com/MediaPlayer.php?view_id=10&clip_id=3578

On November 3, 2020, voters approved the "City of Costa Mesa Retail Cannabis Tax and Regulation" measure, also known as, Measure Q. Measure Q authorizes the City Council to adopt an ordinance that allows and regulates retail cannabis uses including storefront retail and non-storefront retail. Measure Q imposes a four-percent (4%) to seven-percent (7%) gross retail tax on retail cannabis businesses. In addition, Measure Q requires retail cannabis businesses to meet the following specific operating requirements:

- retail storefront uses may only be permitted in the commercial zone;
- retail non-storefront uses may be permitted in both the commercial zone and in the Green Zone;
- retail storefront uses must be located a minimum of 1,000 feet as determined by the City from:
  - childcare center locations,
  - K-12 schools,
  - playgrounds, and
  - homeless shelters;
- security measures must include exterior lighting, video monitoring, and security guards;
- a labor peace agreement would be required for retail cannabis businesses with two or more employees;
- gross receipts tax imposed must be a minimum of four-percent and a maximum of seven-percent; and
- proceeds of the tax are subject to an annual audit by certified public accountants that is reported to the City Council and available on the City’s website for public inspection.

Measure Q only allows cannabis storefront retail and non-storefront retail. Commercial cultivation remains a prohibited land use in the City.
DESCRIPTION:

The proposed amendments to the Costa Mesa Municipal Code collectively implement Measure Q by establishing the minimum operating requirements and development standards to tax and regulate cannabis storefront and non-storefront retail.

The proposed amendments to Title 9 (Ordinance No. 2021-X2) include:
- Establishing the tax rate in Chapter I, Article 5 for retail cannabis businesses;
- Revised hearing and appeal procedures in Chapter II, Article 1; and
- New and amended operating requirements for storefront and non-storefront retail and additional and revised definitions in Chapter VI.

The proposed amendments to Title 13 (Ordinance 2021-X1/Zoning Code Amendment CO-21-01) include:
- Added section in Chapter IX, Article 21 to establish the review criteria and development standards for retail cannabis uses; and
- Update to Table 13-30 (Land Use Matrix) to add cannabis storefront retail and non-storefront retail as land use categories listed in the table, in addition to specifying the level of entitlement required.

Per Zoning Code Section 13-10(i)(2a), the Planning Commission is authorized to recommend to the City Council Zoning Code amendments; thus the Zoning Code Amendment amending Title 13 (Zoning Code) is presented for Planning Commission consideration and recommendation to City Council. The Planning Commission may also recommend modifications to Ordinance No. 2021-x2 amending Title 9 (Licenses and Business Regulations) as part of the recommendation to City Council since some of the amendments to Title 9 are used and referenced in Title 13.

ANALYSIS:

The following is an explanation of the proposed amendments to Title 9 and Title 13. These changes are reflected in the Draft Ordinances provided as Attachment 1.

Amendments to Title 13 (Planning, Zoning and Development)

Section 13-200.92 of Article 21 identifies permitted zones and planning application requirements for cannabis distribution, manufacturing, research and development, and testing laboratory uses. With the proposed code amendment, Section 13-200.93 would be added to Article 21 to establish permitted zones, planning application requirements, separation requirements from sensitive uses, and specific development standards for cannabis storefront and non-storefront retail.

Permitted Zones

Storefront retail would be allowed in commercial zones only, while non-storefront retail would be allowed in both commercial zones and the Green Zone (industrial area zoned
for Measure X uses). Measure Q allows cannabis retail in these zones only. Cannabis retail would remain prohibited in all other zoning districts including industrial (other than the Green Zone) and residential zones.

Planning Application Required

A Minor Conditional Use Permit (MCUP) would be required for any cannabis retail business operating in the City subject to a Zoning Administrator decision. For existing licensed cannabis distributors or manufacturers who desire to add a non-storefront use to their business, an amendment to their existing CUP would be required; the amendment would be processed as an MCUP. The MCUP is a discretionary decision and provides the opportunity to make findings and require conditions of approval the same as a CUP, but with a shorter processing timeline. Applications being reviewed by the Zoning Administrator are publicly noticed the same as an application for a CUP. The Zoning Administrator's decision is posted online and may be appealed by a member or the public or called up for review by a member of the Planning Commission or City Council. This entitlement approach would allow the City to implement a more streamlined process in reviewing planning applications for cannabis retail, compared to a CUP application review process while maintaining its normal discretionary authority over such cannabis retail uses.

Sensitive Uses Buffer and Measurement of Distance

Storefront retail and non-storefront retail businesses would be required to be located one-thousand (1,000) feet away from schools providing instruction in kindergarten or any grades 1 through 12, playgrounds, day care/childcare centers or homeless shelters consistent with Measure Q. In addition, the cannabis retail businesses would be required to be located six-hundred (600) feet away from youth centers. The State Bureau of Cannabis Control (BCC) requires cannabis retail businesses to be located at least six-hundred (600) feet away from schools, day care/childcare centers, and youth centers (unless the local agency adopts a different standard). As such, the sensitive use buffers established in the Code Amendment would be consistent with or exceed BCC's distance requirement. The separation distance is measured in a straight line from the closest property line of the lot where the cannabis retail business is proposed to the closest property line of the existing sensitive use(s) and without regard to intervening structures or barriers except for properties separated by the Interstate 405 (I-405) Freeway.

For properties that are separated by the I-405, the distance is measured as the most direct pedestrian route between properties. Freeways configured like the I-405 are impenetrable barriers which the straight-line measurement does not take into consideration. Even though a property separated by the I-405 may be within the sensitive use buffers when measuring in a straight line, the most direct pedestrian route around the I-405 could be more than the required minimum separation distances. The distance measurement is based on the pedestrian route because the sensitive uses population of concern, mainly children, walk and do not drive.
In addition to the above location requirements, cannabis storefronts are not allowed to be located within any property that has been determined to be involved in unpermitted and/or illegal cannabis sales, delivery and/or dispensing at any time in the last five years unless certain specific findings are made.

**Development Standards for Storefront and Non-Storefront Retail**

Storefront retail would also be subject to the following development standards:

- Opaque window coverings and permanent security bars on windows or doors are prohibited;
- Signage directing customers to a storefront business including but not limited to A-frame signs, flags, banners of a person holding a sign whether on the premise of the storefront or public-right-of-way is prohibited;
- Comply with landscaping requirements set forth in Chapter VII of Title 13 when feasible as determined by the Director;
- Drive-through or walk-up window services are prohibited;
- No outdoor seating or patio areas for the public are allowed;
- Special events with live entertainment is prohibited; and
- For storefronts located within two-hundred (200) feet of a residential zone, exterior lighting is required to be shielded/directed away from residential areas and trash facilities are required to be screened and located appropriately to minimize noise and odor impacts.

These development standards are to ensure storefronts would operate in a manner compatible with existing businesses and surrounding land uses. Drive-through and walkup services would be prohibited because storefronts would be required to conduct cannabis retail activities within their licensed premise only. Commercial development standards also require all uses to operate underfoot. Outdoor seating area would be prohibited to discourage loitering and potential public nuisance. Special events would also be prohibited since such use could have a negative impact on existing businesses and surrounding uses in terms of traffic, parking, and noise. For storefronts operating in close proximity to residential zones, additional development standards would apply such as shielding exterior lighting and appropriately locating trash facilities so that the use would also not have negative impact for residential zoned properties. Additional conditions of approval would also applied as part of the MCUP process.

Deliveries would be subject to the following development standards:

- Delivery services may operate independently or as a part of a storefront, distribution, or manufacturing facility;
- A business license is required to conduct deliveries into or within the City;
- The last delivery must be completed by 10:00 p.m.; and
- No general public are allowed inside a non-storefront retail business.

Delivery services could operate as standalone non-storefront retail business or could also be a part of a licensed storefront. Additionally, deliveries could operate in conjunction with
a licensed distribution or manufacturing business in the Green Zone. A business license would be required to conduct deliveries within the City regardless of whether the delivery service originates from a different jurisdiction or within the City. Delivery services must be completed by 10:00 p.m. which is consistent with the hours of operation allowed by the State BCC. Since deliveries are non-storefront, no general public would be allowed inside the non-storefront business.

In addition to the review criteria established, the proposed code amendments would also prohibit all other retail cannabis uses including, but not limited to, lounges, cafes, and restaurants. Measure Q only allows storefront and non-storefront retail as defined; any additional retail cannabis uses would require a new ballot measure subject to approval by the city voters in order to amend Measure Q. The proposed code amendments also would not allow any retail cannabis business, which was operating illegally prior to the passage of Measure Q and adoption of the ordinance, to claim legal nonconforming status. Such businesses operated illegally when retail cannabis businesses were prohibited in the City and therefore, cannot be considered legal nonconforming.

Land Use Matrix

The amendment to Title 13 also includes updating Table 13-30 (Land Use Matrix) to revise cannabis retail sales storefront from prohibited to conditionally permitted with an MCUP as well as adds the land use category for non-storefront cannabis retail, also subject to an MCUP.

The land use matrix also includes Footnote No. 11 for day care facilities, parks/playgrounds, nursery schools, primary and secondary schools (except for schools subject to the Division of the State Architect), and amusement centers. These uses including youth centers, as defined in Title 9, Section 9-485, are not allowed to be located within one-thousand (1,000) feet of existing licensed retail cannabis storefronts. This language is proposed to ensure that the sensitive uses are distanced from cannabis uses, consistent with the intent of the sensitive uses buffer under Measure Q.

Amendments to Title 9 (Licenses and Business Regulations)

Section 9-29.5 of Chapter I, Article 5 currently contains the tax rate for cannabis businesses. With the proposed code amendment, Section 9-29.5 would be amended to establish different tax rates for different types of cannabis businesses allowed in the City – retail (storefront and non-storefront) versus non-retail (distributor, manufacturer, and research and development laboratory). Retail cannabis businesses would be subject to an annual business tax of seven (7) percent based on the gross receipts of that business. The code section would also be amended to codify the change to the tax rate approved by City Council on March 17, 2020 for non-retail cannabis businesses from previously six (6) percent to one (1) percent for distributors, manufacturers, and research and development laboratories pursuant to uncodified Ordinance 20-05. The gross receipts tax rate was eliminated for testing laboratories. The March 17, 2020 City Council staff report is available online at: http://ftp.costamesacagov/costamesacagov/council/agenda/2020/2020-03-17/CC-5.pdf.
Chapter II, Article 1 currently includes regulations and processes for revocation or suspension of business permits. The textual revisions to this chapter would include expanding on the hearing process prior to revocation or suspension of a business permit and related revisions.

Chapter VI pertains specifically to cannabis business permits. The amendments to this chapter would include the following in addition to minor textual revisions:

- Section 9-485: Additional definitions were included related to retail cannabis businesses such as "cannabis goods", "edible cannabis product", "Green Zone", and "youth centers";
- Section 9-486: Includes retail cannabis storefront and non-storefront as additional types of authorized cannabis businesses permitted in the City;
- Section 9-488: Specifies no more than one application for a cannabis business permit may be submitted per property at one time (i.e. no "stacking" applications);
- Section 9-495: Additional operating requirements for storefront and non-storefront cannabis retail businesses; and
- Section 9-497: Authorize the City Manager to establish standards and priority for the application process as part of the administrative rules and regulations.

Additional operating requirements address security measures, hours of operation, age restrictions, employees, delivery vehicles, and point of sale tracking. These operating requirements are in addition to the retail cannabis development standards proposed under Article 21 of Title 13.

Each cannabis product would also be required to be labeled with additional tracking information that includes the name and license number of the distributor that supplied the products as well as certificate of authenticity of the products. This is to ensure cannabis products sold within the City are safe and supplied by a legal licensed manufacturer and distributor. Licensed retailers would be prohibited from selling and accepting cannabis products from unlicensed distributors or manufacturers which would encourage retailers to conduct business only with other licensees.

Like the existing definitions of Chapter IV, the revised definitions are also applicable to Article 21 of Chapter IX of the Zoning Code. Accordingly, the Planning Commission may review these definitions set forth in section 9-485 and make recommendations thereon.

**GENERAL PLAN CONFORMANCE:**

The following analysis evaluates the General Plan and its goals, objectives, and policies for consistency and compliance with the Code Amendment:

1. **Policy LU-6.2:** Continue to promote and support the vitality of commercial uses to meet the needs of local residents and that support regional-serving commercial centers.
2. **Policy LU-6.7:** Encourage new and retain existing businesses that provide local shopping and services.

3. **Objective LU-6B:** Encourage and facilitate activities that expand the City’s revenue base.

4. **Policy LU-6.10:** Encourage a broad range of business uses that provide employment at all income levels and that make a positive contribution to the City’s tax base.

Implementation of the subject Code Amendment would support and encourage a new type of retail business in the City that would contribute to expanding the City’s tax revenue, providing a local retail service that would also be regional serving, and creating additional employment opportunities.

**ENVIRONMENTAL DETERMINATION:**

The Code Amendment and Ordinance was reviewed for compliance with the California Environmental Quality Act (CEQA), the CEQA guidelines, and the City’s environmental procedures. The Code Amendment and Ordinance are found to be exempt pursuant to CEQA Guidelines Section 15061(b)(3) (General Rule) and Section 15308 (Class 8, Actions by Regulatory Agencies for the Protection of the Environment) because a recommendation is not a final action and the recommended ordinance will not have a significant effect on the environment. The Code Amendment is also exempt pursuant to CEQA Guidelines Section 15301 (Class 1, Existing Facilities), Section 15303 (Class 3, New Construction or Conversion of Small Structures), and Section 15332 (Class 32, Infill Development Projects) because future construction for retail cannabis businesses will largely be within existing buildings for interior tenant improvements or involve minor new construction projects that will also not have a significant effect on the environment.

**LEGAL REVIEW:**

The staff report, resolution and proposed Zoning Code Amendment and Ordinances have been approved as to form by the City Attorney’s Office.

**PUBLIC NOTICE:**

Pursuant to Title 13, Section 13-29(d), of the Cost Mesa Municipal Code, a 1/8th page public notice was published once in the Daily Pilot newspaper no less than 10 days prior to the February 22, 2021 public hearing.

**CONCLUSION:**

The adoption of the proposed Ordinances including Zoning Code Amendment CO-21-01 would establish a process for the City to regulate, review, and tax retail cannabis businesses pursuant to Measure Q.
Attachments: 1. Draft Resolution
   - Exhibit A - Draft Ordinance X1 and Exhibit 1
   - Exhibit B - Draft Ordinance X2
2. Preliminary Draft Separation Distance Map
3. Map of the Measure X “Green Zone”

Distribution: Director of Economic and Development Services
Interim Assistant Director of Development Services
Assistant City Attorney
Public Services Director
City Engineer
Transportation Services Manager
Fire Marshal
File
SUBJECT: A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA, CALIFORNIA RECOMMENDING THAT THE CITY COUNCIL GIVE FIRST READING TO AN ORDINANCE TO ADOPT CODE AMENDMENT CO-21-01 TO AMEND CHAPTER IX, ARTICLE 21 AND CHAPTER IV, TABLE 13-30 OF TITLE 13 TO ESTABLISH THE DEVELOPMENT STANDARDS FOR CANNABIS USES, INCLUDING RETAIL CANNABIS STOREFRONT AND NON-STOREFRONT USES AND AN ORDINANCE TO AMEND CHAPTER I, ARTICLE 5, CHAPTER II, ARTICLE 1 AND CHAPTER VI OF TITLE 9 OF THE COSTA MESA MUNICIPAL CODE REGARDING THE TAXATION, REGULATION, OPERATING REQUIREMENTS AND STANDARDS FOR CANNABIS USES INCLUDING RETAIL CANNABIS STOREFRONT AND NON-STOREFRONT USES, IN ORDER TO IMPLEMENT THE CITY OF COSTA MESA RETAIL CANNABIS TAX AND REGULATION MEASURE (MEASURE Q)

DATE: FEBRUARY 22, 2021

FROM: DEVELOPMENT SERVICES DEPARTMENT / PLANNING DIVISION

PRESENTATION BY: NANCY HUYNH, ASSOCIATE PLANNER

FOR FURTHER INFORMATION NANCY HUYNH 714.754.5609
CONTACT: nancy.huynh@costamesaca.gov

The purpose of this memo is to provide Planning Commission with the strikethrough and double underlined versions of the proposed code amendments to Title 9 and Title 13. Deleted text is denoted in strikethrough and added text is denoted with a double underline underneath the new text. This does not change the content of the proposed ordinances included as staff report attachments and is intended for reference purposes.

NANCY HUYNH
Associate Planner

JENNIFER LE
Director of Economic and Development Services

Attachments: Title 9 Strikethrough/Double Underlined Version
Title 13 Strikethrough/Double Underlined Version
Distribution:  
Director of Economic and Development Services  
Interim Assistant Director of Development Services  
Assistant City Attorney  
Public Services Director  
City Engineer  
Transportation Services Manager  
Fire Marshal  
File
CHAPTER I. BUSINESS TAX

ARTICLE 5. ADMINISTRATION, APPLICATION AND PROCEDURES

9-29.5. Marijuana Cannabis tax.

Notwithstanding any other provision of this Code, every person engaged in, managing, conducting, or carrying on any marijuana cannabis business defined in Chapter VI of this title, or any other marijuana and/or cannabis business, shall pay an annual business tax as follows: of six (6) percent based on the gross receipts of the business.

(a) Every person who is lawfully engaged in, managing, conducting, or carrying on a business as a cannabis distributor, manufacturer, and/or research and development laboratory, as set forth in Section 9-486(a), shall pay an annual business tax of one (1) percent based on the gross receipts of that business.

(b) Every person who is lawfully engaged in, managing, conducting, or carrying on a business as a cannabis testing laboratory, as set forth in Section 9-486(a), shall pay no annual business tax.

(c) Every person who is engaged in, managing, conducting, or carrying on a business as a cannabis store-front retailer, as set forth in Section 9-486(a), and/or who otherwise sells, dispenses and/or furnishes cannabis anywhere within the city, shall pay an annual business tax of seven (7) percent based on the gross receipts of that business.

(d) Every person who is engaged in, managing, conducting, or carrying on a business as a cannabis non-store front retailer, as set forth in Section 9-486(a), and/or who otherwise delivers cannabis anywhere within the city, shall pay an annual business tax of seven (7) percent based on the gross receipts of that business, subject to the applicable provisions of section 9-40.

(c) The proceeds of the tax set forth in sub-sections (c) and (d) shall be subject to an annual audit by an independent certified public accountant of the City Manager’s choosing. The results of the audit shall be reported to the City Council as determined by the city manager and posted on the City’s website and available for public inspection.

CHAPTER II. REGULATIONS OF CERTAIN BUSINESSES


“Issuing officer” shall mean the city council of Costa Mesa, the city manager, the director of finance, the fire chief, the chief of police, or the director of Economic and Development services director, as applicable, including such person’s designee.

9-119. Revocation or suspension of permits.

Any business tax registration certificate or any other permit issued under this title to the business tax ordinance may be revoked or suspended in the following grounds instances:

(a) Where said issuing officer has found and determined that the preservation of the public health, safety, peace and welfare demand necessitate revocation of said business tax registration certificate or permit.
(b) Where the applicant or permittee has violated any applicable provisions of this title, the business tax ordinance, or any other provisions of the Costa Mesa Municipal Code as defined in section 1-35, or order of the Health Officer or the Emergency Services Director and/or any other provision of law.

(c) Where a business tax registration certificate or permit has been granted on false or fraudulent evidence, testimony, or application.

(d) Where the applicant or permittee has violated the terms and provisions of said business tax registration certificate or permit.

Exception. Notwithstanding the foregoing or any other provision of this title to the contrary, licenses issued to chiropractors, laboratory technicians, dentists, medical doctors, opticians, physical therapists, nurses, psychologists, pharmacists, veterinarians, accountants, advertising architects, landscape architects, building designers, attorneys, barbers, engineers, collection agencies, contractors, cosmetologists, private detectives, funeral directors, shorthand reporters, structural pest control operations, land surveyors, ship brokers, cleaners and dyers, electronic repair dealers, real estate agents and brokers, marriage counselors, auto dealers, boxers and wrestlers, furniture and bedding dealers and manufacturers, manufacturers of paints, petroleum activities, dealers in secondhand goods, or any other business, profession or trade where the determination of issuance or revocation of the right of any person to engage in such business, profession, or trade is solely vested in a state board or agency and is not otherwise regulated by this code, shall be issued upon filing the requisite application and payment of the requisite fees and shall not be subject to revocation or suspension except any such business tax registration certificate may be revoked for nonpayment of fees or upon revocation of the state board or agency license.

9-120. Permittee entitled to hearing prior to revocation or suspension.

(a) No business tax registration certificate or permit shall be revoked or suspended until said permittee has had an opportunity for a public hearing before the issuing officer.

(b) Written notice of the revocation or suspension, the reasons therefore and the requirement to request a hearing shall be given by mail to certificate holder or permittee’s last known mailing address or by such other method reasonably calculated to provide notice.

(c) The revocation or suspension shall be final and effective after ten (10) calendar days following the date of mailing set forth in in sub-section (b), unless the certificate holder or permittee files an application for a hearing with the city clerk prior to such effective date. There shall be no cost to the certificate holder or permittee for such a hearing under this section.

(d) Except as otherwise provided in sub-section (e) the hearing shall be commenced within 30 calendar days of the filing of an application for hearing. Hearings conducted pursuant to this section shall be open to the public, shall not be conducted according to the technical or traditional rules relating to evidence, and shall provide, personally or by counsel or both, an opportunity for certificate holder or permittee to defend and present evidence on their behalf. At least ten calendar days prior to the hearing, certificate holder or permittee shall be provided with any documentation upon which the revocation or suspension is based. Following the close of the hearing the issuing officer shall within 30 days render a written decision whether or not to impose revocation or suspension.
(e) Notwithstanding the foregoing, the city manager or director of finance may suspend, pending a hearing, any business tax registration certificate or permit where it has been determined by said official that an immediate suspension of the business tax registration certificate or permit is necessary for the protection of the public health, safety, peace and welfare. In the event of such a suspension, the director of finance shall, within twelve (12) hours after said suspension, cause to be served upon said business or permittee a written statement containing the grounds for said suspension, any written documentation upon which the revocation is based and a notice of hearing to show cause before the issuing officer why said permit should not be permanently revoked, which said hearing shall be commenced no later than five (5) calendar days following the service of said notice unless the parties thereto agree otherwise, and thereafter followed by a written decision pursuant to sub-section (d).

No business tax registration certificate or permit shall be revoked or suspended until said permittee has had a public hearing before the issuing officer and has had an opportunity either personally or by counsel or by both to defend himself and present evidence on his behalf. Such public hearing shall be proceeded by reasonable notice as provided in these rules and regulations. Notwithstanding the foregoing, the director of finance may suspend, pending such a hearing, any business tax registration certificate or permit where it has been determined that:

(a) Upon the recommendation of the law enforcement agency or upon the recommendation of the city council that an immediate suspension of the business tax registration certificate is necessary for the protection of the public health, safety, peace and welfare.

(b) In the event of such a suspension, the director of finance shall, within twelve (12) hours after said suspension, cause to be served upon said business or permittee a written statement containing the grounds for said suspension and a notice of hearing to show cause before the issuing officer why said permit should not be permanently revoked, which said hearing shall be held no later than five (5) days following the service of said notice.

9-121. Appeal from the decision of the issuing officer.

Appeals from decision of the hearing officer provided herein shall be made in accordance with the procedure of Chapter IX of Title 2 of this section 2-300 through and including section 2-308 of the Costa Mesa Municipal Code.

CHAPTER VI. MARIJUANA CANNABIS BUSINESS PERMITS

9-481. Purpose and intent.

It is the purpose and intent of this chapter to regulate the distributing, manufacturing, processing, research and development, retail sale, testing and transporting of cannabis and cannabis-related products in a manner which is responsible, which protects the health, safety, and welfare of the residents of Costa Mesa, and to enforce rules and regulations consistent with state law. In part to meet these objectives, a permit shall be required in order to own and/or to operate a marijuana cannabis business within the city. Nothing in this chapter is intended to authorize the possession, use, or provision of marijuana cannabis for purposes which violate state or federal law. The provisions of this chapter are in addition to any other permits, licenses, and approvals which may be required to conduct business in the city, and are in addition to any permits, licenses and approvals required under state law.
9-482. Legal authority.

Pursuant to Sections 5 and 7 of Article XI of the California Constitution and the provisions of Division 10 of the Business and Professions Code, the city is authorized to adopt ordinances that establish standards, requirements and regulations for local licenses and permits for cannabis and cannabis-related activity.

9-483. Marijuana Cannabis business activities prohibited unless specifically authorized by this chapter.

Except as specifically authorized in this chapter, the manufacture, processing, storing, laboratory testing, labeling, transporting, dispensing, furnishing, distribution, delivery, or sale of marijuana cannabis or a marijuana cannabis product is expressly prohibited in the city.

9-484. Compliance with laws.

It is the responsibility of the owners and operators of the marijuana cannabis business to ensure that it is, at all times, operating in a manner compliant with all applicable state and local laws, and any regulations promulgated thereunder.


Unless otherwise defined in this chapter or in chapter I of Title 13, the words used in this chapter shall have the same definitions ascribed to them in Division 10 of the Business and Professions Code. Any reference to California statutes includes any regulations promulgated thereunder and is deemed to include any successor or amended version of the referenced statute or regulatory provision.

Cannabis means all parts of the 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. “Cannabis” also means the separated resin, whether crude or purified, obtained from marijuana. “Cannabis” also means marijuana as defined by section 11018 of the California Health and Safety Code as enacted by Chapter 14017 of the Statutes of 1972. “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. For the purpose of this chapter, “cannabis” does not mean industrial hemp as that term is defined by section 81000 of the California Food and Agricultural Code or section 11018.5 of the California Health and Safety Code.

Cannabis business permit means a regulatory permit issued by the city pursuant to this chapter to a cannabis business, and is required before any cannabis activity may be conducted in the city.

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.
Caregiver or primary caregiver has the same meaning as that term is defined in section 11362.7 of the California Health and Safety Code.

City manager shall mean the city manager of the city or designee.

Director shall mean the city’s Director of the Economic and Development Services department or designee.

Dispensing means any activity involving the retail sale of cannabis or cannabis products from a dispensary.

Distributor means a person or entity that engages in distribution. The direct and/or retail sale, distribution, or furnishing of any cannabis or cannabis product to any consumer or end user is expressly prohibited.

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.

Green Zone means those portions of the manufacturing park (MP) and planned development industrial (PDI) zones that are located both north of South Coast Drive and west of Harbor Boulevard, excluding any portion of the South Coast Collection.

Labor Peace Agreement has the same meaning set forth in Business and Professions Code section 26001.

Manufacturing site means a location where cannabis products are manufactured.

Marijuana means “cannabis,” as that term is defined in this chapter.

Marijuana activity and/or cannabis activity includes manufacture, processing, laboratory testing, research and development, transporting, delivery, dispensing, distribution, furnishing, giving away or sale or any other activity involving cannabis or a cannabis product.

Marijuana business and/or cannabis business means any business or operation which engages in any marijuana activity.

Marijuana business permit has the same meaning as cannabis business permit. means a regulatory permit issued by the city pursuant to this chapter to a marijuana business, and is required before any marijuana activity may be conducted in the city.

Patient or qualified patient shall have the same definition as California Health and Safety Code section 11362.7 et seq., as it may be amended, and which means a person who is entitled to the protections of California Health and Safety Code section 11362.5. For purposes of this chapter, a qualified patient shall include a person with an identification card as that term is defined by California Health and Safety Code section 11362.7 et seq.

Person with an identification card shall have the meaning given that term by California Health and Safety Code section 11362.7.

Processing and processor shall have the same meaning as manufacturing and manufacturer, respectively.
Property shall mean any single development lot that has been subdivided bearing its own assessor’s parcel number or with an approved subdivision map or condominium map unless the context clearly indicates a different meaning.

Research and development laboratory means a facility, entity, or site in the city that performs research into and/or the development of cannabis or cannabis products, where cannabis in any amount is located on-site, and that is both of the following:

(1) Accredited by an accrediting body that is independent of all other persons involved in the cannabis industry in the state.

(2) Registered with the State Department of Public Health, and is owned and operated by a person issued a valid marijuana cannabis business permit for laboratory testing from the city is currently in compliance with all applicable state and local laws and regulations pertaining to the marijuana cannabis business and marijuana cannabis activities.

South Coast Collection or SoCo means all properties located at 3303 through 3323, inclusive, Hyland Avenue, in the City of Costa Mesa, commonly known as “SoCo” or “SOCO.”

State means the State of California, including any of its departments, divisions, and/or bureaus.

State license means a permit or license issued by the state to engage in marijuana cannabis activity.

Youth Center means any public or private facility that is primarily used to host recreation or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades where 10 or more video games or game machines or devices are operated, and where minors are legally permitted to conduct business, or similar amusement park facilities. It shall also include a park, playground 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, softball, soccer, or basketball or any similar facility located on a public or private school grounds, or on city, county or state parks. This definition shall not include any private martial arts, yoga, ballet, music, art or similar studio of this nature nor shall it include any private gym, athletic training facility, pizza parlor, dentist office, doctor’s office primarily serving children or a location which is primarily utilized as an administrative office or facility serving youth organizations.

9-486. Type of authorized marijuana cannabis businesses permitted.

(a) One (1) or more of the following types of adult (A-license) and/or medical (M-license) marijuana cannabis business may be permitted to operate within the city:

(1) Marijuana Cannabis distributor (includes license classification type 11);

(2) Marijuana Cannabis manufacturer (includes license classification type 6 and 7);

(3) Marijuana Cannabis testing laboratory (includes license classification type 8); and

(4) Cannabis retail — storefront (includes license classification type 10);

(5) Cannabis retail — non-storefront (includes license classification type 9); and

(6) Marijuana Cannabis research and development laboratory.

(b) Businesses permitted pursuant to this chapter shall not engage in the retail sale, delivery or dispensing or distribution of cannabis, marijuana, cannabis product, marijuana product, or any other item, unless expressly permitted to do so pursuant to the terms of their cannabis business permit.
(c) No person may engage in any type of marijuana business that is not specifically authorized pursuant to this section and this code, including, but not limited to, dispensing and/or cultivating marijuana cannabis.

(d) The City Council may by resolution limit and/or curtail the number of cannabis retail permits available for issuance and/or renewal.

9-487. Marijuana Cannabis business permit required to engage in a marijuana cannabis business.

No person may engage in any marijuana cannabis business or in any marijuana-cannabis activity within the city including manufacturing, processing, laboratory testing, transporting, dispensing, distribution, or sale of cannabis or a cannabis product including delivery thereof unless the person: (1) has a valid marijuana-cannabis business permit from the city that authorizes the specific business and activity at specific location; and (2) is currently in compliance with all applicable state and local laws and regulations pertaining to the marijuana cannabis business and marijuana cannabis activity, including, but not limited to, having a currently valid license therefore issued by the state.

9-488. Term of permit—Fees.

(a) A marijuana cannabis business permit shall be valid for two (2) years from the date of issue, unless otherwise suspended or revoked, and shall be renewed bi-annually thereafter, provided the permittee is in compliance with the provisions of this chapter.

(b) Cannabis Marijuana business permit and application fees shall be established by resolution of the city council.

(c) Applications for a cannabis business permit may only be submitted by a person in lawful possession of the property with the express written consent of all lawful owners of the property, if different. No more than one application may be submitted per property.

(d) Successive or simultaneous applications prohibited. No more than one application may be submitted and/or processed at any one time per property.

9-489. Effect of state license suspension, revocation, or termination.

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 marijuana cannabis business to operate within the city, until the State of California, or its respective departments or divisions, reinstates or reissues the State license within 90 days. Should the state license remain suspended for 90 days or longer, any permit issued pursuant to this chapter shall expire and be of no further force and effect. Should the State of California, or any of its departments or divisions, revoke or terminate the license of a marijuana cannabis business, such revocation or termination shall also revoke or terminate the ability of a business permitted pursuant to this chapter including the persons and entities set forth in section 9-489(c)(2) to operate any cannabis business within the city for a period of five years from the date such revocation or termination.

9-490. Denial and revocation.
A marijuana business permit may be revoked upon a hearing by the director pursuant to section 9-120 for failing to comply with the terms of the permit, the applicable provisions of this chapter, this Code, state law or regulation and/or any condition of any other permit issued pursuant to this Code. (Ord. No. 16-15, § 4, 11 & 16; Ord. No. 18-04, § 2, 4-3-18)

(a) Revocation. A cannabis business permit may be revoked or suspended pursuant to the procedures of section 9-120 for failing to comply with the terms of the permit, the applicable provisions of this chapter, this Code, city regulation, state law or regulation and/or any condition of any other permit issued pursuant to this Code.

(b) Denial. An application for a cannabis business permit may be denied where it fails to provide all required information, documentation and/or fees and/or where it does not or would not be able to comply with the applicable provisions of this chapter, this Code, city regulation and/or state law or regulation and/or where the applicant is otherwise ineligible for such permit.

(c) Effect of revocation and denial. Whenever an application for a permit is denied, no other similar application by such applicant or permittee will be considered for a period of one (1) year from the date of the denial of an application. Whenever a permit has been revoked, no other similar application by such permittee 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 to revoke the permit, whichever is later. The prohibitions of this subsection shall also apply 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) Ineligibility. In addition to any other law, no person or entity shall be eligible for and/or receive a cannabis permit if that person or entity, or any director or officer of that entity or a person who owned any portion of that entity’s shares, engaged in unpermitted and/or illegal cannabis activity involving sales, delivery and/or dispensing in the city, or had an ownership (including a leasehold) interest in any property set forth in section 13-200.93(c)(5), in the five (5) years preceding an application under this chapter. A determination of ineligibility under this under this sub-section (d) may be made by the City Manager and shall be based on the preponderance of the evidence.

9-491. Appeals.

Appeals from decisions of the city manager under this chapter shall be governed by the procedures set forth in Chapter IX of Title 2 of this Code.

Notwithstanding any other provision of this code, only a decision by the city manager to revoke, suspend or deny a cannabis business permit under this chapter shall be subject to appeal, which shall be governed by the procedures set forth in Chapter IX of Title 2 of this code. An appellate body hearing an appeal
related to a cannabis business permit or an appeal related to a conditional use permit where both such permits are subject to appeal, revocation and/or suspension, may in its discretion combine the appeal in order to hold a single hearing for both permits.

9-492. Prohibition on transfer of marijuana business permits.

In the event a permit holding marijuana cannabis business sells or transfer the business to a new owner, the new owner must obtain a new marijuana cannabis business permit prior to commencing or continuing operations. A marijuana cannabis business shall be deemed to have transferred to a new owner within the meaning of this section if person(s) or entities with controlling interest at the time the permit was first issued cease(s) at any time to possess controlling ownership interest or an ownership interest of less than fifty-one (51) percent.

9-493. City business license required.

Prior to commencing operations, a marijuana cannabis business shall obtain a city business license pursuant to Chapter I of this title.

9-494. Conditional use permit required.

No marijuana cannabis business permit shall be issued, and no person shall conduct a marijuana cannabis business unless a conditional use permit has been issued therefore pursuant to the provisions of Title 13, Chapter IX, Article 21 of this Code.

9-495. Operating requirements for all marijuana cannabis businesses permitted under this chapter.

(a) Records and recordkeeping.

(1) Each owner and operator of a marijuana cannabis business shall maintain accurate books and records, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis (at or before the time of the renewal of a marijuana cannabis business permit issued pursuant to this title), or at any time upon reasonable request of the city, each marijuana cannabis business shall file a sworn statement detailing the number of sales by the marijuana cannabis business during the previous twelve (12) month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month, and all applicable taxes paid or due to be paid.

(2) Each owner and operator of a marijuana cannabis business shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the marijuana cannabis business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the marijuana cannabis business. The register required by this paragraph shall be provided to the city manager upon a reasonable request.

(3) All marijuana cannabis businesses shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all
cannabis and cannabis products for all stages of the production or manufacturing, laboratory testing and distribution processes.

(4) Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPPA), each marijuana cannabis business shall allow city officials to have access to the business’s books, records, accounts, together with any other data or documents relevant to its permitted marijuana cannabis activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the city’s request, unless otherwise stipulated by the city.

(b) Security measures.

(1) A permitted marijuana cannabis business shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the marijuana cannabis business. These security measures shall include:

a. Establishing limited access areas accessible only to authorized marijuana cannabis business personnel;

b. All cannabis and cannabis products shall be stored in a secured and locked room, safe, or vault, and shall be kept in a manner as to prevent diversion, theft, and loss;

c. Sensors shall be installed to detect entry and exit from all secure areas;

d. Having a professionally installed, maintained, and monitored alarm system;

e. Any bars required to be installed on the windows or the doors of the marijuana cannabis business for security purposes shall be installed only on the interior of the building;

f. Security personnel if utilized must be licensed by the State of California Bureau of Security and Investigative Services Personnel, shall comply with the requirements of California Business and Professions Code Chapters 11.4 and 11.5 of Division 3, and have a valid business license from the city; and

g. Each marijuana cannabis business shall have the capability to remain secure and operational during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.

(2) Each marijuana cannabis business shall identify a designated security representative/liaison to the city, who shall be reasonably available to meet with the city manager regarding any security related measures or and operational issues.

(3) A marijuana cannabis business shall notify the city manager within twenty-four (24) hours after discovering any of the following:

a. Significant discrepancies identified during inventory, as set forth in the city’s administrative regulations;

b. Diversion, theft, loss, or any criminal activity involving the marijuana business or any agent or employee of the marijuana cannabis business; or
c. The loss or unauthorized alteration of records related to cannabis, registering qualifying patients, primary caregivers, or employees or agents of the marijuana cannabis business.

(c) Restriction on alcohol sales. No person shall cause or permit the sale, dispensing, or consumption of alcoholic beverages on or about the premises of the marijuana cannabis business.

(d) Compliance with laws. It is the responsibility of the owners and operators of the marijuana cannabis business to ensure that it is, at all times, operating in a manner compliant with all applicable state and local laws, and any regulations promulgated thereunder. Nothing in this chapter shall be construed as authorizing any actions which violate state law or local law with respect to the operation of a marijuana cannabis business or any site-specific, additional operating procedures or requirements which may be imposed as conditions of approval of the location of the marijuana cannabis business.

(e) Taxes. All marijuana cannabis businesses authorized to operate under this chapter shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees required under federal, state and local law. Each marijuana cannabis business shall cooperate with the city with respect to any reasonable request to audit the marijuana cannabis business’s books and records for the purpose of verifying compliance with this section, including, but not limited to, a verification of the amount of taxes required to be paid during any period.

(f) Insurance. Permittee shall obtain and maintain at all times during the term of the permit comprehensive general liability insurance and comprehensive automotive liability insurance protecting the permittee in an amount of not less than one million dollars ($1,000,000.00) per occurrence, combined single limit, including bodily injury and property damage and not less than one million dollars ($1,000,000.00) aggregate for each personal injury liability, products-completed operations and each accident, issued by an insurance provider rated at least A-:VIII in A.M. Best and Company’s Insurance Guide and either admitted and authorized to do business in California or is listed on the California Department of Insurance’s List of Approved Surplus Line Insurers.

(g) Miscellaneous operating requirements.

(1) Restriction on consumption. Cannabis shall not be consumed on the premises of any marijuana cannabis businesses or elsewhere in the city other than within private residences.

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

(3) Reporting and tracking of product and of gross sales. Each marijuana cannabis business shall have in place a point-of-sale tracking system to track and report on all aspects of the marijuana cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, and gross sales (by weight and by sale). The marijuana cannabis business shall ensure that such information is compatible with the city’s record-keeping systems. The system must have the capability to produce historical transactional data for review by the city manager.

(4) All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the state and local regulations.
(5) There shall not be a physician located in or around any marijuana cannabis business at any time for the purpose of evaluating patients for the issuance of a marijuana cannabis prescription or card.

(6) **Signage and notices.**

a. In addition to the requirements otherwise set forth in this section, business identification signage for a marijuana cannabis business shall conform to the requirements of this Code, including, but not limited to, seeking the issuance of a city sign permit.

b. Each entrance to a marijuana cannabis business shall be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the marijuana cannabis business is prohibited.

c. Business identification signage shall be limited to that needed for identification only.

d. The business shall at all times comply with the advertising and marketing restrictions of Business and Professions Code sections 26150-26156, in addition to the requirements of this code.

(7) **Minors.**

a. Persons under the age of twenty-one (21) years shall not be allowed on the premises of a marijuana cannabis business, except as otherwise specifically provided for herein. It is unlawful and a violation of this chapter for any person to employ any person at or for a marijuana cannabis business who is not at least twenty-one (21) years of age.

b. The entrance to the marijuana cannabis business shall be clearly and legibly posted with a notice that no person under the age of twenty-one (21) years of age is permitted to enter upon the premises of the marijuana business, except as specifically provided for herein.

(8) **Odor control.** Odor control devices and techniques shall be incorporated in all marijuana cannabis businesses to ensure that odors from marijuana are not detectable off-site.

(9) **Display of permit and city business license.** The original copy of the marijuana cannabis business permit issued by the city pursuant to this chapter and the city-issued business license shall be posted inside the marijuana cannabis business in a conspicuous location.

(10) **Background check.** Every owner, manager, supervisor or employee of the marijuana cannabis business must submit fingerprints and other information deemed necessary by the city manager for a background check by the Costa Mesa police department to verify that person's criminal history. No person shall be issued a permit to operate a marijuana cannabis business who has been convicted of a felony within the past seven (7) years, unless that felony has been dismissed, withdrawn, expunged or set aside pursuant to Penal Code section 1203.4, 1000 or 1385, or who is currently on probation or parole for the sale, distribution, possession or manufacture of a controlled substance.

(11) **Loitering.** The owner and/or operator of a marijuana cannabis business shall prohibit loitering by persons outside the facility both on the premises and within fifty (50) feet of the premises.

(12) **Permits and other approvals.** Prior to the establishment of any marijuana cannabis business or the operation of any such business, the person intending to establish a marijuana
cannabis business must first obtain all applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such marijuana cannabis business intends to operate.

(h) Additional operating requirements for retail sale (storefront) businesses. In addition to every other requirement of this section, other than those set forth in subsection (i) (retail sale, non-storefront) that are expressly made inapplicable, every business that sells cannabis as a storefront retailer shall comply with the following requirements:

(1) The security plan shall include at least one (1) licensed private security guard or guards who shall be present at the premises twenty-four (24) hours per day, exterior lighting, and continuous video monitoring and recording of the interior and exterior of the premises.

(2) Both the private security guard and the business personnel shall monitor the premises and the immediate vicinity of the premises to ensure that patrons immediately leave the premises and do not consume cannabis in the vicinity of the retail business or on the property or in the parking lot, and shall ensure that persons do not loiter, linger, or otherwise congregate within fifty (50) feet of the entrance to the premises.

(3) There shall be no on-site sales of alcohol or tobacco products, (excluding rolling papers and lighters) and no on-site consumption of food, alcohol, cannabis or tobacco by patrons.

(4) Hours of operation shall be limited to: 7:00 a.m. to 10:00 p.m. daily. No licensed retail business shall be open to the public between the hours of 10:01 p.m. and 6:59 a.m. of any day.

(5) The cannabis retail business shall notify patrons of the following both verbally and through posting of a sign in a conspicuous location:

a. Secondary sale, barter or distribution of cannabis is a crime and can lead to arrest.

b. That loitering on and around the retail premises is prohibited by California Penal Code section 647 and that patrons must immediately leave the premises and not consume cannabis in the vicinity and/or in the property or in the parking lot.

c. A warning that patrons and/or employees may be subject to prosecution under federal cannabis laws, if applicable.

d. That the use of cannabis may impair a person's ability to drive a motor vehicle or operate machinery and that doing so is illegal.

(6) No one under the age of twenty-one (21) shall be allowed to enter the premises of a cannabis business unless the business holds a retail medical cannabis license (M-license) issued by the State.

(7) No person shall be permitted to enter the premises without government-issued identification, and cannabis goods may not be provided 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.

(8) Electronic age verification device required. Proof of age of every person other than employees entering the business shall be verified with an electronic age verification device, prior to entry of the retail area or delivery to that person. 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 eighty (180) business days and all records shall be made available to the City Manager upon request.

(9) Point-of-sale tracking required. The business shall facilitate the sale, making available, furnishing and/or delivery of cannabis products 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 business and consumer:
   a. The date and time of transaction.
   b. The first name and employee number of the employee who processed the sale of cannabis product on behalf of the business.
   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.

Notwithstanding any other provision of this chapter, records required hereunder shall be maintained for no less than two years from each transaction and shall be provided to the city manager within 24 hours of a request therefrom.

(10) Tracking of cannabis products required. All businesses permitted under this chapter shall maintain a technology platform that uses technology to track, and database technology to record and store, the following information for each transaction involving the receipt or furnishing of cannabis products between the business and any person, including but not limited to other permittees and/or licensees:
   a. The date and time of transaction.
   b. The first name and employee number of the employee who processed the receipt of cannabis products on behalf of the business.
   c. The type of cannabis product received, including the quantity thereof.
   d. The name and license number of the person or entity that furnished the cannabis product.
   e. A certificate of authenticity or similar documentation issued by a State-licensed manufacturer of the product.

(11) Prohibition against selling to or accepting cannabis products from other than licensees; certificate of authenticity required. Notwithstanding any other provision of this chapter, no person shall sell, transfer, cause to be transferred or in any way furnish, or purchase, receive or in any way accept, within the city, any cannabis product to or from any person that does not hold a valid license from the State of California that allows that person to furnish or accept that cannabis product, unless such transaction is otherwise exempted pursuant to state law. The foregoing prohibitions shall not apply to a licensed and permitted retailer selling products to a consumer in compliance with this chapter and state law.

(12) Cannabis retail businesses shall also record on the video surveillance system point-of-sale areas and areas where cannabis goods are displayed for sale.

(13) Adequate signage shall clearly state who has inspected any cannabis product for pesticides, or other regulated contaminants, distributed at this location.

(14) Shipments of cannabis goods may only be accepted during regular business hours.
(15) Inventory shall be secured using a lockable storage system during non-business hours.

(16) No cannabis product shall be visible from the exterior of the business.

(17) All required labeling shall be maintained on all product, as required by State law, at all times.

(18) A permitted commercial cannabis retail business shall have one hundred eighty (180) days after permit issuance by the city to commence operations, after which the permit shall be void and of no further force and effect. A permitted commercial cannabis retail business that ceases to operate for more than ninety (90) calendar days after commencing operations shall be deemed “abandoned” and the permit shall be forfeited. A permitted commercial cannabis business may temporarily suspend operations for a period of time as may be reasonably required to affect upgrades, modifications, repairs, or other property issue mitigations as approved by the director or city manager. For the purposes of this subsection, “operate” shall mean the direct retail sale of at least ten-thousand dollars ($10,000.00) in gross receipts to consumers by the end of the one hundred eighty (180) day period, for which the permittee shall bear the burden to establish by the records and payment of taxes as required under this chapter.

(19) Obtain and maintain at all times during the term of the permit the insurance required pursuant to subsection 1 of this section in the minimum amounts of two million dollars ($2,000,000.00), and enter into an agreement approved by the city attorney to defend, with attorneys of city’s choosing, indemnify, release and hold harmless the city, its city council, boards, commissions, officers and employees from and against any and all claims, demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including, without limitation, attorneys’ fees, disbursements and court costs) of every kind and nature whatsoever which may arise from or in any manner relate (directly or indirectly) to the permittee or the permittee’s activities. This indemnification shall include, but not be limited to, damages awarded against the city, if any, costs of suit, attorneys’ fees, and other expenses incurred in connection with such claim, action, or proceeding whether incurred by the permittee, city, and/or the parties initiating or bringing such proceeding, and shall not be limited by the types and/or amounts of insurance required herein.

(20) For an applicant with two or more employees, provide a notarized statement that the applicant will enter into, or demonstrate that it has already entered into, and abide by the terms of a labor peace agreement as otherwise required by Business and Professions Code section 26105.5.

(i) Additional operating requirements for retail sale (non-storefront) delivery businesses. In addition to every other requirement of this section, except only for subsection (b)(1) through (5) and (10) (retail sale, store-front), every business that sells and/or delivers cannabis as a non-store front retailer shall comply with the following requirements:

(1) Commercial cannabis retail deliveries may be made only from a commercial cannabis retail business permitted by the City in compliance with this chapter, and in compliance with all State regulations.

(2) All employees who deliver cannabis shall have valid identification and a copy of the retail business’ cannabis business permit and State license at all times while making deliveries.

(3) All commercial cannabis retail businesses shall maintain proof of vehicle insurance for any and all vehicles being used to transport cannabis goods as required by State law.
(4) Deliveries may only take place during normal business hours of the commercial cannabis retail business.

(5) During delivery, the delivery employee shall maintain a physical or electronic copy of the delivery request and shall make it available upon request by the licensing authority and law enforcement officers. The delivery request documentation shall comply with State law.

(6) A licensed delivery employee shall not leave the State of California while possessing cannabis products and acting within the scope of employment as a delivery employee.

(7) A commercial cannabis retail business shall maintain a list of all deliveries, including the address delivered to, the amount and type of product delivered, and any other information required by the State.

(8) A manifest with all information required in this section shall accompany any delivery person at all times during the delivery process and delivery hours.

(9) Any delivery method shall be made in compliance with State law, as amended, including use of a vehicle that has a dedicated GPS device for identifying the location of the vehicle (cell phones and tablets are not sufficient).

(10) Each delivery request shall have a receipt prepared by the commercial cannabis retail business with the following information:

   a. Name and address of the commercial cannabis retail business.

   b. The name of the employee who delivered the order.

   c. The date and time the delivery request was made.

   d. The complete delivery addresses.

   e. A detailed description of the cannabis goods requested for delivery including the weight or volume, or any accurate measure of the amount of cannabis goods requested.

   f. The total amount paid for the delivery including any fees or taxes.

   g. At the time of the delivery, the date and time delivery was made and the signature of the person who received the delivery.

   h. No cannabis delivery vehicle shall display signs, decals or any other form of advertisement.

   i. Inspections by an authorized City representative may be conducted anytime during regular business hours.

9-496. Cannabis Marijuana employees.

(a) Any person who is an employee or who otherwise works or volunteers within a marijuana cannabis business must be legally authorized to do so under applicable state law.

(b) No marijuana cannabis business or owner thereof may employ any person who has convicted of a felony within the past seven (7) years, unless that felony has been dismissed, withdrawn, expunged or set aside pursuant to Penal Code section 1203.4, 1000 or 1385, or who is currently on probation or parole for the sale, distribution, possession or manufacture of a controlled substance.

(c) All employees must wear an identification badge while on the premises of the business, in a format prescribed authorized by the city manager.
9-497. Promulgation of administrative regulations.

(a) The city manager is authorized to establish any additional administrative rules, regulations and standards governing the issuance, denial or renewal of marijuana cannabis business permits, or concerning any other subject necessary to carry out the purposes of this chapter.

(b) Regulations promulgated by the city manager shall become effective upon the date of issuance publication. Marijuana-Marijuana businesses shall be required to comply with all state and local laws and regulations, including, but not limited to, any rules, regulations or standards adopted by the city manager.

(c) Such administrative rules, regulations and/or standards may include establishing standards and timing for application processing, including but not limited to providing priority for existing permittees in good standing with all the terms and conditions of their permits.

9-498. Inspection and enforcement.

(a) The city manager is charged with enforcing the provisions of the Costa Mesa Municipal Code, or any provision thereof, and may enter the location of a marijuana cannabis business at any time during the hours of operation without notice, and inspect the location of any marijuana cannabis business as well as any recordings and records required to be maintained pursuant to this title or under applicable provisions of state law.

(b) It is unlawful for any person having responsibility for the operation of a marijuana cannabis business, to impede, obstruct, interfere with, or otherwise not to allow, the city to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a marijuana business under this chapter or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsify any records, recordings or other documents required to be maintained by a marijuana cannabis business under this chapter or under state or local law.

9-499. Violations.

(a) Violations declared a public nuisance. Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance.

(b) Each violation a separate offense. Each and every violation of this chapter shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the Costa Mesa Municipal Code. Additionally, as a nuisance per se, any violation of this chapter shall be subject to injunctive relief, any permit issued pursuant to this chapter being deemed null and void, disgorgement and payment to the city of any monies unlawfully obtained, costs of abatement, costs of investigation, attorney fees, and any other relief or remedy available at law or in equity. The city may also pursue any and all remedies and actions available and applicable under state and local laws for any violations committed by the marijuana cannabis business or persons related to, or associated with, the marijuana cannabis activity. Additionally, when there is determined to be an imminent threat to public health, safety or welfare, the city manager, or the chief of police, may take immediate action to temporarily suspend a marijuana cannabis business permit issued by the city, pending a hearing before the city council.

(c) Criminal penalties. Each and every violation of the provisions of this chapter may be prosecuted as a misdemeanor and upon conviction be subject to a fine not to exceed one thousand
dollars ($1,000.00) or imprisonment in the County Jail for a period of not more than twelve (12) months, or by both such fine and imprisonment. Each day a violation is committed or permitted to continue shall constitute a separate offense.

(d) *Remedies cumulative and not exclusive.* The remedies provided herein are not to be construed as exclusive remedies. The city is authorized to pursue any proceedings or remedies provided by law.
ARTICLE 21. LOCATION OF MARIJUANA CANNABIS DISTRIBUTING, MANUFACTURING, RESEARCH AND DEVELOPMENT AND TESTING LABORATORIES

13-200.90. Purpose.

The purpose of this article is to regulate the location of marijuana cannabis distributing facilities, manufacturing sites, research and development laboratories and testing laboratories in order to promote the health, safety, morals and general welfare of the residents and the businesses within the city by maintaining local control over the ability to authorize and regulate the location of marijuana cannabis businesses.

13-200.91. Applicability.

(a) Nothing in this article is intended, nor shall it be construed, to burden any defense to criminal prosecution under the Compassionate Use Act of 1996.
(b) All the provisions of this article shall apply to all property, public and private, within the city.
(c) All the provisions of this article shall apply indoors and outdoors.
(d) Unless otherwise provided herein, the terms used in this article shall have the meaning ascribed to them in Title 9, Chapter VI of this Code.

13-200.92. Marijuana Cannabis distributing facilities, manufacturing sites, research and development laboratories, and testing laboratories.

(a) Marijuana Cannabis distribution, manufacturing, research and development and testing is prohibited in all zone districts within the city, except for those portions of the manufacturing park (MP) and planned development industrial (PDI) zones that are located both north of South Coast Drive and west of Harbor Boulevard, excluding any portion of the South Coast Collection (the “Green Zone”).
(b) A conditional use permit shall be required and may be issued to allow the location of any business engaged in the distribution, manufacturing, researching and developing, or testing of marijuana cannabis in the MP or PDI zones pursuant to subsection (a) of this section, subject to the following conditions:
   (1) The requirements of Chapter III of this title have been met;
   (2) The findings for granting a conditional use permit in accordance with section 13-29(g) are met;
   (3) The applicant obtains a marijuana cannabis business license pursuant to Chapter VI of Title 9 of this Code; and
   (4) The use is conducted in compliance with all applicable state and local laws.
(c) No person shall engage in any use set forth in this article unless that use is specifically authorized by Chapter VI of Title 9 of this Code.

13-200.93. Cannabis retail storefront and non-storefront uses.

(a) Cannabis retail storefront uses are prohibited in all zone districts within the city, except for the commercial zone districts.
(b) Cannabis retail non-storefront uses are prohibited in all zone districts within the city, except for the commercial zone districts and within the Green Zone.

(c) The following planning application shall be required for cannabis retail uses:
   (1) A minor conditional use permit shall be required for retail storefronts and non-storefronts; and
   (2) An amendment to the approved conditional use permit shall be required for existing licensed cannabis distribution or manufacturing businesses to operate a retail non-storefront under the existing business and within the same licensed premise. The amendment shall be processed as a minor conditional use permit.

(d) A minor conditional use permit may be issued to allow the location of a retail cannabis use pursuant to subsections (a) and (b) of this section, subject to the following conditions:
   (1) The requirements of Chapter III of this title have been met;
   (2) The findings for granting a minor or conditional use permit pursuant to section 13-29(g) are met;
   (3) The applicant obtains a cannabis business license for the location pursuant to Chapter VI of Title 9 of this Code; and
   (4) The use is conducted in compliance with all applicable state and local laws.

(e) No cannabis retail storefront use shall be located:
   (1) Within one-thousand (1,000) feet from a school, playground, childcare or daycare center, or homeless shelter that is in operation at the time of submission of a completed Cannabis Business Permit application;
   (2) Within six-hundred (600) feet of a youth center, as defined in Chapter VI of Title 9, that is in existence at the time of submission of a completed Cannabis Business Permit application;
   (3) All distances shall be measured in a straight line from the closest property line of the lot where the cannabis retail use is to be located to the closest property line of a school, playground, childcare or daycare center, homeless shelter or youth center;
   (4) All distances shall be measured without regard to the boundaries of the city and and/or intervening structures or other barriers, except only for properties separated by the Interstate 405 freeway for which the distances set forth in subsections (1) and (2) shall be measured as the most direct pedestrian route between properties;
   (5) At a property as for which the zoning administrator, director, planning commission or other review authority determines, based on a preponderance of the evidence, that unpermitted and/or illegal cannabis activity involving sales, delivery and/or dispensing has taken place at any time in the five (5) years preceding an application under this Article.

(f) The zoning administrator, director or planning commission may grant relief to an otherwise qualified applicant from the prohibitions of sub-section (b)(5) for good cause based on a finding supported by a preponderance of the evidence that:
   i. The unpermitted use has ceased for a period of not less than 180 days;
   ii. The applicant is a purchaser of the property and not otherwise ineligible or the applicant is leasing the property from a purchaser or owner who is not ineligible to hold a cannabis business permit pursuant to section 9-490; and
   iii. The city has been reimbursed for any and all expenditure of public funds and resources, including all costs, expenses (including but not limited to the salaries of peace and/or code enforcement officers) and/or attorney's fees, incurred in investigating, abating or attempting to abate the unpermitted use or uses.
whether or not any type of civil, criminal or administrative proceedings have
been commenced against the property.
(7) A determination and/or finding under sub-sections (e)(5) and/or (6) is subject to the
appeal provisions of Chapter IX of Title 2 of this Code.

(f) Retail storefront uses shall be subject to the following development standards in addition to
those contained in Chapter VI of Title 9:
(1) Opaque window coverings unless required by the City for security purposes are
prohibited;
(2) Permanent security or safety bars shall not be placed on any interior or exterior windows
or door, unless required by the City for security purposes;
(3) Directional signage to the use including but not limited to A-frame signs, sandwich board
signs, banners, or flags are prohibited;
(4) No use shall advertise by having a person holding a sign and advertising the business to
passersby, whether such person is on the premises of the commercial cannabis business
or elsewhere including, but not limited to, the public right-of-way;
(5) Uses shall comply with the landscaping requirements set forth in Chapter VII of this title
including bringing the site landscaping into conformance when feasible as determined by
the director;
(6) Parking requirements shall be subject to Section 13-89;
(7) The hours of operation may be established as part of the planning application subject to
the final review authority and may be more restrictive than those set forth in Chapter VI
of Title 9. Modification of operation hours when established as part of the planning
application shall be subject to an amendment of the planning application;
(8) Drive-through services or walk-up window services are prohibited;
(9) Outdoor seating or patio areas are prohibited;
(10) Special events that include live entertainment, dancing, and/or amplified music, or that
are otherwise visible and/or audible from the public right-of-way, are prohibited;
(11) All cannabis products shall be secured after business hours in a locked container under
24-hour video surveillance; and
(12) For uses within two hundred (200) feet of a residential zone, all exterior lighting shall be
shielded and/or directed away from residential areas. In addition, trash facilities shall be
screened from view and designed and located appropriately to minimize potential noise
and odor impacts to adjacent residential areas.

(g) Non-storefront uses shall be subject to the following development standards in addition to
those contained in Chapter VI of Title 9:
(1) Uses may operate independently from a retail storefront or as a part of, and in
conjunction with, a permitted storefront, distribution, or manufacturing facility;
(2) Parking requirements shall be subject to Section 13-89 and shall also include parking
spaces for delivery vehicles;
(3) All deliveries to customers shall be completed by 10:00 p.m.; and
(4) The general public shall not be permitted to enter the premises of a non-storefront retail
use.

(h) Except as specifically authorized in this article, all other cannabis retail uses such as but not
limited to lounges and cafes are expressly prohibited in the city.

(i) No person shall engage in any use set forth in this article unless that use is specifically
authorized by Chapter VI of Title 9 of this Code.
(i) Any cannabis use, including but not limited to those involving sale, delivery and/or dispensing, that is not permitted, licensed and otherwise in full compliance with all applicable provisions of this Code and state and local law, shall not be considered a legally non-conforming use pursuant to, and notwithstanding any contrary provisions of, Chapter IX of this title.


Any use, structure, or property that is altered, enlarged, erected, established, maintained, moved, or operated contrary to the provisions of this article, is hereby declared to be unlawful and a public nuisance and may be abated by the city through civil and/or administrative proceedings by means of a restraining order, preliminary or permanent injunction, or in any other manner provided by law for the abatement of such nuisances. (Ord. No. 16-15, § 5, 11-8-16; Ord. No. 18-04, § 4, 4-3-18)

13-200.954. Violations.

Violations of this article shall be punishable pursuant to the provisions of section 13-16. (Ord. No. 16-15, § 5, 11-8-16; Ord. No. 18-04, § 4, 4-3-18)
### CHAPTER IV. CITYWIDE LAND USE MATRIX

#### TABLE 13-30

CITY OF COSTA MESA LAND USE MATRIX

<table>
<thead>
<tr>
<th>LAND USES</th>
<th>R1</th>
<th>R2- MD</th>
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<th>AP</th>
<th>CI</th>
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<td>16. Day care facilities (15 children or more) (see also Nursery schools)</td>
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<td>17. Family day care—Large (7 to 14 children) (subject to the requirements of section 13-37, large family day care homes)</td>
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<td>18. Family day care—Small (up to 8 children)</td>
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#### INSTITUTIONAL AND RECREATIONAL USES

| 31a. Medical marijuana dispensary |
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| 31b. Marijuana and/or medical marijuana cultivation |
| • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • | • |
| 31c. Cannabis and/or |
| • | • | • | • | • | . | . | . | . | . | . | . | . | . | . | . | . | . | . |

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<table>
<thead>
<tr>
<th>marijuana distributor</th>
<th>31g. Cannabis and/or marijuana manufacturer or processor</th>
<th>31h. Cannabis and/or marijuana retail sales: non-storefront (delivery)</th>
<th>31i. Cannabis and/or marijuana research and development and/or testing laboratories</th>
<th>33. Nurseries—See also Day care facilities for 15 or more children</th>
<th>34. Parks and playgrounds</th>
<th>35. Schools: primary, secondary and colleges</th>
<th>37. Schools: trade and vocational</th>
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### COMMERCIAL AND INDUSTRIAL USES

<table>
<thead>
<tr>
<th>46. Amusement centers (subject to the requirements of chapter IX, article 5, electronic game machines)</th>
<th>C-1</th>
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1. Uses proposed in this zone are subject to verification of consistency with the adopted master plan. Uses not specified in the master plan, could be allowed, subject to the review process indicated in this matrix, if the proposed use is determined to be compatible with the adopted master plan. Residential uses shall not be permitted on any site or parcel of land on which residential uses are expressly prohibited by the general plan.

2. This use is subject to the requirements of the referenced Municipal Code article or section.

3. If residential uses exist, accessory uses shall be permitted.

4. For the purposes of this table, the symbols in the non-shaded areas shall have the following meaning: C—Conditional Use Permit; MC—Minor Conditional Use Permit; P—Permitted; ——Prohibited; and S—Special Use Permit.

5. Six-hundred—fifty-foot separation required between sober living homes, or from state licensed alcohol or drug abuse recovery or treatment facilities. CMMC 13-311(a)(10)(i).

6. Subject to the separation requirement set forth in sections 13-322(a)(3) and 13-323(b).

7. Small boardinghouses shall locate at least six hundred fifty (650) feet from any other small boardinghouse. Large boardinghouses shall be located at least one thousand (1,000) feet away from any other boardinghouse.

8. Uses prohibited in the base zoning district of a mixed-use overlay zone shall also be prohibited in the overlay zone.


10. Emergency shelters located on sites owned, controlled, and/or operated by the city in the MP and/or the PDI zone are a permitted use and the standards in section 13-200.79(1), (2), (4), (8), (10) and (13) do not apply to such uses.

11. Playgrounds, child care or daycare centers, youth center uses, as defined in Chapter VI of Title 9, and schools providing instruction in kindergarten or any grades 1 through 12 (unless subject to the Division of the State Architect) shall not be located within one thousand (1,000) feet of existing permitted retail cannabis storefronts, except for youth centers which shall not be located within six hundred (600) feet thereof.