

1. Revise Section 20.410.001 as follows:

SECTION 20.410.001 Purpose and Intent

It is the purpose and intent of this Chapter to permit and regulate commercial cannabis manufacturing, testing, distribution, indoor cultivation, and delivery uses and to preclude the outdoor cultivation of cannabis, ~~preclude the indoor and mixed light commercial cultivation of cannabis~~, and to preclude the opening, establishment, and/or operation of microbusinesses and storefront cannabis retail establishments, including medical cannabis cooperatives and collectives, in the City. Nothing in this Chapter is intended to authorize the cultivation, possession, or use of cannabis in violation of state or federal law. This Chapter acknowledges that ~~the cultivation of commercial~~ commercial cannabis activity is illegal under federal law while granting limited immunity from local prosecution to those medical and nonmedical cannabis activities that do not violate the restrictions and limitations set forth in this section or California law.

2. Revise Section 20.410.002 as follows:

SECTION 20.410.002 Definitions

“Indoor commercial cannabis cultivation” means cultivation of cannabis for commercial purposes within a fully enclosed, permanent, secure, structure, ~~including greenhouses and similar structures~~, Indoor commercial cannabis cultivation only includes cultivation that exclusively uses artificial lighting as used for mixed light cultivation licensed pursuant to State law, ~~for commercial cannabis uses~~. For the purposes of this Chapter, indoor commercial cultivation does not include cultivation that is legally conducted pursuant to federally-regulated scientific research.

3. Revise Section 20.410.003 as follows:

SECTION 20.410.003 Cannabis Retail Establishments, and Microbusinesses, and Outdoor Cultivation Prohibited

A. Storefront Prohibited. A storefront cannabis retail establishment is not a permitted use and is prohibited in all zones throughout the City. No permit or any other applicable license or entitlement for use, nor any business license, shall be approved or issued for the establishment, maintenance or operation of a storefront cannabis retail establishment within the City. This prohibition shall not apply to a delivery-only retail cannabis operation operating under an issued state cannabis license for retailers.

B. Microbusiness Prohibited. A microbusiness is not a permitted use and is prohibited in all zones throughout the City. No permit or any other applicable license or entitlement for use, nor any business license, shall be approved or issued for the establishment, maintenance or operation of a Cannabis Microbusiness within the City.

C. Outdoor Cultivation. All outdoor cultivation of cannabis is prohibited in the City. The prohibition on outdoor cultivation of cannabis applies to cultivation of cannabis for any reason, including, but not limited to, personal, medical or commercial use. No permit or any other applicable license or entitlement for use, nor any business license, shall be approved or issued for the establishment, maintenance or operation of an outdoor cannabis cultivation site within the City.

D. Public Nuisance. The establishment, maintenance or operation of a storefront cannabis retail establishment, ~~or a microbusiness, or the outdoor cultivation of cannabis~~ within the City is declared to be a public nuisance and may be abated by the City either pursuant to the South San Francisco Municipal Code or any other available legal remedies, including, but not limited to, declaratory relief and civil injunctions.

4. **Revise Section 20.410.004 as follows:**

20.410.004 Indoor Commercial Cannabis Cultivation

~~A. All outdoor cultivation of cannabis is prohibited in the City. The prohibition on outdoor cultivation of cannabis applies to cultivation of cannabis for any reason, including, but not limited to, personal, medical or commercial use.~~

~~B. The outdoor cultivation of cannabis within the City is declared to be a public nuisance and may be abated by the City either pursuant to the South San Francisco Municipal Code or any other available legal remedies, including, but not limited to, declaratory relief and civil injunctions. (Ord. 1548 § 2, 2017)~~

Indoor Commercial Cannabis Cultivation is permitted in the City subject to the following requirements:

- A. Zones Where Permitted. Indoor commercial cannabis cultivation shall not be permitted anywhere in the City except east of Highway 101 in the following zoning districts: Business Commercial (BC), Business Technology Park (BTP), Bay West Cove Specific Plan District (BWCSPD), Gateway Specific Plan (GSPD), Mixed Industrial (MI), and Oyster Point Specific Plan District (OPSD).
- B. Conditional Use Permit Required. Indoor commercial cannabis cultivation is only permitted in the zoning districts specified above with a conditional use permit approved by the Planning Commission.
- C. Distance Requirements. Indoor commercial cannabis cultivation sites must be located in the zoning districts listed in section (A). Indoor commercial cannabis cultivation must also be located a minimum of 600 feet from residential uses, schools, day care centers and youth centers. The terms “school”, “day care center” and “youth center” shall have the same meaning as in State laws related to cannabis.

D. Operational Requirements.

1. Operator Permits. All indoor commercial cannabis cultivation operations must obtain and maintain a valid operator permit issued by the City pursuant to Section 20.410.009 prior to commencing any commercial cannabis activity for which a State cannabis license is required.
2. Compliance with Law. All indoor commercial cannabis cultivation activities must be conducted in accordance with all applicable State laws and regulations, as may be amended from time to time, and all applicable local laws and regulations.
3. Visibility. All cannabis, cannabis by-products, and any aspect of indoor cannabis cultivation activities that indicate the type of product(s) being cultivated shall not be visible from a public right-of-way and/or exterior of a structure.
4. Odor Control. Operators must install and maintain, in good working-order, air treatment or other ventilation systems to prevent odors generated from the cultivation of cannabis from being detected within ten (10) feet of the structure in which commercial cannabis cultivation occurs.
5. Labeling. All finished cannabis products must be labeled in compliance with applicable State laws and regulations.
6. Artificial Lighting. All commercial cultivation activities must be conducted exclusively using artificial lighting as licensed pursuant to State law.
7. Permanent Structures Only. All commercial cultivation activities must be conducted inside permanent, secure structures and may not be conducted in greenhouses, hoop houses, temporary or other similar structures, including, but not limited to, tents or modular sheds.
8. Quality Control Personnel. All indoor commercial cannabis cultivation sites must employ at least one (1) full time quality assurance compliance monitor who shall not hold a commercial cannabis license or have an ownership interest in a commercial cannabis licensee or the premises of a commercial cannabis licensee.
9. Renewable Energy Requirements. All indoor commercial cannabis cultivation operations must satisfy all electrical needs for the operation from renewable energy sources.
10. Security Plan Requirements for Indoor Commercial Cannabis Cultivation Sites. All indoor commercial cannabis cultivation sites must implement and maintain a security plan and surveillance system that complies with the requirements outlined in Section 20.410.010 herein.

11. Fire Safety Plan Requirements. All indoor commercial cannabis cultivation sites must comply with the provisions of a fire safety plan ensuring compliance with all applicable Fire Code and Building Code requirements prepared by a third-party engineer and approved by the City.

12. Liquid or Solid Wastes. Operators shall not discharge liquids and solids of any kind, whether directly or indirectly, into a public or private body of water, sewage system, watercourse, or into the ground, except in compliance with applicable regulations of the California Regional Water Quality Control Board.

E. Operating Agreement. The City shall require indoor commercial cannabis cultivation operations to enter into an operating agreement with the City, pursuant to Section 20.410.009 herein.

5. **Revise Section 20.410.005 as follows:**

SECTION 20.410.005 Commercial Cannabis Manufacturing

Commercial Cannabis Manufacturing is permitted in the City subject to the following requirements:

A. Zones Where Permitted. Commercial cannabis manufacturing activity shall not be permitted anywhere in the City except east of Highway 101 in the following zoning districts: ~~Business Professional (BPO)~~ and Mixed Industrial (MI).

6. **Revise Section 20.410.006 as follows:**

SECTION 20.410.006 Cannabis Testing Operations

Commercial Cannabis Testing is permitted in the City subject to the following requirements:

A. Zones Where Permitted. Commercial cannabis testing activity shall not be permitted anywhere in the City except east of Highway 101 in the following zoning districts: Business Commercial (BC), ~~Business Professional Office (BPO)~~, Business Technology Park (BTP), Bay West Cove Specific Plan District (BWCSPD), Gateway Specific Plan (GSPD), Mixed Industrial (MI), and Oyster Point Specific Plan District (OPSD).

7. **Revise Section 20.410.007 as follows:**

SECTION 20.410.007. Cannabis Distribution Operations

Cannabis Distribution Operations are permitted in the City subject to the following requirements:

A. Zones Where Permitted.

1. Distribution Permitted. Cannabis distribution operations are permitted to distribute to other properly licensed and permitted commercial cannabis operations throughout the City and to other jurisdictions where such activities are permitted.
2. Distribution Facility. Fixed locations for distribution facilities are prohibited everywhere in the City except east of Highway 101 in the following zoning districts: ~~Business and Professional Office (BPO), and~~ Mixed Industrial (MI).

8. Revise Section 20.410.009(B) as follows:

SECTION 20.410.009. Operator Permit Requirements

B. **Permit Types.** Prior to engaging in any commercial cannabis business, individuals must obtain an operator permit from the City corresponding to the category of activity or enterprise. The following permit types are available in the City:

1. Commercial Cannabis Manufacturing Permit
2. Commercial Testing Permit
3. Indoor Commercial Cannabis Cultivation Permit
4. Commercial Cannabis Distribution Permit
5. Commercial Cannabis Delivery-Only Permit

9. Revise Table 20.090.002 “Land Use Regulations—Commercial, Office, and Mixed-Use Districts” as follows:

Use Classification	CC	BPO	CMX	ECRMX	Additional Regulations
Commercial Uses					
Business Services	P	P	P	P	
Commercial Cannabis Businesses					
Cannabis Delivery Only Operations	-	-	-	-	See Chapter 20.410 "Regulation of Cannabis Activities"
Cannabis Distribution	-	€	-	-	See Chapter 20.410 "Regulation of Cannabis Activities"
Cannabis Manufacturing	-	€	-	-	See Chapter 20.410 "Regulation of Cannabis Activities"
Cannabis Testing	-	€	-	-	See Chapter 20.410 "Regulation of Cannabis Activities"

10. Revise Table 20.110.002 "Land Use Regulations—Employment Districts" as follows:

Use Classification	BC	BTP	FC	MI	Additional Regulations
Commercial Uses					
Business Services	P	MUP	-	P	
Commercial Cannabis Businesses					
Cannabis Delivery-Only Operations	C	C	-	C	See Chapter 20.410 “Regulation of Cannabis Activities”
Cannabis Distribution	-	—	-	C	See Chapter 20.410 “Regulation of Cannabis Activities”
<u>Cannabis Indoor Cultivation</u>	<u>C</u>	<u>C</u>	<u>-</u>	<u>C</u>	See Chapter 20.410 “Regulation of Cannabis Activities”
Cannabis Manufacturing	-	—	-	C	See Chapter 20.410 “Regulation of Cannabis Activities”
Cannabis Testing	C	C	-	C	See Chapter 20.410 “Regulation of Cannabis Activities”

11. Revise Table 20.210.003 “Land Use Regulations—Bay West Cove Specific Plan District” as follows:

	Bay West Cove Planning Area					
Uses Permitted	1a	1b	2	3	4	Additional Regulations
Employment Use Classifications						
<u>Cannabis Indoor Cultivation</u>	<u>C</u>	<u>-</u>	<u>C</u>	<u>C</u>	<u>-</u>	<u>See Chapter 20.410 “Regulation of Cannabis Activities”</u>
Cannabis Testing	C	-	C	C	-	See Chapter 20.410 “Regulation of Cannabis Activities”
Research and Development	P	-	P	P	-	

12. Revise Table 20.220.003 “Land Use Regulations—Gateway Specific Plan District” as follows:

Uses Permitted	Gateway Specific Plan Zone					Additional Regulations
Employment Use Classifications						
<i>Cannabis Indoor Cultivation</i>	=	<u>C</u>	<u>C</u>	<u>C</u>	=	<i>See Chapter 20.410 "Regulation of Cannabis Activities"</i>
Cannabis Testing	-	C	C	C	-	See Chapter 20.410 "Regulation of Cannabis Activities"
Research and development	-	P	P	P	P	

13. Revise Table 20.230.003 "Land Use Regulations" for the Oyster Point Specific Plan District as follows:

Uses Classifications	Planning Area 1	Planning Area 2
Employment Uses		
<i>Cannabis Indoor Cultivation</i>	C(7)	C(7)
Cannabis Testing	C(7)	C(7)
Research and Development	P	P(5)
Notes: 1. Limited to storage, repair and service of water craft, except that Automobile Vehicle Rentals may be approved as ancillary to a hotel use. 2. Only within hotels. 3. Retail and eating and drinking establishment uses are limited to a total of 40,000 square feet in Planning Area 2. 4. Hotel use is limited to no more than two hotels of up to a total of 350 rooms. 5. Use may be subject to limitations pursuant to terms of an approved Disposition and Development Agreement. 6. Only permitted to be installed on building rooftop—all other equipment and facilities must be inside the primary structure or an approved and established equipment yard—and subject to Chapter 20.370 ("Antenna and Wireless Communications Facilities"). 7. See Chapter 20.410 "Regulation of Cannabis Activities"		

SECTION 3. Severability

If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid or unconstitutional, the remainder of this Ordinance, including the application of such part or provision to other persons or circumstances, shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this Ordinance are severable. The City Council of the City of South San Francisco hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid, or unenforceable.

SECTION 4. Publication and Effective Date

Pursuant to the provisions of Government Code section 36933, a summary of this Ordinance shall be prepared by the City Attorney. At least five (5) days prior to the Council meeting at which this Ordinance is scheduled to be adopted, the City Clerk shall (1) publish the Summary, and (2) post in the City Clerk's Office a certified copy of this Ordinance. Within fifteen (15) days after the adoption of this Ordinance, the City Clerk shall (1) publish the summary, and (2) post in the City

Clerk's Office a certified copy of the full text of this Ordinance along with the names of those City Council members voting for and against this Ordinance or otherwise voting. This Ordinance shall become effective thirty (30) days from and after its adoption.

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Introduced at a regular meeting of the City Council of the City of South San Francisco held the _____ day of _____, 2018.