

ORDINANCE NO. 22-938

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARTESIA AMENDING SECTIONS 3-2.802 AND 3-2.803 OF ARTICLE 8 (ADULT CANNABIS BUSINESS AND ACTIVITIES) OF CHAPTER 2 (BUSINESS PERMITS AND BUSINESS PERMIT FEES) OF TITLE 3 (FINANCE) OF THE ARTESIA MUNICIPAL CODE REGARDING THE ADULT CANNABIS BUSINESSES PERMIT AND APPLICATION CRITERIA

THE CITY COUNCIL OF THE CITY OF ARTESIA FINDS AND DECLARES:

WHEREAS, pursuant to the authority granted to the City of Artesia ("City") by Article XI, Section 7 of the California Constitution, the City has the police power to regulate the use of land and property within the City in a manner designed to promote public convenience and general prosperity, as well as public health, welfare, and safety; and,

WHEREAS, on November 8, 2016, California voters passed Proposition 64, the Control, Regulate and Tax Adult Use of Marijuana Act ("AUMA"), legalizing the use and possession of cannabis and cannabis products by adults aged 21 years and older; and,

WHEREAS, on June 27, 2017, Governor Brown signed into law Senate Bill 94, which repealed the Medical Cannabis Regulation and Safety Act ("MCRSA"), included certain provisions of MCRSA in the licensing provisions of AUMA, and created a single regulatory scheme for both medicinal and non-medicinal cannabis known as the Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA" or "Act"); and,

WHEREAS, MAUCRSA retains the provisions in the MCRSA and the AUMA that granted local jurisdictions control over whether non-commercial and commercial cannabis activities could occur in a particular jurisdiction; and,

WHEREAS, MAUCRSA establishes a regulatory structure for cultivation, processing, manufacturing, tracking, quality control, testing, inspection, distribution, and retail sale of commercial cannabis, including medicinal and adult-use cannabis. The Act designates applicable responsibilities for oversight of cannabis commerce to several State agencies; and,

WHEREAS, in November 2020, Artesia voters approved Measure Q, a ballot measure that would allow for certain taxes to be collected from the cultivation and sale of cannabis in Artesia if the City Council were to lift the current prohibitions on medical and commercial cannabis activities in the City; and,

WHEREAS, on since November 2021, at the direction of the City Council, an ad-hoc committee of the Council has worked on a draft ordinance that would regulate and provide the permitting process for cannabis sales and businesses within the City. A draft of the regulatory ordinance was reviewed at a Town Hall meeting held on July 6, 2022, at which time additional input was received from the public, and direction was provided by the City Council; and,

WHEREAS, on November 14, 2022, the City Council adopted Ordinance No. 22-930, which created a permitting and regulatory framework to allow up to three retail cannabis businesses to operate within the City; Ordinance No. 22-930 goes into effect on December 14, 2022; and,

WHEREAS, the City Council seeks to amend Ordinance No. 22-930 to clarify an application requirement; and

WHEREAS, the City Council has carefully reviewed and considered all of the evidence presented in connection with the hearing on the Ordinance, including, but not limited to, the staff report, public comment, and all written and oral testimony presented.

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

SECTION 1. Recitals. The City Council hereby finds that the foregoing recitals are true and correct and incorporated herein by this reference as substantive findings of this Ordinance.

SECTION 2. CEQA. The City Council finds that this Ordinance not subject to the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines sections 15060(c)(2) and 15061(b)(3). The activity is not subject to CEQA because it will not result in a direct or reasonably foreseeable indirect physical change in the environment; and the activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment, the activity is not subject to CEQA. Commercial cannabis uses permitted and developed would be independently reviewed and evaluated pursuant to CEQA.

SECTION 3. Amendment. Section 3-2.802 of Article 8 (Adult Cannabis Businesses and Activities) of Chapter 2 (Business Permits and Business Permit Fees) of Title 3 (Finance) is hereby amended as follows:

1. A new section (h) is hereby added to Section 3-2.802, and the latter section is renumbered so that the existing sections (h) through (i) are now as sections (i) through (j).

2. The new Section (h) of the revised Section 3-2.802 shall read as follows:

"(h) As a condition of being issued a Permit, within thirty (30) days of being issued a Permit, the Permittee shall provide a copy of a duly executed lease or rental agreement related to the premises where the Cannabis Business will be located. The City Manager may grant one thirty (30) day extension to this requirement, and in no case shall the total amount of time to comply with this condition exceed sixty (60) days. A Permittee's failure to abide by this requirement shall constitute grounds for suspension or revocation of the Permit, within the City's sole and absolute discretion."

SECTION 4. Amendment. Section 3-2.803 of Article 8 (Adult Cannabis Businesses and Activities) of Chapter 2 (Business Permits and Business Permit Fees) of Title 3 (Finance) is hereby amended and restated in its entirety to read as follows (deletions shown in ~~strikethrough~~; new language underlined):

"Section 3-2.803 Application Information.

(a) *Commercial Cannabis Permit Application.* The City may adopt regulations governing applications for Permits, including requiring certain information and documentation. At minimum, the application for a Commercial Cannabis Permit must contain or be accompanied by the following information:

(1) The name and address for each Owner and copies of government-issued identification for each Owner. An explanation of the legal form of business ownership (e.g., individual, partnership, corporation, limited liability company, etc.). If the Applicant is not a natural person, its operative governing documents and any fictitious business statement. If there is more than one Owner, the percentage share of financial Ownership interest of the entity by each person and/or entity.

(2) The proposed address for the commercial cannabis business.

(i) Applicant must submit a notarized Letter of Intent or other written authorization from the owner of the proposed property for the Cannabis Business demonstrating the property owner's (1) acknowledgement

that a Cannabis Business is being proposed as the business for the property; (2) consent for a Cannabis Business to operate at the property if awarded a Permit; and (3) acknowledgement that the property owner accepts any and all risks and liabilities, including but not limited to any Federal law enforcement action, associated with permitting a Cannabis Business to operate at the property.

(ii) In addition to furnishing such notarized statement, the Applicant shall furnish the name and address of the owner of record of the property, ~~as well as a copy of the lease or rental agreement pertaining to the premises in which~~ where the Cannabis Business will be located.

(iii) The Applicant must apply for and obtain a zone clearance (as set forth in this Chapter) from the Artesia Planning and Community Development Department.

..."

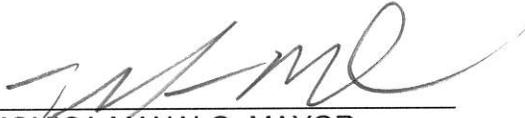
SECTION 5. Effective Date. This Ordinance shall become effective 30 days after the Council adopts this Ordinance.

SECTION 6. Severability. Should any provision of this Ordinance, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable or otherwise void, that determination shall have no effect on any other provision of this Ordinance or the application of this Ordinance to any other person or circumstance, and, to that end, the provisions hereof are severable. The City Council of the City of Artesia declares that it would have adopted all the provisions of this Ordinance that remain valid if any provisions of this ordinance are declared invalid.

SECTION 7. Adoption, Certification, and Publication. The City Clerk of the City of Artesia shall certify the passage and adoption of this Ordinance and shall cause the same, or a summary thereof, to be published and/or posted in the manner required by law.

SECTION 8. Record of Proceedings. The documents and materials associated with this ordinance that constitute the record of proceedings on which these findings are based are located at 18747 Clarkdale Avenue, Artesia, California, 90701. The Acting City Clerk is the custodian of the record of proceedings.

PASSED, APPROVED AND ADOPTED by the City Council of the Artesia, California, at an adjourned regular meeting of the City Council held on the 17th day of January, 2023.



MONICA MANALO, MAYOR

ATTEST:



JENNIFER ALDERETE, ACTING CITY CLERK

APPROVED AS TO FORM:



BEST BEST & KRIEGER, CITY ATTORNEY

I, Jennifer Alderete, Acting City Clerk of the City of Artesia, do hereby certify that the foregoing Ordinance was adopted at the Adjourned Regular City Council Meeting held on the 17th day of January, 2023 by the following roll call vote:

AYES:	COUNCIL MEMBERS:	RAMOSO, TREVINO, TAJ, LIMA, MANALO
NOES:	COUNCIL MEMBERS:	NONE
ABSENT:	COUNCIL MEMBERS:	NONE
ABSTAIN:	COUNCIL MEMBERS:	NONE



JENNIFER ALDERETE, ACTING CITY CLERK