ORDINANCE NO. 1877

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, AMENDING CHAPTER 18.66 AND SECTION 18.36.020 AND ADDING CHAPTER 5.80 TO THE GARDENA MUNICIPAL CODE RELATING TO NON-STOREFRONT RETAIL MEDICINAL CANNABIS DELIVERY SERVICE BUSINESSES

WHEREAS, on November 6, 1996, California voters approved Proposition 215, the "Compassionate Use Act of 1996", an initiative measure that declared that its purpose was, among other things, to ensure that seriously ill Californians have the right to obtain and use marijuana for medical purposes and exempts from state criminal liability certain patients and their primary caregivers who possess or cultivate marijuana for the personal medical purposes of the patient; and

WHEREAS, on October 9, 2015, Assembly Bill 243, Assembly Bill 266, and Senate Bill 643 were signed into law, which collectively were known as the Medical Cannabis Regulation and Safety Act (hereinafter "MCRSA") and established a state regulatory and licensing scheme for commercial and medical cannabis businesses; and

WHEREAS, on November 8, 2016, California voters approved Prop 64, the "Control, Regulate and Tax Adult Use of Marijuana Act" ("AUMA"), an initiative measure which made it lawful under state and local law for persons 21 years of age or older to possess and cultivate limited quantities of cannabis for personal non-medical or recreational use. The AUMA also established a state regulatory and licensing scheme for commercial adult-use cannabis businesses; and

WHEREAS, on June 27, 2017, Senate Bill 94 was signed into law and repealed the MCRSA, included certain portions of the MCRSA in the licensing provisions of the AUMA, and created a single regulatory scheme known as the Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA") to regulate both medical and nonmedical cannabis and retained certain provisions from MCRSA and AUMA that granted local jurisdictions control over whether commercial cannabis activity could occur in a particular jurisdiction; and

WHEREAS, Gardena Municipal Code Chapter 18.66 currently prohibits all cannabis activity in the City except for personal cultivation, including all delivery of cannabis to or from destinations within the city, including for medical purposes; and

WHEREAS, on September 18, 2022, Governor Newsom signed Senate Bill No. 1186 into law, which is referred to as the Medicinal Cannabis Patients' Right of Access Act, codified as Chapter 26 (commencing with Section 26320) to Division 10 of the Business and Professions Code, ("MCPRAA"); and

WHEREAS, the MCPRAA further prohibits cities from adopting or enforcing any regulations on or after January 1, 2024, that have the effect of prohibiting the retail sale by delivery within the local jurisdiction of medicinal cannabis to medicinal cannabis patients or their primary caregivers in a timely and readily accessible manner and in types and quantities that are sufficient to meet demand from medicinal cannabis patients within the jurisdiction; and

WHEREAS, Sections 5 and 7 of Article XI of the California Constitution, and the provisions of the Medical Cannabis Regulation and Safety Act ("MCRSA") as amended by the Medical and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA"), authorize cities to adopt ordinances that establish standards, requirements, and regulations for local licenses and permits for commercial cannabis and cannabis related activity. Any standards, requirements, and regulations regarding health and safety, security, and worker protections established by the State of California, or any of its departments or divisions, shall be the minimum standards applicable to medicinal cannabis related activity in a city; and

WHEREAS, the City desires to amend the Gardena Municipal Code to reflect the requirements of SB 1186 and appropriately regulate the establishment of physical premises from which retail sale by delivery of medicinal cannabis within the City is conducted by a licensed non-storefront retailer; and

WHEREAS, Chapter 18.66 of the Gardena Municipal Code imposes reasonable regulations consistent with state law to protect the city's neighborhoods, residents, and businesses from negative public safety and aesthetic impacts associated with the transporting, delivery, and distribution of medicinal cannabis and medicinal cannabis products to patients within the City; and

WHEREAS, on December 3, 2024, the Planning Commission of the City of Gardena, held a duly noticed public hearing at which time it considered all evidence presented, both written and oral regarding the proposed amendments to Title 18 of the Gardena Municipal Code as set forth in this Ordinance, after which time it adopted Resolution No. PC 21-24 recommending that the City Council adopt this Ordinance and make a finding that the Ordinance falls under the common sense exemption of CEQA set forth in Guidelines section 15061(b)(3); and

WHEREAS, on February 11, 2025, the City Council of the City of Gardena held a duly noticed public hearing and considered the staff report, recommendations by staff, and public testimony regarding this Ordinance, at which time it considered all evidence presented, both written and oral; and

WHEREAS, the proposed Zoning Code amendments are consistent with the City's General Plan; and

WHEREAS, all legal requirements prior to the adoption of this Ordinance have occurred.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA DOES ORDAIN AS FOLLOWS:

<u>SECTION 1.</u> The City Council finds that the recitals set forth above are true and correct.

SECTION 2. Sections 18.66.010, 18.66.020, and 18.66.030 of Chapter 18.66 (Cannabis Prohibition and Personal Cultivation Regulations/Permitting) of the Gardena Municipal Code are hereby amended to read as follows; the rest of the provisions of Chapter 18.66 remain the same.p

18.66.010 Purpose.

A. A. The purpose of this chapter is to expressly prohibit the establishment of commercial cannabis uses in the city relating to medical cannabis and adult use <u>non-medicinal</u> cannabis, except to the extent that allowing the retail delivery of medical cannabis and cannabis products to medical cannabis patients within the -city by a non-storefront retailer is required by law.

A.<u>B.</u> The purpose of this chapter is also as well as to impose reasonable regulations on both personal cultivation in private residences and accessory structures and on nonstorefront retailers and impose a permitting schemes on such uses.

<u>CB</u>. The city council finds that <u>except as provided for herein and as required by law</u>, the prohibition on <u>storefront</u> commercial cannabis activity is necessary for the preservation <u>of</u> and protection of the public health, safety, and welfare of the city. The prohibition of such uses is within the authority conferred upon the city council by state law and is an exercise of its police powers to enact and enforce regulations for the public health, safety, and welfare.

18.66.020 Definitions.

A. <u>"Adult Use" or "non-medical use" means the recreational or personal use of cannabis by a natural person 21 years of age or older, as used in MAUCRSA.</u>

<u>B.</u> "Authorized grower" <u>shall meanmeans</u> a person twenty-one years and older who is authorized by, and in compliance with, state law and the provisions of this chapter relating to the cultivation of cannabis for personal use.

B<u>C</u>. "Cannabis" means all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis, and any product containing cannabis. "Cannabis" includes cannabis that is used for medical, nonmedical, or other purposes. "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. "Cannabis" also does not include industrial hemp, as defined in California Health and Safety Code Section <u>11018.5</u>.

<u>CD</u>. "Commercial cannabis activity" means the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, packaging, transportation, delivery or sale of cannabis and cannabis products for nonmedical, medical or any other purpose, and includes the activities of any business licensed by the state or other government entity under Division 10 of the California Business and Professions Code or any other provision of state law that regulates the licensing of cannabis businesses.

<u>DE</u>. "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

E<u>F</u>. "Delivery" means the commercial transfer of cannabis or cannabis products to a customer. Delivery also includes the use by a retailer of any technology platform owned and controlled by the retailer.

F<u>G</u>. "Fully enclosed and secure structure" means a space within a building that complies with the California Building Code ("CBC") as adopted by the city of Gardena, or if exempt from the permit requirements of the CBC, a structure that has a complete roof, a foundation, slab or equivalent base to which the floor is secured by bolts or similar attachments, is secure against unauthorized entry, and is accessible only through one or more lockable doors. Walls and roofs must be constructed of solid materials that cannot be easily broken through such as two-inch by four-inch nominal or thicker studs overlaid with three-eighths-inch or thicker plywood or the equivalent. Plastic sheeting, regardless of the mil or inches, or similar products do not satisfy this requirement. If skylights are used, security bars shall be added to the skylights. The structure must provide complete visual screening.

GH. "Indoors" means within a fully enclosed and secure structure.

HI. "MAUCRSA" means the Medicinal and Adult-Use Cannabis Regulation and Safety Act, as codified in Division 10 of the California Business and Professions Code (Section <u>26000</u> et seq.) as the same may be amended from time to time.

J. <u>"MCPRAA" means the Medicinal Cannabis Patients' Right to Access Act, as</u> codified in Chapter 26 (commencing with Section 26320) to Division 10 of the Business and Professions Code.

K. <u>"Medicinal Cannabis" means both medicinal cannabis and medicinal cannabis</u> products, as those terms are defined in Section 26001(ai)(1) of the Business and Professions Code. <u>L.</u> <u>"Medical Use" or "medicinal use" shall mean the use of medicinal cannabis by a medicinal cannabis patient.</u>

<u>ML.</u> <u>"Medicinal cannabis business" means a retailer authorized to engage in the retail sale by delivery of medicinal cannabis to medicinal cannabis patients pursuant to an M-license, as defined in the MCPRAA.</u>

<u>N.</u> <u>"Medicinal cannabis delivery service" means a state-licensed, non-storefront</u> retailer that sells and delivers only medicinal cannabis and medicinal cannabis products to medicinal cannabis patients.

<u>OM.</u> <u>"Medicinal cannabis patient" means a qualified patient or a primary caregiver for a qualified patient, as the same are defined in Section 11362.7 of the Health and Safety Code.</u>

<u>P.</u> <u>"Non-storefront retailer" means a retailer that sells cannabis goods to customers</u> only through delivery and whose business is closed to the public.

IQO. "Outdoors" means any location that is not within a fully enclosed and secure structure.

JPR. "Person" means any person, firm, corporation, partnership, joint venture, limited liability company, collective, cooperative, nonprofit, trust, estate, association, club, receiver, syndicate, society, or other organization. The term "person" shall include any owner, manager, proprietor, employee, volunteer, or salesperson.

KQS. "Private residence" means a house, apartment unit, condominium, mobile home, or other similar dwelling that is lawfully used as a residence.

18.66.030 Prohibition.

A. Commercial cannabis activities, whether or not for profit, are expressly prohibited in all zones in the city of Gardena, including all specific plan areas and overlay zones. No person shall establish, operate, conduct, allow or engage in a commercial cannabis activity anywhere within the city. This prohibition includes any type of business enterprise where cannabis is complimentarily provided as part of any other non-cannabis-related business activity.

B. A property owner shall not rent, lease, or otherwise permit any person or business that engages in commercial cannabis activity to occupy real property in the city. A property owner shall not allow any person or business to establish, operate, maintain, conduct, or engage in commercial cannabis activity on any real property owned or controlled by that property owner that is located in the city.

C. To the extent not already covered by subsection A of this section, all deliveries of <u>non-medicinal</u> cannabis are expressly prohibited within the <u>C</u>eity of Gardena. No person

shall conduct any deliveries that either originate or terminate within the city, but the city shall not prohibit the use of city streets where the delivery does not originate or end within the jurisdictional limits of the city.

D. This section is meant to prohibit all commercial retail activities for which a state license is required, except for a medicinal cannabis delivery service-pursuant to the MAUCRSA. Accordingly, the city shall not issue any permit, license or other entitlement for any activity for which a state license is required under the AUMA, including any local license to a non-profit entity pursuant to California Business and Professions Code Section 26070.5, except for a permit for a medicinal cannabis delivery service as provided for in Chapter 5.80 of this Code.

E. Except as provided in Section <u>18.66.040</u>, all cultivation of cannabis is expressly prohibited in all zones in the <u>C</u>eity of Gardena.

F. Notwithstanding any other provision of this chapter, the prohibitions set forth herein do not apply to the delivery by a non-storefront retailer of medicinal cannabis to a medicinal cannabis patient for medical use within the city.

SECTION 3. Section 18.36.020 of the Gardena Municipal Code relating to uses allowed in the M-1 zone, is hereby amended by **adding** a new subsection P. to read as follows:

P. Medicinal cannabis delivery service as defined in Chapter 18.66, subject to the following requirements:

1. The owner of the medicinal cannabis delivery service has obtained a medicinal cannabis delivery service permit prior to the commencement of operations in accordance with Chapter 5.80 of this Code, as well as a business license as required by Chapter 5.04 of this Code.

2. The medicinal cannabis delivery service businesses shall be located at least 600 feet from the following sensitive receptors. All measurements shall be taken from the closest property line of the medicinal cannabis delivery service business to the closest property line of the sensitive receptor.

- a. A lot containing a single-family residential dwelling unit;
- b. Public or private schools;
- b. Daycare centers as defined by Health and Safety Code section

1596.76;

- c. Churches;
- d. Public parks;

e. Libraries;

f. Youth centers, which for purposes of this section shall mean a public or private facility that is primarily used to host recreation or social activities for minors, including:

- 1. Private youth membership organizations or clubs;
- 2. Social service teenage club facilities;
- 3. Any facility used for youth activities at least 60 percent of the time in a calendar year;
- 4. A park, playground or recreational area located on a public or private school grounds or in a city, county or state park specifically designed to be used by children or which has play equipment installed, including public grounds designed for athletic activities including courts or fields; or
- 5. A similar facility to one of the above.
- g. Any other medicinal cannabis delivery service business.

3. The medicinal cannabis delivery service businesses shall be located at least 300 feet from any mobile home park. All measurements shall be taken from the closest property line of the medicinal cannabis delivery service business to the closest property line of the mobile home park.

<u>SECTION 4.</u> Chapter 5.80 (Medical Cannabis Delivery Service Businesses) is hereby **added** to Title 5 (Business Licenses and Regulations) of the Gardena Municipal Code to read as follows:

Chapter 5.80

MEDICINAL CANNABIS DELIVERY SERVICE BUSINESSES

5.80.010 Purpose and intent.

The purpose and intent of this chapter is to implement the provisions of Chapter 26 (commencing with Section 26320) of Division 10 of the California Business and Professions Code, referred to as the Medicinal Cannabis Patients' Right to Access Act. This chapter also imposes a regulatory permitting scheme and reasonable regulations to protect the city's neighborhoods, residents, and businesses from negative impacts associated with the delivery of medicinal cannabis.

5.80.020 Definitions.

All definitions in Chapter 18.66 of this code also apply to this chapter.

Any term defined in Title 4, Division 19 of the California Code of Regulations, that is not otherwise defined herein, shall have the meaning ascribed to it in that Division. "Business Owner" means the same as that set forth in Title 14 of the California Code of Regulations, section 15003.

"Business Permit" means a permit for a medicinal cannabis delivery service business.

"CCR" shall mean Title 4, Division 19 of the California Code of Regulations.

"Chief" means the Chief of Police of the Gardena Police Department or the Chief's designee.

"Disqualifying conduct" means, except for item 1, within the 10 years preceding the date of the application, or in the case of revocation or suspension proceedings, within 10 years preceding the date of the revocation or suspension notice, a person has had:

1. Within the three years preceding the date of the application, or in the case of revocation or suspension proceedings, within three years preceding the date of the revocation or suspension notice, the applicant has had a suspension or revocation of a commercial cannabis license, or any convictions or administrative citations that are final for operating an unlicensed commercial cannabis activity;

2. A violent felony conviction, as specified in Penal Code section 667.5(c);

3. A serious felony conviction, as specified in Penal Code section 1192.7(c;

4. A felony conviction involving fraud, deceit, or embezzlement;

5. A felony conviction for hiring, employing, or using a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling, any controlled substance to a minor; or selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor;

6. A felony conviction for drug trafficking with enhancements pursuant to Health and Safety Code section 11370.4 or 11379.8;

7. A conviction for any controlled substance felony;

8. A conviction for the intentional and knowing sale of cannabis to a person under 21 years of age;

9. A conviction for the intentional and knowing sale of medicinal cannabis to a person without a physician's recommendation;

10. A conviction for the sale of cannabis without a license.

For purposes of this chapter, a conviction means a plea or verdict of guilty or a conviction or diversion following a plea of nolo contendere.

"Employee Permit" means a permit for an individual employed by a medicinal cannabis delivery service business.

5.80.030 Permit/business license required.

A. No person shall engage in or conduct any medicinal cannabis delivery service business within the city without first obtaining a business permit under this chapter and having a state license to operate as a non-storefront retailer. A separate business permit shall be required for each physical address location within the city. An applicant may not apply for a business license until the applicant has received the state license.

B. No person shall be employed by a medicinal cannabis delivery service business within the city without first obtaining an employee permit under this chapter. No permit shall be issued to an individual under 21 years of age.

5.08.040 Application.

A. An application for a business permit or employee permit shall be on a form provided by the Gardena Police Department, shall be signed and dated, and shall be accompanied by a permit fee in an amount set by resolution of the City Council.

B. All applications shall include the following statements:

1. A certification under penalty of perjury that the information contained in the application is true and correct;

2. An authorization for the city, its officers, agents and employees to seek information and conduct an investigation into the truth of the statements set forth in the application and to ensure continual compliance with all applicable provisions of law;

3. An agreement to the fullest extent permitted by law to indemnify, defend (at the applicant's sole cost and expense), and hold the city, and its officers, elected and appointed officials, employees, volunteers, and agents harmless, from any and all claims, losses, damages, injuries, including death, liabilities or losses which arise out of, or which are in any way related to, the city's issuance of the permit, the city's decision to approve the permit, the process used by the city in making its permitting decision, or the alleged violation of any laws by the applicant, its officers, employees, or agents.

C. An application for either a business permit or employee permit shall contain the following information:

1. The legal first and last name of the applicant;

2. The date of birth of the applicant;

3. The address of the applicant;

4. The email address of the applicant;

5. Whether the applicant has engaged in any disqualifying conduct;

6. Such further information as the Chief determines necessary to determine compliance with this chapter and applicable provisions of law;

7. A complete set of the applicant's fingerprints taken by the Gardena police department. The applicant shall be responsible for payment of any fingerprinting fee;

8. All applicants shall have their picture taken by the Gardena police department;

D. Business Permit Application. An application for a business permit shall contain the following additional information:

1. An application for a business permit shall be filed for each business owner.

2. Both the business owner and the property owner, if different, shall sign the business permit application form.

3. The legal business name of the medicinal cannabis delivery service business;

4. The physical address of the business;

5. The mailing address of the business if different from the physical address;

6. The telephone number of the business;

7. The website address of the business, if any;

8. Identification of the owner that will serve as the primary contact person, including the person's title; and

9. A site plan showing a complete and detailed diagram of the proposed business location as required by CCR section 15006(b) through (f).

E. Employee Permit Application – An application for an employee permit shall contain the following additional information:

1. The legal business name of the medicinal cannabis delivery service business where the applicant will be employed; and

2. The physical address of the business.

F. Renewal. A permit issued pursuant to this chapter shall expire 12 months after the date of its issuance and must be a renewed on a yearly basis. A renewal application shall contain the same information as the original application, but new fingerprints need not be provided and a new site plan need not be submitted if there has been no change.

5.80.050 Duty to Update.

A. A permittee shall be required to update the information contained in the application within 10 business days of such change.

B. Reporting legal matters. The business owner shall notify the Chief in writing of the following legal matters pending against the owner, in its individual capacity or otherwise, within 48 hours of the date of conviction, judgment, order, or final decision:

1. Criminal conviction. The written notification to the city shall include the date of the conviction, the court docket number, the name of the court in which the conviction was entered, and the specific offense(s) resulting in a conviction(s).

2. Civil penalty or judgment. The written notification shall include the date of verdict, entry of judgment, or order, the court docket number, the name of the court in which the matter was adjudicated, and a description of the civil penalty or judgment rendered.

3. Administrative order. The written notification shall include the date of the order, the name of the agency issuing the order, and a description of the administrative penalty or decision rendered against the business owner or property owner.

4. Revocation or suspension of a state or local license, permit, or other authorization. The written notification shall include the name of the local agency involved, a written explanation of the proceeding or enforcement action, and the specific violation(s) that led to the revocation or suspension.

5.80.060 Decision on the application; permit approval, denial, suspension and revocation.

A. The Chief is authorized to approve, deny, suspend, or revoke the permits required under this chapter.

B. Upon receipt of a completed application, the Chief shall cause an investigation to be conducted by the appropriate departments within the city, including state and local background checks.

C. The Chief shall act upon an application within 30 working days following receipt. Notwithstanding the above, failure to act upon a completed application within the time frame set forth above shall not be deemed approval of the application. Any permit issued pursuant to this subsection shall be deemed conditional pending the city's receipt of the California Department of Justice report on the applicant's fingerprints.

D. Permit Issuance. When an application, including a renewal, is approved, in addition being issued a permit, an identification badge shall be issued to every business owner and employee. The identification badge shall include the permit number and the expiration date.

E. Grounds for Denial. An application for a permit or renewal shall be denied if any of the following grounds are found to exist:

- 1. The applicant has engaged in disqualifying conduct;
- 2. There has been a material misrepresentation on the application;
- 3. There has been a material misrepresentation on the site plan;

4. Application deficiencies. The application is incomplete, supportive documentation was not provided, and/or the applicant failed to correct deficiencies in the application or provide additional application information within the response timeframe requested; or

5. For a business permit, facts or circumstances exist which indicate that the business does or would very likely constitute a threat to public health, safety, and/or welfare.

F. Grounds for revocation or suspension. A permit issued pursuant to this chapter may be suspended or revoked by the Chief if any of the following grounds are found to exist:

1. Any reason exists which would have resulted in a denial of the application in the first instance;

2. For a business permit, there have been modifications to the operations of the business as shown on the original site plan;

3. For a business permit, there has been a change in the business owners and such new owners have not obtained a permit;

4. The Chief has determined, based on substantial evidence, that the permittee is in violation of the requirements of this chapter, of this Code, or state law; or

5. Suspension or expiration without timely renewal of a license issued by the State of California, or by any of its departments or divisions, shall immediately suspend the ability of a medicinal cannabis delivery service business to operate within the city until the State of California, or any of its departments or divisions, reinstates or reissues the state license. Revocation or termination of the license of a medicinal cannabis delivery service business by the State of California, or any of its departments or divisions, shall immediately revoke or terminate the ability of a medicinal cannabis delivery service business to operate within the city without of its departments or divisions, shall immediately revoke or terminate the ability of a medicinal cannabis delivery service business to operate within the city without notice. If the city becomes aware that a state license has expired or been suspended, revoked, or terminated, it will initiate proceedings under this section to suspend or revoke a business permit.

6. If, in the discretion of the Chief, an alleged violation is minor and capable of correction, then prior to suspension or revocation a written notice shall be given to the permittee of the alleged violation(s) involved to allow a period of time to correct the alleged violation(s), which period shall not exceed five business days, at the end of which period an inspection shall be conducted to determine whether the alleged violation(s) has been corrected. For purposes of this section, written notice may be in the form of a notice of violation or an administrative citation.

G. Any denial, suspension or revocation shall be accompanied by a written statement setting forth the reason for the decision. A notice of suspension or revocation may be accompanied by an administrative or criminal citation. Any notice may be appealed in accordance with section 5.80.070.

5.80.070 Appeals.

A. An appeal from a decision of the Chief shall be conducted as prescribed in this section.

B. Within 10 calendar days after the date a decision of the Chief is mailed by firstclass mail, postage prepaid, to deny, suspend, or revoke a permit, or to add conditions to a permit, an aggrieved party may appeal such action by filing a written appeal with the city clerk setting forth the reasons why the decision was not proper. The notice of appeal shall specify:

- 1. The name and address of the appellant;
- 2. The date that the permit application was filed with the city;
- 3. The date of the mailing of the decision to deny, suspend, revoke, or condition the permit which is being appealed; and

4. The factual basis for the appeal.

C. An appeal shall be accompanied by a fee set by resolution of the City Council. An appeal without the timely payment of the fee shall be considered to be untimely.

D. Upon receipt of a complete and timely filed notice of appeal, the City Clerk shall schedule a hearing before a hearing officer. The hearing officer shall be either the city manager or an administrative hearing officer hired under contract by the city manager.

E. The appellant shall be provided with written notice of the time and place of the appeal hearing, as well as a copy of all relevant materials, at least seven calendar days prior to the hearing.

F. The scope of the appeal hearing shall be limited to those issues raised by the appellant in the written appeal.

G. At the time of the hearing, the hearing officer shall review the records and files relating to the notice of decision.

1. The hearing officer shall permit any interested person, including the chief of police and the appellant, to present any relevant evidence bearing on the issues involved in the matter.

2. In conducting the hearing, technical rules relating to evidence and witnesses shall not apply. Any relevant evidence may be admitted if it is material and if it is evidence customarily relied upon by responsible persons in the conduct of their affairs regardless of the existence of any common law or statutory rule which might make admission of such evidence improper over objection in civil actions. Hearsay evidence may be admissible if it is the sort upon which reasonable persons are accustomed to rely in the conduct of serious affairs. The rules of privilege shall be applicable to the extent they are now or are hereafter permitted in civil actions. Irrelevant, collateral, and repetitious testimony shall be excluded.

3. In determining whether a person should be disqualified for meeting the definition of disqualifying conduct, the hearing officer may consider: the nature and severity of the act(s) or crime(s); whether there were any additional subsequent act(s) or crime(s); the number of act(s) or crime(s); and how recent the act(s) or crime(s) were.

H. The appellant shall have the burden of proving that he or she meets the requirements for issuing the permit in the first instance. The Chief shall have the burden of proving that grounds exist for revoking or failing to renew a permit.

I. Based upon the evidence presented at the hearing, the hearing officer shall determine whether the decision by the Chief should be affirmed, modified or reversed.

J. The hearing officer's decision and the reasons therefore shall be communicated in writing to the appellant within 10 working days after the close of the hearing. The decision shall also state that it is final and conclusive, that judicial review may be sought therefrom pursuant to Code of Civil Procedure Section <u>1094.5</u>, and that any action filed in the superior court shall be filed within ninety days following the city manager's notice pursuant to Code of Civil Procedure Section <u>1094.6</u>.

5.08.080 Notices.

All notices required to be given pursuant to this chapter shall be served on the responsible party (i.e., permittee, applicant or appellant) either by personal delivery or by deposit in the United States mail in a sealed envelope postage prepaid addressed to such responsible party as the name and address appear in the most recent application on file with the city. Service by mail shall be deemed to have been completed on the date deposited in the mail.

5.80.090 Fees.

The City Council may impose by resolution a nonrefundable fee to reimburse the city for its reasonable and necessary costs for providing the services under this chapter. This fee shall be in addition to the business license fees required by Title 5 of this Code.

5.80.100 Operational standards.

A medicinal cannabis delivery service business and its employees shall comply with the following requirements:

A. All applicable requirements of state law, including statutes and California Code of Regulations.

B. No markings or indications of medicinal cannabis shall be visible from the public right-of-way and/or exterior of the structure(s) associated with the medicinal cannabis delivery service business.

C. Odor control devices and techniques shall be incorporated and maintained to ensure that odors from the medicinal cannabis are not detectable off-site.

D. The original of the business permit issued by the city pursuant to this chapter, along with the medicinal cannabis delivery business's state cannabis license and city-issued business license, shall be readily available upon request by the Chief and not visible to the public.

E. Delivery drivers shall keep the original of the employee permit and identification card, along with a copy of the business permit, with them at all times while making deliveries.

F. All records required to be kept by state law shall be made available to the Chief and must be produced no later than one business day after receipt of the City's request, unless otherwise stipulated by the City.

G. The business shall designate a security representative/liaison who can meet with the Chief regarding any security related measures and/or operational issues.

H. Signage shall be limited to the name of the business only and shall be in compliance with Chapter 18.58 of the City's sign code and shall contain no advertising of other companies, brands, goods, or services.

I. No medicinal cannabis products shall be visible from outside the non-storefront medicinal cannabis delivery services fixed location or delivery vehicles.

J. No visual display, signage, or condition on the exterior of the non-storefront medical cannabis delivery service fixed locations or delivery vehicles shall indicate the types of products being stored inside the fixed location or transported in the delivery vehicles.

K. All deliveries of medicinal cannabis must be to a customer's physical address and no delivery may be made to an address located on publicly owned land or any address on land or in a building leased by a public agency.

5.80.110 Violations, inspections, and enforcement.

A. Violations declared a public nuisance. Each and every violation of the provisions of this chapter is 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 the city may pursue any and all remedies and actions available under state and local law for any violations committed by a medicinal cannabis delivery service business, a business owner, a property owner, or any other persons related to or associated with any commercial cannabis activity, including suspension or revocation of any permit pursuant to this chapter. Additionally, as a nuisance per se, any violation of this chapter shall be subject to 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.

C. Remedies are cumulative and not exclusive. The remedies provided in this chapter or this code are not to be construed as exclusive remedies. The city is authorized to pursue any proceedings or remedies provided by law.

D. Business owner are responsible for violations. The business owner shall be responsible for all local and state law violations that occur in or about a physical address

location, a medicinal cannabis delivery service vehicle, or related to delivery personnel, whether or not the violations occur within the presence of the business owner.

E. Inspections and enforcement.

1. The Chief, code enforcement officers, police officers, and the Los Angeles County Fire Department, are charged with enforcing the provisions of this code and shall be authorized to enter a medicinal cannabis delivery service business or a medicinal cannabis delivery service vehicle operating in the city at any time during the business's hours of operation with or without notice, subject to constitutional limitations, to do inspect the medicinal cannabis delivery service business and medicinal cannabis delivery service vehicle as well as any recordings and records required to be maintained pursuant to this chapter or under applicable provisions of state law.

2. It is unlawful for any person having responsibility over the operation of a medicinal cannabis delivery service business to impede, obstruct, interfere with, or otherwise not allow the city to conduct an inspection, review or copy records, recordings, or other documents required to be maintained by such 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 such 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 medicinal cannabis delivery service business under this chapter or under state or local law.

SECTION 5. Findings. In approving the changes to the Gardena Municipal Code set forth above, the City Council finds that adoption of this Ordinance is required for the public necessity, convenience, general welfare and good land use and zoning practices. The Industrial land use designation allows for a variety of clean and environmentally friendly industries. The industrial zone allows commercial, manufacturing and industrial uses conducted within enclosed buildings. The establishment of non-storefront cannabis delivery businesses is consistent with the General Plan and zoning.

SECTION 6. CEQA. Adoption of this Ordinance is exempt under the common sense exemption of CEQA Guidelines section 15061(b)(3) where it can be seen that the project will not have any possibility of creating significant effects on the environment. The ordinance does not authorize any development and is merely sets forth policy and procedures.

SECTION 7. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this ordinance, or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portion of this ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase be declared unconstitutional.

SECTION 8. Effective Date. This Ordinance shall take effect on the thirty-first day after passage.

SECTION 9. Certification. The City Clerk shall certify the passage of this ordinance and shall cause the same to be entered in the book of original ordinances of said City; shall make a minute passage and adoption thereof in the records of the meeting at which time the same is passed and adopted; and shall, within fifteen (15) days after the passage and adoption thereof, cause the same to be published as required by law, in a publication of general circulation.

PASSED, APPROVED AND ADOPTED this 25th day of February, 2025.

Tasha (erda, Mayor TASHA CERDA, Mayor

ATTEST: Mina Semenya

MINA SEMENZA, City Clerk

APPROVED AS TO FORM:

CARMEN VASQUEZ, City Attorney

STATE OF CALIFORNIA) COUNTY OF LOS ANGELES) SS: CITY OF GARDENA)

I, MINA SEMENZA, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Ordinance, being Ordinance No. 1877 duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a regular meeting of said City Council held on the 25th day of February 2025, and that the same was so passed and adopted by the following roll call vote:

AYES: MAYOR PRO TEM TANAKA, COUNCIL MEMBERS HENDERSON AND FRANCIS, AND MAYOR CERDA

NOES: NONE

ABSENT: NONE

ABSTAIN: COUNCIL MEMBER LOVE

Buy Romeno City Clerk of the City of Gardena, California

(SEAL)