

ORDINANCE NO. 1120

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COACHELLA, CALIFORNIA, ADDING CHAPTER 5.69 TO THE COACHELLA MUNICIPAL CODE REQUIRING CANNABIS RETAILER AND RETAIL MICROBUSINESS REGULATORY PERMITS.

WHEREAS, in 1996 California became the first state in the nation to allow the use of medicinal cannabis after voters approved Proposition 215, the California Compassionate Use Act; and,

WHEREAS, in 2015, California enacted the Medical Cannabis Regulation and Safety Act (“MCRSA”); and,

WHEREAS, in 2016, California voters approved Proposition 64, the Control, Regulate and Tax Adult Use of Marijuana Act (“AUMA”) legalizing the use of cannabis for persons aged 21 or older under state law and establishment certain sales and cultivation taxes; and,

WHEREAS, Senate Bill 94, signed by the governor on June 27, 2017, repealed MCRSA and reconciled the standards for medical cannabis with the standards for adult-use cannabis activity under a single law, entitled Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”); and,

WHEREAS, unregulated cannabis retailers and retail microbusinesses can have negative effects on public health, safety, and welfare of the citizens of Coachella; and,

WHEREAS, the issuance or approval of a conditional use permit or development agreement and regulatory permit for cannabis retailers or retail microbusinesses will substantially reduce the aforementioned threat to public health, safety, or welfare; and,

WHEREAS, the City Council conducted a properly noticed public hearing on January 17, 2018 at which members of the public were afforded an opportunity to comment on this Ordinance, the recommendations of staff and public testimony.

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

SECTION 1. Incorporation of Recitals. The City Council finds and determines the foregoing recitals to be true and correct and hereby adopts and incorporates them into this Ordinance.

SECTION 2. Purpose and Intent. It is the purpose and intent of this Ordinance to regulate the retail sale of medicinal cannabis and nonmedicinal cannabis for adult use (including cannabis products and edible cannabis products) within the City of Coachella.

The regulations and prohibitions in this chapter are enacted to ensure the health, safety,

and welfare of the residents of the city. The regulations and prohibitions herein, which are in compliance with the Compassionate Use Act of 1996 (“CUA”), the Medical Marijuana Program (“MMP”), the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”) (collectively, “State law”), do not interfere with the use and possession of cannabis as authorized under State law.

Nothing in this chapter shall be construed to: (1) allow persons to engage in conduct that endangers others or causes a public nuisance, or (2) allow any activity relating to the retail sale or use of cannabis that is otherwise illegal under California state law.

SECTION 3. Addition to the Coachella Municipal Code. Chapter 5.69 of the Coachella Municipal Code is hereby added as follows:

“Chapter 5.69 — CANNABIS RETAILER AND RETAIL MICROBUSINESS REGULATORY PERMIT

5.69.010 – Definitions.

For the purposes of this chapter, the following definitions shall apply.

“Applicant” means an owner applying for a regulatory permit under this chapter.

“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; 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 chapter, “cannabis” does not mean “industrial hemp” as defined by Section 11018.5 of the Health and Safety Code.

“Cannabis products” means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing cannabis or concentrated cannabis and other ingredients.

“City manager” means the city manager of the City of Coachella or designee.

“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.

“Non-storefront retailer” means a cannabis retailer that provides cannabis exclusively through delivery.

“Owner” means any of the following: (1) a person with an aggregate ownership interest of 20 percent (20%) or more in the person applying for the permit, unless such interest is solely a

security, lien, or encumbrance; (2) the chief executive officer of a nonprofit or other entity; (3) a member of the board of directors of a nonprofit; or (4) an individual who will be participating in the direction, control, or management of the person applying for the permit.

“Permittee” means any person holding a valid permit under this chapter.

“Person” includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.

“Premises” means the designated structure or structures and land specified in the regulatory permit application that is owned, leased, or otherwise held under the control of the applicant or permittee where the retailer or retail microbusiness will be or is conducted. These premises shall be a contiguous area and shall only be occupied by one permittee.

“Purchaser” means the customer who is engaged in a transaction with a permittee for the purposes of obtaining cannabis or cannabis products.

“Sell,” “sale,” and “to sell” include any transaction, whereby, for any consideration title to cannabis or cannabis products is transferred from one person to another, and includes the delivery of cannabis or cannabis products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of cannabis or cannabis products by a permittee to the permittee from who the cannabis or cannabis product was purchased.

“Retailer” means a business that sells and/or delivers cannabis or cannabis products to customers.

“Retail microbusiness” means a retailer that includes up to 10,000 square feet of cannabis cultivation on the same premises.

“State License” means a license issued by the State of California, as listed in California Business and Professions Code Section 26050.

5.69.020 – Regulatory permit required.

A. Prior to initiating operations and as a continuing request to operating a retailer or microbusiness, the owner of the proposed retailer or retail microbusiness shall obtain (i) a regulatory permit from the city manager and shall pay application fees as established by resolution adopted by the city council as amended from time to time, and (ii) either a development agreement or a conditional use permit from the City as required by this Code.

B. This chapter, and the requirement to obtain a regulatory permit, does not apply to the individual possession or cultivation of cannabis for personal use, as allowed by State law. Personal cannabis cultivation is regulated under Chapter 17.84. Personal possession and use of cannabis pursuant to State law are permitted in the City of Coachella.

5.69.030 - Regulatory permit application.

An application for a regulatory permit shall include, but shall not be limited to, the following information:

- A. The name, address, and telephone number of the applicant.
- B. A description of the statutory entity or business form that will serve as the legal structure for the applicant and a copy of its formation and organizing documents, including, but not limited to, articles of incorporation, certificate of amendment, statement of information, articles of association, bylaws, partnership agreement operating agreement, and fictitious business name statement.
- C. The name, address, telephone number, title, and function of each of the interested parties described in Section 5.69.130.
- D. A legible copy of each applicant's photo identification, such as a state driver's license, a passport issued by the United States, or a permanent resident card.
- E. A list of the license or permit types (including license or permit numbers) held by the applicant that involve the operation of a retailer or retail microbusiness, including the date the license or permit was issued and the jurisdiction or State license authority that issued the license or permit.
- F. Whether the applicant has been denied a license or permit by the City, any other jurisdiction, and/or the State that involves the operation of a retailer or retail microbusiness. The applicant shall provide a description of the license or permit applied for, the name of the jurisdiction or State license authority that reviewed the license or permit application, and the date of denial.
- G. The proposed retailer' or retail microbusiness' physical address, telephone number, website address, and email address.
- H. Contact information for the applicant's designated primary contact person including the name, title, address, phone number, and email address of the individual.
- I. A list of every fictitious business name the applicant is operating under including the address where the business is located.
- J. Financial information including the following:
 - 1. A list of funds belonging to the retailer or retail microbusiness held in savings, checking, or other accounts maintained by a financial institution. The applicant shall provide for each account, the financial institution's name, the financial institution's address, account type, account number, and the amount of money in the account.
 - 2. A list of loans made to the retailer or retail microbusiness. For each loan, the applicant shall provide the amount of the loan, the date of the loan, term(s) of the loan, security provided for the loan, and the name, address, and phone number of the lender.

3. A list of investments made into the retailer or retail microbusiness. For each investment, the applicant shall provide the amount of the investment, the date of the investment, term(s) of the investment, and the name, address, and phone number of the investor.

4. A list of all gifts of any kind given to the applicant for its use in conducting retailer or retail microbusiness. For each gift the applicant shall provide the value of the gift or description of the gift, and the name, address, and phone number of the provider of the gift.

K. A copy of the applicant's completed application for electronic fingerprint images submitted to the Department of Justice and Federal Bureau of Investigation.

L. A list of each applicant's misdemeanor and felony convictions, if any. For each conviction, the list must set forth the date of arrest, the offense charged, the offense convicted, the jurisdiction of the court, and whether the conviction was by verdict, plea of guilty, or plea of *nolo contendere*.

M. A complete and detailed diagram of the proposed premises showing the boundaries of the property and the proposed premises to be permitted, showing all boundaries, dimensions, entrances and exits, interior partitions, walls, rooms, windows, doorways, and common or shared entryways, storage areas and exterior lighting. The diagram must show the areas in which all business will take place, including but not limited to, limited-access areas.

N. A security plan, as a separate document, outlining the proposed security arrangements to deter and prevent unauthorized entrance into limited access areas and theft of cannabis, in accordance with minimum security measures required by state law. The security plan shall be reviewed by the Coachella Police Department and the city manager and shall be exempt from disclosure as a public record pursuant to Government Code Section 6255(a).

O. A comprehensive business operations plan that includes the following:

1. Business plan. A plan describing how the retailer or retail microbusiness will operate in accordance with this code, state law, and other applicable regulations. The business plan must include plans for ensuring cannabis will be dispensed only to adults over 21 years of age, qualified patients, or primary caregivers, controls to acquire, possess, transport, and distribute cannabis to and from State licensed cannabis entities, if applicable.

2. Community relations plan. A plan describing who is designated as being responsible for outreach and communication with the surrounding community, including the neighborhood and businesses, and how the designee can be contacted.

3. Neighborhood responsibility plan. A plan addressing any adverse impacts of the proposed retailer or retail microbusiness on the surrounding area.

4. Insurance. The applicant's certificate of commercial general liability insurance and endorsements and certificates of all other insurance related to the operation of the retailer or retail microbusiness.

5. Budget. A copy of the applicant's most recent annual budget for operations.

P. The name and address of the owner and lessor of the real property upon which the retailer or retail microbusiness is to be operated. In the event the applicant is not the legal owner of the property, the application must be accompanied with a notarized acknowledgement from the owner of the property that a retailer or retail microbusiness will be operated on his or her property.

Q. Authorization for the city manager to seek verification of the information contained within the application.

R. A statement in writing by the applicant that he or she certifies under penalty of perjury that all the information contained in the application is true and correct.

S. A full and complete copy of the applicant's most current application submitted to and approved by the applicable State licensing authority.

T. Any such additional and further information as is deemed necessary by the city manager to administer this chapter.

5.69.040 - Background check.

The City will provide each applicant, including any management personnel who are responsible for the day-to-day operations of the retailer or retail microbusiness, with a 'request for live scan service' form, which must be taken to a live scan operator for fingerprinting. Each applicant must submit their fingerprint images to the Coachella Police Department, California Department of Justice, and the Federal Bureau of Investigation for fingerprint-based criminal history records review and reporting to the City.

5.69.050 - Additional terms and conditions.

Based on the information set forth in the application, the city manager may impose reasonable terms and conditions on the proposed operations of the retailer or retail microbusiness in addition to those specified in this chapter.

5.69.060 – Regulatory permit denial.

The city manager may deny an application for a regulatory permit or renewal of a regulatory permit upon making any of the following findings:

A. The applicant or the premises for which a regulatory permit is applied does not qualify for a permit under this chapter.

B. The applicant made a material misrepresentation of the application.

C. The applicant fails to comply with the provisions of this chapter.

D. The applicant has failed to provide information required by the city manager.

E. The applicant or permittee has been convicted of an offense that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, except that if the city manager determines that the applicant or permittee is otherwise suitable to be issued a license and granting the license would not compromise public safety, the city manager shall conduct a thorough review of the nature of the crime, conviction, circumstances, and evidence of rehabilitation of the applicant, and shall evaluate the suitability of the applicant or permittee to be issued a permit based on the evidence found through the review. In determining which offenses are substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, the city manager shall include, but not be limited to, the following:

1. A felony conviction for the illegal possession for sale, sale, manufacture, transportation, or cultivation of a controlled substance.

2. A violent felony conviction, as specified in subdivision (c) of Section 667.5 of the California Penal Code.

3. A serious felony conviction, as specified in subdivision (c) of Section 1192.7 of the California Penal Code.

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

F. The applicant, or any of its officers, directors, or owners, has been sanctioned by a State licensing authority or a city, county, or city and county for unlicensed commercial cannabis activities (including, but not limited to, retail, cultivation, manufacturing, distribution, testing) or has had a State license or local permit revoked in the three years immediately preceding the date the application is filed with the city manager.

G. The retailer or retail microbusiness is not properly organized or operating in strict compliance pursuant to the Compassionate Use Act of 1996, the Medical Marijuana Program Act (“MMP”), Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”), and any other applicable law, rules and regulations.

5.69.070 – Regulatory permit term.

A regulatory permit is valid for one (1) year from the date that the permit is issued, unless suspended or revoked sooner.

5.69.080 – Regulatory permit renewal process.

A. To renew a regulatory permit, a completed permit renewal form and renewal permit fee shall be received by the city manager from the permittee no earlier than sixty (60) calendar days before the expiration of the permit and no later than the last business day before the expiration of the permit.

B. In the event the regulatory permit is not renewed prior to the expiration date, the

permittee must cease all retailer or retail microbusiness.

5.69.090 – Regulatory permit surrender.

Every permittee who surrenders, abandons, or quits the permitted premises after a certificate of occupancy is issued, or who closes the permitted premises for a period exceeding sixty (60) consecutive calendar days after a certificate of occupancy is issued, shall, within sixty (60) calendar days after closing, surrendering, quitting, or abandoning the permitted premises, surrender the permit to the city manager. The city manager may seize the permit of a permittee who fails to comply with the surrender provisions of this section and may proceed to revoke the permit. If a permittee wishes to close a retailer or retail microbusiness for repair or refurbishment for a period of longer than sixty (60) calendar days, the permittee shall notify the city manager of same in writing.

5.69.100 – Regulatory permit suspension and revocation.

The city manager may suspend, modify, or revoke a regulatory permit issued pursuant to the provisions of this Chapter for any of the following reasons:

- A. One or more of the circumstances upon which a regulatory permit could be denied exists or has occurred;
- B. One or more conditions of the regulatory permit has been violated; or
- C. The permittee, its owners, officers, directors, partners, agents, or other persons vested with the authority to manage or direct the affairs of the business have violated any provision of this chapter.

5.69.110 – Appeals.

Any decision regarding the denial, suspension, or revocation of a regulatory permit may be appealed to a hearing officer. Notice of and the procedures governing such hearing shall be provided pursuant to Chapter 3.28 of the code.

5.69.120 – Onsite consumption permit.

- A. A retailer or retail microbusiness must obtain an onsite consumption permit (in addition to a regulatory permit under this chapter, and a conditional use permit or development agreement under Coachella Municipal Code Chapter 17) in order for cannabis to be consumed on the premises of the retailer or retail microbusiness.
- B. An onsite consumption permit may be issued at the discretion of the city manager to existing retailers or retail microbusinesses in good standing. An application for an onsite consumption permit may be denied for failure to meet requirements of the City building code, fire code, zoning code, this chapter, and/or any violation of State or local law relevant to the operation of retailers or retail microbusinesses.
- C. The city manager shall establish conditions of approval for each onsite

consumption permit, including, but not limited to a parking plan, ventilation plan, and anti-drugged driving plan.

D. The permit shall be subject to suspension or revocation in accordance with Section 5.69.100, and the owner or operator shall be liable for excessive police costs related to enforcement.

E. The application fee and annual fee for the onsite consumption permit shall be determined by city council resolution.

F. All onsite consumption permits shall be issued for a term of one (1) year. No property interest, vested right, or entitlement to receive a future license to operate a retailer or retail microbusiness shall ever inure to the benefit of such permit holder as such permits are revocable at any time with or without cause by the city manager subject to Section 5.69.100.

5.69.130 – Temporary Cannabis Events

A. Temporary cannabis events are allowed within the City, provided that the event organizer obtain a cannabis event organizer license from the State, obtain a valid temporary cannabis event license, obtain and maintain a valid special use permit from the City pursuant to Chapter 17.48, and operate such a temporary cannabis event in full compliance with State law and corresponding State regulations.

B. A cannabis event organizer must provide notice to the City of the proposed temporary cannabis event no less than sixty (60) days before the first day of the cannabis event.

5.69.140 – Operating standards.

A. Limited access areas. A permitted retailer shall only permit authorized individuals to enter the retailer or retail microbusiness limited-access areas.

B. Retail area. Individuals shall only be granted access to the area to purchase cannabis goods after the permittee has identified the individual as a medical cannabis patient, primary caregiver, or person over the age of 21, depending on whether the retailer or retail microbusiness sells medicinal or nonmedicinal cannabis or both.

C. Delivery. All deliveries of cannabis must be performed in compliance with State law and corresponding state-issued regulations.

D. Track and trace program. Retailers and retail microbusinesses shall have an electronic ‘track and trace’ system that produces historical transactional data for review by the city manager for auditing purposes.

E. Records. A retailer or retail microbusiness shall maintain the following records in printed format for at least three (3) years on the premises and shall produce them to the city manager within twenty-four (24) hours after receipt of the city’s request:

1. The name, address, and telephone numbers of the owner and landlord of

the property.

2. The name, date of birth, address, and telephone number of each manager and staff of the retailer or retail microbusiness; the date each was hired; and the nature of each manager's and staff's participation in the business.

3. A written accounting of all income and expenditures of the retailer or retail microbusiness, including, but not limited to, cash and in-kind transactions.

4. A copy of the retailer's or retail microbusiness' commercial general liability insurance policy and all other insurance policies related to the operation of the business.

5. A copy of the retailer's or retail microbusiness' most recent year's financial statement and tax return.

6. An inventory record documenting the dates and amounts of cannabis received at the premises, the daily amounts of cannabis on the premises, and the daily amounts of cannabis transported from the premises. A retailer or retail microbusiness shall report any loss, damage, or destruction of these records to the city manager within 24 hours of the loss, damage, or destruction.

F. Security. A permittee shall comply with the security plan that is submitted during the application process as approved by the city manager. A permittee shall report to the Coachella Police Department all criminal activity occurring on the premises. Should compliance with the security plan fail to properly secure the retailer or retail microbusiness premises, the city manager may impose additional or modified plan restrictions.

G. Cannabis consumption prohibited. No person shall smoke, ingest, or otherwise consume cannabis in any form on the premises of a retailer or retail microbusiness unless the retailer has a valid onsite consumption permit. No person shall smoke, ingest, or otherwise consume cannabis in violation of State law.

H. Alcohol and tobacco sale prohibited. A permittee shall not sell alcoholic beverages or tobacco products on or at any premises permitted under this chapter.

I. State law compliance. All retailers and retail microbusinesses must operate in full compliance with State law.

J. No cannabis odors shall be detectable outside of the permitted retailer or retail microbusiness.

5.69.150 – Interested parties.

A. A permittee shall provide the city with names and addresses of all of the following interested parties:

1. Persons with at least a 10% interest in the retailer or retail microbusiness;

2. Partners, officers, directors, and stockholders of every corporation, limited liability company, or general or limited partnership that owns at least 10% of the stock, capital, profits, voting rights, or membership interest of the retailer or retail microbusiness or that is one of the partners in the retailer or retail microbusiness;

3. The managers of the retailer or retail microbusiness; and

4. The staff of the retailer or retail microbusiness.

B. The permittee shall notify the city of any change in the information above within 30 calendar days of the change.

C. All interested parties, as described in subsection A, must submit to fingerprinting and a criminal background check by the city.

D. No person shall be an interested party, as described in subsection A of this Section, if he or she is charged with or convicted of a felony; has been charged with or convicted of a violation of California Penal Code section 186.22 (participation in a criminal street gang); or is currently on parole or probation for an offense relating to the sale or distribution of a controlled substance. "Convicted" within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere was entered, but does not include any plea, verdict, or conviction that is expunged pursuant to California law or a similar federal or state law where the expungement was granted. "Charged" within the meaning of this section means (1) an indictment was issued by a grand jury, or an information, complaint, or similar pleading was issued by the United States Attorney, district attorney, city attorney, or other governmental official or agency authorized to prosecute crimes, and (2) the criminal proceedings are currently pending.

5.69.160 – Emergency contact manager.

A retailer or retail microbusiness permittee shall provide the city manager with the current name and primary and secondary telephone numbers of at least one 24-hour on-call manager to address and resolve complaints and to respond to operating problems or concerns associated with the retailer or retail microbusiness.

5.69.170 - Community relations manager.

Each retailer or retail microbusiness shall provide the city manager with the name, phone number, facsimile number, and email address of an on-site community relations or staff person or other representative to whom the city can provide notice if there are operating problems associated with the retailer or retail microbusiness or refer members of the public who may have any concerns or complaints regarding the operation of the retailer or retail microbusiness. Each retailer or retail microbusiness shall also provide the above information to its business neighbors located within one hundred (100) feet of the retailer or retail microbusiness as measured in a straight line without regard to intervening structures, between the front doors of each establishment.

5.69.180 – Display of regulatory permit.

The permittee shall display its current valid permit issued in accordance with this chapter inside the lobby or waiting area of the main entrance to the premises. The permit shall be displayed at all times in a conspicuous place so that it may be readily seen by all persons entering the premises.

5.69.190 – Inspections and enforcement.

A. Recordings made by security cameras at any retailer or retail microbusiness shall be made immediately available to the city manager upon verbal request; no search warrant or subpoena shall be needed to view the recorded materials.

B. The city manager shall have the right to enter all cannabis facilities from time to time unannounced for the purpose of making reasonable inspections to observe and enforce compliance with this chapter.

C. Operation of the retailer or retail microbusiness in non-compliance with any conditions of approval or the provisions of this chapter shall constitute a violation of the municipal code and shall be enforced pursuant to the provisions of this code.

D. The city manager may summarily suspend or revoke a cannabis regulatory permit if any of the following, singularly or in combination, occur:

1. The city manager or designee determines that the retailer or retail microbusiness has failed to comply with this chapter or any condition of approval or a circumstance or situation has been created that would have permitted the city manager or designee to deny the permit under Section 5.69.060.

2. Operations cease for more than thirty (60) calendar days, including during change of ownership proceedings, unless otherwise authorized by the city manager;

3. Ownership is changed without securing a regulatory permit; or

4. The retailer or retail microbusiness fails to allow inspection of the records, security recordings, the activity logs, or the premises by authorized city officials.

5.69.200 - Permits not transferable.

Regulatory permits issued pursuant to this chapter are not transferable.

5.69.210 – Liability and indemnification.

A. To the fullest extent permitted by law, any actions taken by a public officer or employee under the provisions of this chapter shall not become a personal liability of any public officer or employee of the City.

B. To the maximum extent permitted by law, the permittees under this chapter shall defend (with counsel acceptable to the City), indemnify and hold harmless the City of Coachella, the Coachella City Council, and its respective officials, officers, employees, representatives,

agents and volunteers (hereafter collectively called City) from any liability damages, actions, claims, demands, litigation, loss (direct or indirect), causes of action, proceedings or judgment (including legal costs, attorneys' fees, expert witness or consultant fees, City Attorney or staff time, expenses or costs (collectively called "action") against the City to attack, set aside, void or annul, any cannabis-related approvals and actions and comply with the conditions under which such permit is granted, if any. The City may elect, in its sole discretion, to participate in the defense of said action and the permittee shall reimburse the City for its reasonable legal costs and attorneys' fees.

C. Within ten (10) calendar days of the service of the pleadings upon the City of any action as specified in Subsection B., above, the permittee shall execute a letter of agreement with the City, acceptable to the Office of the City Attorney, which memorializes the above obligations. These obligations and the letter of agreement shall survive termination, extinguishment or invalidation of the cannabis-related approval. Failure to timely execute the letter of agreement does not relieve the applicant of any of the obligations contained in this section or any other requirements or performance or operating standards that may be imposed by the City.

To the fullest extent permitted by law, the city shall not assume any liability whatsoever, with respect to approving any regulatory permit pursuant to this chapter or the operation of any retailer or retail microbusiness approved pursuant to this chapter.

5.69.220 - Compliance with state law.

All retailer or retail microbusinesses shall comply fully with all of the applicable restrictions and mandates set forth in state law, including without limitation the Compassionate Use Act of 1996 ("CUA"), the Medical Marijuana Program Act ("MMP"), and the Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA").

5.69.230 - Violations.

A. In addition to any other remedy allowed by law, any person who violates a provision of this chapter is subject to criminal sanctions, civil actions, administrative penalties, permit suspension, and permit revocation.

B. Violations of this chapter constitute an infraction or misdemeanor and may be enforced by any applicable law.

C. Violations of this chapter are hereby declared to be public nuisances.

D. Each person is guilty of a separate offense each day a violation is allowed to continue and every violation of this chapter shall constitute a separate offense and shall be subject to all remedies.

E. All remedies prescribed under this chapter shall be cumulative and the election of one or more remedies shall not bar the city from the pursuit of any other remedy for the purpose of enforcing the provisions hereof."

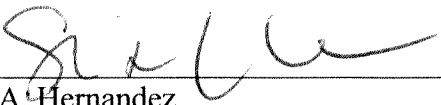
SECTION 3. Effective Date. This Ordinance shall take effect thirty (30) days after its adoption.

SECTION 4. 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 5. 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 local newspaper of general circulation and which is hereby designated for that purpose.


SECTION 6. CEQA. The City Council finds that this Ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

PASSED, APPROVED and ADOPTED this 14th day of February, 2018.



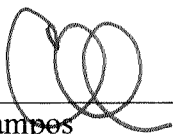
Steven A. Hernandez
Mayor

ATTEST:



Angela M. Zepeda
City Clerk

APPROVED AS TO FORM:



Carlos Campos
City Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF COACHELLA)


I HEREBY CERTIFY that the foregoing Ordinance No. 1120 was duly and regularly introduced at a meeting of the City Council on the 17th day of January, 2018, and that thereafter the said ordinance was duly passed and adopted at a regular meeting of the City Council on the 14th day of February, 2018.

AYES: Councilmember Bautista, Councilmember Brown, Councilmember Martinez,
Mayor Pro Tem Sanchez, and Mayor Hernandez.

NOES: None.

ABSENT: None.

ABSTAIN: None.



Andrea J. Carranza, MMC
Deputy City Clerk