

**ORDINANCE NO. 1420**  
**CHAPTER 18.67**  
**COMMERCIAL CANNABIS ACTIVITY**

**18.67.005 Intent and purpose.**

The purpose of this chapter, in combination with Chapter 5.10, is to establish a comprehensive, uniform set of regulations applicable to commercial cannabis activity, as defined, within the city to ensure such operation is conducted in a manner consistent with the overall health, welfare and safety of the city and its populace and in compliance with all relevant state law. The goals of this regulation include all of the following:

- (a) To minimize the size of the illegal market for cannabis in the city of Marysville and surrounding areas.
- (b) To create jobs, economic growth and tax revenue for the city and its residents.
- (c) To enable law enforcement and regulators to have sufficient rights to inspect and audit commercial cannabis activity, as defined, and take expeditious action against persons or entities who violate the requirements of these regulations.
- (d) To regulate the operation and location of commercial cannabis activity, as defined, such that public nuisance is minimized.
- (e) To minimize social harms which may arise from unregulated cannabis activity. (Ord. 1404 § 7 (part), 2018).

**18.67.010 Commercial cannabis activity prohibited.**

All commercial cannabis activity, as defined, within the city of Marysville is prohibited except as expressly permitted by this chapter. (Ord. 1404 § 7 (part), 2018).

**18.67.011 Commercial cannabis activity conditionally permitted.**

Commercial cannabis activity, as defined, is conditionally permitted in the city only as expressly provided by this chapter. (Ord. 1404 § 7 (part),

**18.67.013 Conversion of Existing Medical Marijuana Dispensaries.**

1. Existing medical marijuana dispensaries that were issued a permit from the City prior to the amendments of this ordinance may be lawfully considered legal cannabis retailer provided:

- a. The Existing Medical Marijuana Business owner files a formal written request to conduct medicinal and adult-use retail cannabis sales to the City Manager within 60 days of the effective date of this Ordinance.
- b. The Medical Marijuana dispensary has obtained a valid Use Permit.
- c. The retailer continues to meet and adhere to the location requirements set forth in section **18.67.030** of this ordinance.
- d. The Use meets and continues to adhere to Chapter 5.10 of the municipal code entitled Cannabis Regulatory Ordinance including, but not limited to, the regulatory, safety and operations, application and renewal provisions.
- e. The Permittee obtains the required State Retailer's license to conduct both medicinal and adult-use retail sales.

**18.67.015 Definitions.**

The following terms when used in this chapter shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

(a) "Adult-use" means the nonmedical use of cannabis by adults of age twenty-one and over as permitted by the Medicinal and Adult-Use Cannabis Regulation and Safety Act and other applicable state laws.

(b) "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. "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 division, "cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code. However, should future state law or regulations permit such use in cannabis permitted establishments then this definition shall be amended to reflect this to be included in the definition of cannabis or cannabis products.

(c) "Commercial cannabis activity" means all lawful business activities conducted by a medical cannabis dispensary licensed pursuant to Chapter [5.10](#), and the commercial cultivation, manufacture, distribution, processing, packaging, labeling, transportation, delivery or laboratory testing, but not the retail sale to an adult-use consumer, of cannabis or cannabis-related products or derivatives in compliance with all

relevant provisions of Division 10, commencing with Section 26000 of the California Business and Professional Code, this chapter and Chapter [5.10](#) for which appropriate state licenses have been issued by the bureau of cannabis control or other appropriate agencies of the state.

(d) "Commercial cannabis business" means a lawful cannabis business that has been duly authorized by the issuance of both a state license for the specific commercial activity corresponding to an applicable state license category, and by a local license, permit, or other authorization for the same specific commercial activity. Such a business will be engaged in one or more of the following activities: retail, cultivation, manufacturing, distribution, microbusiness, or testing laboratory. Such a business may be engaged in the sale, cultivation, manufacturing, distribution or testing of adult-use cannabis, medical cannabis, or both.

(e) "Retailer" shall have the same meaning as the definition appearing in Section 26070(a)(1) of the Business and Professions Code.

(f) "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 studio 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 for youth programs or organizations.

**18.67.020 State license requirement.**

(a) Any person, firm or entity granted a license or permit pursuant to Chapter [5.10](#) or this chapter to operate a business engaged in commercial cannabis activity, as defined, must obtain a valid applicable state license before such person, firm or entity may conduct business operations in the city.

(b) Prior to commencing business operations, any business engaged in commercial cannabis activity, as defined, must provide proof of receipt of a valid applicable state license to the city department of community development and services. (Ord. 1404 § 7 (part), 2018).

**18.67.025 Sale or commercial transfer of cannabis restricted.**

(a) The retail sale or commercial transfer of cannabis or cannabis-related products or derivatives to an end-user consumer within the city shall be conducted only by a retail cannabis business licensed by the city and holding a valid cannabis retail Type 10 or Microbusiness license which is issued by the state.

(b) Notwithstanding the provisions of subsection (a) of this section, any business engaged in commercial cannabis activity, as allowed by Section [18.67.030\(e\)](#), may conduct normal commercial transactions involving cannabis or cannabis-related products or derivatives in a manner consistent with its regular business operations as approved in its business plan required by Section [5.10.200\(p\)](#), except that such operations may not include any retail sale of cannabis or cannabis-related products or derivatives to an end-user consumer, other than as provided in subsection (a) of this section. (Ord. 1404 § 7 (part), 2018).

**18.67.030 Conditionally permitted use.**

(a) Commercial cannabis businesses shall be conditionally permitted on appropriately zoned lots/locations within the city so long as:

(1) Such lot/location is not within six hundred feet of any public or private school for grades kindergarten through twelfth, any preschool or licensed childcare facility, or any youth center as defined in this Chapter.

(2) Such lot/location is not within five hundred feet of any residential use, residential area or residential zone.

(3) Such lot is not within four hundred feet of any library,

(4) Such lot is not within two hundred fifty feet of any adult business which sells or provides in any manner drug paraphernalia.

(b) Notwithstanding the buffer zones established in subdivisions (a) and (b) above, the City Council and/or the City Planning Commission shall have the authority, pursuant to Business and Professions Code Section 26054(b), to adjust the distances of the buffer zones at their discretion.

(c) Upon denial of a commercial cannabis permit based on any of the limitations set forth in this section, the applicant may appeal such denial to the Planning Commission, which may grant an exception to the limitations set forth in this section upon findings that the intent of this Chapter shall otherwise be met. No such exception shall be granted, however, for the distance limitations from those uses listed in

18.67.030 (a)(1) and (b)(1). The decision of the Planning Commission may be appealed to the City Council which shall make the final determination.

(d) Businesses engaged in commercial cannabis activity, as defined, except medical cannabis retail businesses, shall be conditionally permitted on appropriately zoned lots/locations within the city without regard to the distance separation requirements in subsection (a) or (b) of this section, except that any business permitted to process cannabis by means of volatile compounds (for which a Type 7 state permit has been issued) must be on a lot/location that is at least six hundred feet from any public or private school for grades kindergarten through twelfth, any preschool or licensed child care facility.

(e) All persons, entities or organizations wishing to establish a business engaged in commercial cannabis activity within the city must apply for and be granted a conditional use permit for said use, together with a business license pursuant to the provisions of this code and, if the business is a cannabis retail business, a cannabis retail business license as required under Chapter [5.10](#).

(f) Subject to the further requirements of this chapter and Chapter [5.10](#), and in compliance with Division 10, commencing at Section [26000](#), of the Business and Professions Code, the following state license classification types will be allowed to operate within the city of Marysville, provided all required city permits/licenses/approvals have first been obtained:

- (1) Type 1A—Cultivation, specialty indoor, small.
- (2) Type 1B—Cultivation, specialty mixed-light, small.
- (3) Type 1C—Cultivation, specialty cottage (indoor only), small.
- (4) Type 2A—Cultivation, indoor, small.
- (5) Type 2B—Cultivation, mixed-light, small.
- (6) Type 3A—Cultivation, indoor, medium.
- (7) Type 3B—Cultivation, mixed-light, medium.
- (8) Type 4—Nursery.
- (9) Type 5A—Cultivation, indoor, large.
- (10) Type 5B—Cultivation, mixed-light, large.

- (11) Type 6— Manufacture 1.
- (12) Type 7— Manufacture 2.
- (13) Type 8— Testing laboratory.
- (14) Type 10—Retailer (only with M-license).
- (15) Type 11—Distributor.
- (16) Type 12—Microbusiness (only with M-license).

(g) A business engaged in commercial cannabis activity, as defined, shall not be established, operated, enlarged or transferred except as allowed by and in compliance with the provisions of this chapter. The conduct of such establishment and the use of premises shall otherwise comply with the zoning regulations of the city and all other applicable regulations.

(h) In addition to the information required by the city of Marysville for any potential use permit application or any potential business license application, persons/entities making such application(s) for the establishment of a business engaged in commercial cannabis activity shall also provide the following information with the application(s):

(1) Application must be signed by the owner, lessee or agent who is applying for the use permit or business license and the owner, lessee or agent shall specifically identify the individuals who will be conducting the business engaged in commercial cannabis activity for the premises for which the permit or license is sought. In the case of a lessee of a property applying for a permit pursuant to this chapter, the property owner shall acknowledge on the application consent to the application for a conditional use permit for conducting commercial cannabis activity.

(2) The application shall list the legal form of the applicant; e.g., individual, partnership, corporation.

(A) If the applicant is an individual, the application shall list his or her legal name, any aliases and date of birth;

(B) If the applicant is a partnership, the application shall list the full and complete name of the partnership, the legal names and addresses of all partners, dates of birth, and all

aliases used by all of the general partners, and whether the partnership is general or limited; and

(C) If the applicant is a corporation, the application shall list the full and complete corporate name, the date and status of its incorporation, evidence that the corporation is in good standing, the legal names and dates of birth, and all aliases used, and the capacity of all officers, directors and principal stockholders (i.e., all stockholders with ten percent or more of all outstanding shares), and the name and address of the registered officer for service of process.

(3) The application must list whether, preceding the date of the application, the applicant or any of the individuals listed pursuant to subsection (g)(2) of this section has:

(A) Other licenses and/or permits issued to and/or revoked from the applicant, in the three years prior to the year of the permit application, such other license and/or permit relating to similar business activities as in the permit application. If the application lists such other licenses and/or permits, the list shall include the type, current status, and issuing agency for each license/permit;

(B) Been a partner in a partnership or an officer, director or principal stockholder of a corporation which has had any other licenses and/or permits, relating to similar business activities as in the permit application, issued to and/or revoked in the three years prior to the year of the permit application. The type, current status, and issuing agency for each previously issued or revoked license and/or permit shall be listed on the application;

(C) Been found guilty of or pleaded nolo contendere to a felony or any offense involving gambling, narcotics, use of force or violence, theft, embezzlement or any other offense involving moral turpitude. (Ord. 1404 § 7 (part), 2018).

**18.67.040 Conditions on use.**

The following restrictions/regulations/conditions shall apply to the operation of commercial cannabis businesses, and will be conditions of the use permit, whether specifically stated or not:

(a) Hours of Operation Commercial cannabis businesses shall be restricted to hours of operation between nine (9) a.m. to nine (9) p.m.

(b) Use or Consumption on Premises Prohibited. Use or consumption in any manner, including smoking or vaporizing, of cannabis or cannabis-related products or derivatives is not permitted on the premises of

any commercial cannabis business at any time. The term "premises" includes the actual building, as well as any accessory structures, parking lot or parking areas, or other surroundings within 200 feet of the commercial cannabis business entrance.

(c) **Minors.** Persons under the age of eighteen years of age are not permitted to be on the premises of any commercial cannabis business at any time unless they are a qualified patient or a primary caregiver, and they are in the presence of their parent or guardian.

(d) **Development Review.** If an application for a conditional use permit pursuant to this chapter includes external structural changes to the building requiring a building permit, including the construction of a new building, an addition to an existing building, or a facade remodel of an existing building, the construction, addition, or remodeling shall be subject to architectural review in accordance with Chapter [18.87](#) to ensure that the proposed design is consistent with the general architectural character of the neighborhood.

(e) **Signs.** Changeable copy signs and temporary signs are not permitted. Proposed signs shall be approved under the use permit, both for content and appearance.

(f) **Exterior Painting.** Buildings and structures shall not be painted or surfaced with any design that would simulate a sign or advertising message and cannot be established or maintained such that the exterior appearance of the structure is substantially inconsistent with the external appearance of structures on surrounding properties.

(g) **Displays.** Advertisements, displays of merchandise, signs or any other exhibit depicting the activities of the dispensary placed within the interior of buildings or premises shall be arranged or screened to prevent public viewing from outside such building or premises.

(h) **Loudspeakers.** Outdoor loudspeakers or other outdoor sound equipment advertising or directing attention to a commercial cannabis business, including but not limited to prerecorded or live music or sounds, is prohibited.

(i) The applicant is required to obtain a city license as required under Title [5](#) prior to commencing operation, and said license shall be maintained in good standing or the use permit shall be revoked.

(j) **Other Conditions.** The planning commission or city council may add any conditions to the granting of a permit pursuant to this chapter, should the particular facts and/or circumstances of a proposed use so justify. (Ord. 1404 § 7 (part), 2018).

**18.67.060 Other regulations.**



The provisions of this chapter do not waive or modify any other provision of this code with which commercial cannabis businesses are required to comply. Nothing in this section is intended to authorize, legalize or permit the establishment, operation or maintenance of any facility, building or use which violates any city of Marysville ordinance regarding public nuisances, including any other agency of jurisdiction requirements, or commercial cannabis activity, as defined. (Ord. 1404 § 7 (part), 2018).

**18.67.070 Measure of distance.**

All required minimum distances set forth in Section [18.67.030](#) shall be measured from the nearest property line of one designated location to the nearest property line of the other designated location along a straight line extended between the two points without regard to intervening structures. (Ord. 1404 § 7 (part), 2018).

**18.67.080 Violations—Public nuisance.**

The conduct of any commercial cannabis business within the city in violation of any of the terms of this chapter is hereby found and declared to be a public nuisance per se, and the city attorney or the district attorney may, in addition to or in lieu of prosecuting a criminal action hereunder, commence an action or proceeding for the civil abatement, removal and enjoinder thereof, in the manner provided by law; and shall take other steps and shall apply to such courts as may have jurisdiction to grant such relief as well as abate or remove such commercial cannabis business and restrain and enjoin any person from conducting, operating or maintaining a commercial cannabis business contrary to the provisions of this chapter. The conduct of any dispensary within the city in violation of any of the terms of this chapter will also serve as grounds for revocation of a conditional use permit. (Ord. 1404 § 7 (part), 2018).

**18.67.090 Violations—Penalty.**

- (a) Any person who violates any section of this chapter shall be guilty of a misdemeanor and subject to a fine of one thousand dollars and/or imprisonment in the county jail for a period of up to six months.
- (b) In addition to or in the alternative to any other penalties for violation of this chapter, the city may revoke any permit issued pursuant to Section [18.67.030](#) upon a determination by the city attorney that the permittee has violated provisions of the Marysville Municipal Code or any use permit.
- (c) In addition to or in the alternative to any other penalties for violation of this chapter, a person who violates the provisions of this chapter may be assessed an administrative penalty for each day that a violation exists. For the first five days that a violation exists, a person shall be subject to a fine of one hundred dollars per day. Should a violation continue beyond five days, the violator shall be subject to a fine of five hundred dollars per day from the sixth through the tenth days of a violation. Should a violation persist beyond ten days, the violator shall be subject to a fine of one thousand dollars for each day that

the violation continues. The administrative penalties specified above may be enforced either by way of judicial action or by way of administrative action; the provisions of Section [9.50.170](#) shall apply.

(d) The administrative violations and other penalties set forth in this chapter are not the exclusive remedy. Nothing in this chapter is intended to limit or prohibit the enforcement of the Marysville Municipal Code or other applicable laws through civil or criminal process, or in any other manner allowed by law. (Ord. 1404 § 7 (part), 2018).

**18.67.100 Invalidity.**

This chapter shall be null and void if any determination is made, after the adoption of the ordinance enacting this chapter, by any court of competent jurisdiction, that California Health and Safety Code Section [11362.5](#) et seq. is invalid, or shall be null and void to the extent any portion of such section is held invalid. (Ord. 1404 § 7 (part), 2018).

**18.67.110 Severability.**

Should any section, subsection, clause or provision of this chapter for any reason be held to be invalid or factually unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this chapter, it being hereby expressly declared that this chapter, and each and every section, subsection, sentence, clause and phrase hereof would have been prepared, proposed, approved, adopted and/or ratified irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases of this chapter be declared invalid or unconstitutional. (Ord. 1404 § 7 (part), 2018).

**18.67.120 Compliance with State and Local Laws.**

An application for a use permit pursuant to Section [18.67.030](#) shall affirmatively demonstrate compliance with Section [18.08.070](#) and demonstrate that the intended operation of the business engaged in commercial cannabis activity does not conflict with the Constitution and the laws of the state of California. The failure of the applicant to demonstrate compliance with local laws shall result in denial of the application. (Ord. 1404 § 7 (part), 2018).

**EFFECTIVE DATE**

This Ordinance shall become effective thirty days from and after its passage. The City Clerk is hereby authorized and directed to cause copies of this ordinance to be posted in three (3) prominent places in the City of Marysville within fifteen (15) days after the adoption of the ordinance.

This Ordinance was introduced before the City Council of the City of Marysville, County of Yuba, at a duly noticed meeting of the City Council held on the 10th day of October, 2019, and passed and adopted at the regular meeting of said Council on the 5th day of November, 2019 by the following roll call vote:

AYES: Bill Simmons, Bruce Buttacavoli, Brad Hudson and Ricky Samayoa

NOES: Stephanie McKenzie


ABSENT: None

ABSTAIN: None

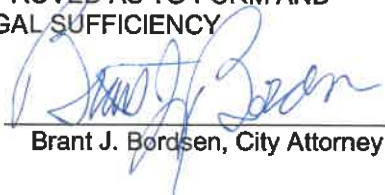
ATTEST:

CITY OF MARYSVILLE, CALIFORNIA  
BY ITS COUNCIL

By:   
\_\_\_\_\_  
Nicole Moe, City Clerk

By:   
\_\_\_\_\_  
Ricky Samayoa, Mayor

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

By:   
\_\_\_\_\_  
Brant J. Bordsen, City Attorney

First Reading: October 10, 2019  
Second Reading: November 5, 2019  
Effective Date: December 5, 2019  
Publication and Post Date: November 20, 2019