

ORDINANCE NO. 2024-519

AN ORDINANCE OF THE CITY OF GUADALUPE, CALIFORNIA AMENDING VARIOUS SECTIONS OF CHAPTER 9.22 TO TITLE 9 OF THE GUADALUPE MUNICIPAL CODE RELATING TO COMMERCIAL CANNABIS BUSINESSES

WHEREAS, the City Council finds that the provisions of the Medicinal and Adult Use Cannabis Regulation and Safety Act (“MAUCRSA”) accommodates the needs of medically ill persons in need of cannabis for medicinal purposes as recommended by their health care provider(s), and also provides access to adult-use cannabis for persons aged 21 and over as authorized by the Control, Tax & Regulate the Adult Use Cannabis Act (“AUMA” or “Proposition 64” approved by California voters in 2016); and

WHEREAS, commercial cannabis is a source of much needed revenue for the City of Guadalupe; and

WHEREAS, the City Council understands that sensible regulations on the use of land to protect the City’s residents, neighborhoods, and businesses are necessary to mitigate possible negative impacts that might arise from the legalization of commercial uses of cannabis in the City of Guadalupe, and the City Council intends to regulate the commercial cultivation, processing, manufacturing, testing, sale, delivery, and distribution of cannabis and cannabis products in a responsible manner to protect the health, safety, and welfare of the residents of the City and to enforce rules and regulations consistent with state law; and

WHEREAS, in consideration of the foregoing, the City Council adopted Ordinance No. 2021-494 on May 25, 2021, (effective on June 24, 2021), adding new Chapter 9.22 to the Guadalupe Municipal Code and amending various sections of Title 12 of the Guadalupe Municipal Code (Zoning) to permit the establishment of retail and other types of commercial cannabis businesses; and

WHEREAS, thereafter, City staff identified several provisions of Ordinance No. 2021-494 that required corrections, and also, wanted to add several provisions concerning how much time would be afforded to the selected applicants to complete the process for obtaining issuance of a commercial cannabis business (CCB) permit; and

WHEREAS, at its meeting on February 14, 2023, the City Council approved Ordinance No. 2023-508 amending Chapter 9.22 of Title 9 of the Guadalupe Municipal Code to include required timelines for completion of the process of obtaining a CCB permit as well as to make corrections for the purposes of clarification; and

WHEREAS, the selected applicants thereafter complied with the new timelines and were issued CCB permits as of December 4, 2023; and

WHEREAS, two of the selected applicants have not yet exercised their CCB permits, and after City staff sent notices to these applicants notifying them of the issuance of their CCB permits and advising that these permits needed to be exercised within 12 months of issuance (i.e., by December 4, 2024), staff subsequently discovered an apparent drafting error in Chapter 9.22 of the Guadalupe Municipal Code with respect to the time period by which a CCB permit that has been issued, but not yet exercised, must be renewed; and

WHEREAS, staff has identified the need to correct this error so that the annual CCB permit renewal timeline does not begin until after a CCB permit has first been exercised (within the allotted time for it to be exercised), and also, to provide some flexibility concerning the decision whether to reject the request to renew as CCB permit.

NOW, THEREFORE, the City Council of the City of Guadalupe, State of California, does hereby ordain as follows:

SECTION 1. Section 9.22.150 of Chapter 9.22 of Title 9 of the Guadalupe Municipal Code is hereby amended as follows:

9.22.150 Exercise of a Cannabis Business Permit.

A. Except as provided in subsection D, below, each Cannabis Business Permit issued pursuant to this Chapter shall expire 12 months after the date of issuance. Cannabis Business Permits may be renewed as provided in Section 9.22.180.

B. A Cannabis Business Permit shall be exercised within 12 months of issuance. Exercised shall be when any of the following occur:

1. A Certificate of Occupancy has been issued, or
2. The permitted use(s) has commenced on the site.

C. The expiration of a Cannabis Business Permit shall automatically result in a rejection of the selected candidate as authorized by Section 9.22.120.B., unless renewed as provided in Section 9.22.120, and unless renewed, the candidate shall not be able to obtain issuance of a Cannabis Business Permit unless the City opens up a new application process.

D. For purposes of determining when a Cannabis Business Permit must be renewed, a Cannabis Business Permit that has been issued, but not yet exercised as provided in subsection B, above, is not required to be renewed until 12 months after the date the permit is exercised. The provisions of Section 9.22.180 shall apply beginning on the date the permit was first exercised.

SECTION 2. Section 9.22.180 of Chapter 9.22 of Title 9 of the Guadalupe Municipal Code is hereby amended as follows:

9.22.180. Renewal of cannabis business permits.

A. An application for renewal of a cannabis business permit shall be filed at least 60 calendar days prior to the expiration date of the current permit, or in the case of a cannabis business permit that has not yet been exercised, the application for renewal shall be filed at least 60 calendar days prior to the end of the 12-month period running from the date the cannabis business permit was first exercised.

B. The renewal application shall contain all the information required for new applications.

C. The applicant shall pay a fee in an amount to be set by the City Council to cover the costs of processing the renewal permit application, together with any costs incurred by the City to administer the program created under this chapter.

D. An application for renewal of a cannabis business permit may be rejected if any of the following exists:

1. The application is filed less than 60 days before its expiration or a shorter time period which shall be at the discretion of the City Administrator.

2. The cannabis business permit is suspended or revoked at the time of the application.

3. The cannabis business has not been in regular and continuous operation in the 4 months prior to the renewal application or the approved extension of the deadline from the City Administrator.

4. The cannabis business has failed to conform to the requirements of the cannabis business permit or this chapter or any regulations adopted pursuant to this chapter.

5. The permittee fails or is unable to renew its State of California license.

6. If the State has determined, based on substantial evidence, that the permittee or applicant is in violation of the requirements of the State rules and regulations and the State has determined that the violation is grounds for termination or revocation of the cannabis business permit.

7. The applicant filed an application within one year from the date that a previous application was denied.

E. The City Administrator or the City Administrator's designee(s) is authorized to make all decisions concerning the issuance of a renewal permit. In making the decision, the City

Administrator or the City Administrator's designee(s) is authorized to impose additional conditions to a renewal permit, if it is determined to be necessary to ensure compliance with State or local laws and regulations or to preserve the public health, safety, or welfare. Appeals from the decision of the City Administrator or the City Administrator's designee(s) shall be handled pursuant to Sections 9.22.250 through 9.22.260.

SECTION 3. If any section, subsection, phrase, or clause of this ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this Ordinance.

SECTION 4. The City Clerk is hereby authorized to make minor changes herein to address clerical errors, so long as substantial conformance of the intent of this document is maintained. In doing so, the City Clerk shall consult with the City Administrator and City Attorney concerning any changes deemed necessary.

INTRODUCED at a regular meeting of the City Council held on the 28th day of May 2024, by the following roll call vote:

MOTION: EUGENE COSTA JR. / GILBERT ROBLES

AYES: 5 Councilmembers: Costa Jr., Hernandez, Julian, Furness, Robles
NOES: 0
ABSENT: 0
ABSTAINED: 0

PASSED AND APPROVED as the regular meeting of the City Council on the 11th day of June 2024, by the following roll call vote:

MOTION: CHRISTINA HERNANDEZ / WHITNEY FURNESS

AYES: 5 Councilmembers: Costa Jr., Hernandez, Julian, Furness, Robles
NOES: 0
ABSENT: 0
ABSTAINED: 0

ATTEST:

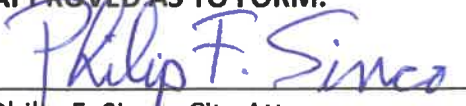


Todd Bodem, Deputy City Clerk



Ariston Julian, Mayor

APPROVED AS TO FORM:


Philip F. Sinco, City Attorney