

EXHIBIT A

ORDINANCE NO. 2025 – 02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WINTERS AUTHORIZING COMMERCIAL CANNABIS USES IN THE CITY OF WINTERS BY AMENDING SECTIONS 17.04.140 (DEFINITIONS), 17.52.020 (LAND USE/ZONE MATRIX), AND 17.205.030 (COMMERCIAL CANNABIS USES AND REQUIREMENTS) OF THE WINTERS MUNICIPAL CODE AND FINDING THAT THE ORDINANCE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO SECTION 15061(B)(3) OF THE CEQA GUIDELINES

WHEREAS, pursuant to its police powers and as authorized by the California Compassionate Use Act, the California Medical Cannabis Regulation and Safety Act ("MCRSA"), the Adult Use of Marijuana Act ("AUMA"), SB 94 and the Medical and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA"), the City may enact laws or regulations pertaining to cannabis cultivation, dispensing, manufacturing, distribution, transportation, and testing within its jurisdiction; and

WHEREAS, the City wishes to establish a uniform regulatory structure for cannabis uses in the City in accordance with state law; and

WHEREAS, the City of Winters Municipal Code ("WMC") regulates allowable uses and development standards within the City; and

WHEREAS, this Ordinance adds new definitions to Section 17.04.140, amends the land use zones matrix in Section 17.52.020, and amends the regulations in Section 17.205.030, of the WMC, relating to commercial cannabis uses; and

WHEREAS, the Planning Commission held a duly noticed public hearing on October 22, 2024, at which time it reviewed the amendments to the WMC and considered all public comments on the revisions and the related California Environmental Quality Act ("CEQA") exemption; and

WHEREAS, on October 22, 2024, the Planning Commission continued the public hearing to this date on December 10, 2024, and again, after it reviewed the amendments to the WMC and considered all public comments on the revisions and the related CEQA exemption forwarded a recommendation to the City Council for its consideration; and

WHEREAS, the City Council held a duly noticed public hearing on January 21, 2025, at which time it reviewed the proposed amendments to the WMC and considered the Planning Commission's recommendation, all public comments on the revisions and the related California Environmental Quality Act ("CEQA") exemption; and

WHEREAS, on January 21, 2025, the City Council provided direction to staff to incorporate changes into the proposed ordinance and return with additional data on February 18, 2025; and

WHEREAS, the public hearing was continued to February 18, 2025; and

WHEREAS, the proposed ordinance amendments are consistent with the City's General Plan and will not allow for, nor encourage, any more development than is already anticipated under the City's General Plan, or otherwise allow for or promote physical changes in the environment and, therefore, it can be seen with certainty that there is not a possibility that the proposed ordinance may have a significant impact on the environment; and

WHEREAS, the Ordinance is exempt from the CEQA pursuant to Section 15061(b)(3) ("common sense exemption") of the CEQA Guidelines because there is no possibility that the general policymaking and/or administrative activity in the Ordinance will have a significant effect on the environment.

NOW, THEREFORE, the City Council of the City of Winters does ordain as follows:

Section 1. Recitals. The above recitals are hereby declared to be true and correct findings of the City Council of the City of Winters.

Section 2. Amendments to Section 17.04.140(B). Section 17.04.140(B) (Definitions) of Chapter 17.04 (Introductory Provisions and Definitions) of Title 17 (Zoning) of the Winters Municipal Code is hereby amended to include the following definitions:

"Cannabis permit or commercial cannabis permit" means a permit issued by the City pursuant to Section 17.205.030 for the operation of a commercial cannabis business within the City.

"Cannabis storefront retailer (dispensary)" means a facility operated in accordance with state and local laws and regulations, where cannabis and/or cannabis products are offered for retail sale, including an establishment that delivers cannabis and/or cannabis products as part of a retail sale, under a state license Type 10 or a cannabis license type subsequently established. This definition does not include mobile dispensaries.

"Youth oriented property" means any property on which any of the following uses are located: (1) a child day care facility (as defined by California Health and Safety Code Section 1596.750, which includes a facility that provides nonmedical care to children under 18 years of age in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual on less than a 24-hour basis; and includes day care

centers, employer-sponsored child care centers, and family day care homes); (2) a day care center (as defined by California Health and Safety Code Section 1596.76, including any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, and school-age child care centers, and includes child care centers licensed pursuant to California Health and Safety Code Section 1596.951); (3) a youth center (as defined by California Health and Safety Code Section 11353.1, which includes any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities); or (4) a school (including any private or public educational facility providing instruction in kindergarten or grades 1 through 12).

Section 3. Amendments to Section 17.52.020. Section 17.52.020 (Land Use/Zone Matrix) of Chapter 17.52 (Land Use Regulations: Zoning Matrix) of Title 17 (Zoning) of the Winters Municipal Code is hereby amended in its entirety to read as follows:

"17.52.020 Land Use/Zone Matrix.

LAND USE/ZONE MATRIX

KEY: Zoning Designations:

C= Conditional Use (A-1) General Agricultural (R-4) High Density Residential (B/P) Business Industrial Park
P= Permitted Use (R-R) Rural Residential (C-1) Neighborhood Commercial (M-1) Light Industrial
T= Temporary Use (R-1) Single-Family Residential (C-2) Central Business District (M-2) Heavy Industrial
(R-2) One- and Two-Family Residential (C-H) Highway Service Commercial (PQP) Public/Quasi-Public
(R-3) Multifamily Residential (O-F) Office (PD) Planned Development

AGRICULTURAL USES																	
	A-1	R-R	R-1	R-2	R-3	R-4	C-1	C-2	C-H	O-F	B/P	M-1	M-2	PQP	P-R	O-S	P-D*
Agricultural Operation	P	C														P	
Animal Production	P															C	
Businesses and Uses Prohibited by State or Federal Law																	
COMMERCIAL AND OFFICE USES																	
	A-1	R-R	R-1	R-2	R-3	R-4	C-1	C-2	C-H	O-F	B/P	M-1	M-2	PQP	P-R	O-S	P-D*
Adult Entertainment											C	C					
Automobile Repair, Major							C	C			C	C	P				
Automobile Repair, Minor							P	P	P		P						

Bar, Cocktail Lounge							C	C									
Bed and Breakfast Inn			C	C	C	C		C									
Business Service							P	P		P	P						
Businesses and Uses Prohibited by State or Federal Law																	
Commercial Cannabis (retail storefront only)							C ⁸	C ⁸									
Financial Institutions							P	P		P	P						
Equipment Sales, Rental, Repair							P	P			P						
Funeral Parlor								P			C						
Hotel, Motel								C	C								
Nurseries	P						P	P			C	C					
Office, Business and Medical							P	P		P	P						
Outdoor Sales							C	C			C						
Personal Retail Services							P	P									
Personal Storage								C			C	C			C	C	
Recreation, Indoor or Outdoor							C	C			C	C					
Recreational Vehicle Park									C		C						
Restaurant							P	P	P		C						
Restaurant, Drive-Through							C	C	P								
Retail Sales, General							P	P	C		C						
Roadside Stand	P	C					C	C									
Service Station							P	P	P		P						
Stationary Food Vendor							C	C	C								
Veterinary Hospital, Kennel	C						C	P									
INDUSTRIAL USES																	
	A-1	R-R	R-1	R-2	R-3	R-4	C-1	C-2	C-H	O-F	B/P	M-1	M-2	PQP	P-R	O-S	P-D*

Businesses and Uses Prohibited by State or Federal Law																	
Finished Goods Assembly										P	P	P					
Heavy Equipment Terminal										C	C	P					
Laboratory, Research, Equipment									C		C	C					
Manufacturing, Heavy General												C					
Manufacturing, Light General											C	P					
Mineral Extraction	C											C	C		C		
Recycling Center Collection							P	P			P	P	P				
Recycling and Salvage Yards												C					
Warehouse, Wholesale, Freight Terminal											C	P					
PUBLIC & QUASI-PUBLIC USES																	
	A-1	R-R	R-1	R-2	R-3	R-4	C-1	C-2	C-H	O-F	B/P	M-1	M-2	PQP	P-R	O-S	P-D*
Assembly Hall/Community Services	C	C					C	C		C	C			C	C		
Businesses and Uses Prohibited by State or Federal Law																	
Cemetery	C													C		C	
PUBLIC & QUASI-PUBLIC USES (Continued)																	
	A-1	R-R	R-1	R-2	R-3	R-4	C-1	C-2	C-H	O-F	B/P	M-1	M-2	PQP	P-R	O-S	P-D*
Communication Equipment Facility	C	C			C	C	C	C	C	C	C	P	P	C	C	C	
Convalescence and Care Services		C	C	C	C	C	C							C			
Cultural Facility						C	C							C	C		
Day Care, General		C	C	C	C	C				C	C			C			
Emergency Shelter					P	P		P						P			
Government Offices										C	C			C	C		

Hospital										C	C			C			
Public Parks	C	C	C	C			C	C	C					C	C	C	
Religious Institutions			C	C			C	C		C	C			C			
Safety Services							C	C		C	C			C			
Utility Services, Major	C	C											C	C	C	C	
Utility Services, Minor	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
Vocational Training Facility														C			
RESIDENTIAL USES																	
	A-1	R-R	R-1	R-2	R-3	R-4	C-1	C-2**	C-H	O-F	B/P	M-1	M-2	PQP	P-R	O-S	P-D*
Accessory Dwelling Units		P	P	P													
Businesses and Uses Prohibited by State or Federal Law																	
Day Care, Limited		P	P	P	P	P											
Dwelling, Multiple-Family					P	P	C	C ³		C							
Dwelling, Single-Family	P	P ⁴	P ⁴	P ⁴	C	C ⁴		C ^{2,3}								C	
Dwelling, Two-Family or Duplex			P ¹	P	C	C											
Farmworker Housing Unit	P		P	P	P	P		P ⁵									
Farmworker Housing Complex	P				P	P		P ⁵									
Mobilehome Park		C	C	C	C	C											
Single Room Occupancy					P	P		C									
Residential Care Facility		C	C	C	C									C			
Vacation Rental (Hosted)		C	C	C	C												
Vacation Rental (Nonhosted)		C	C	C	C												
TEMPORARY USES																	
	A-1	R-R	R-1	R-2	R-3	R-4	C-1	C-2	C-H	O-F	B/P	M-1	M-2	PQP	P-R	O-S	P-D*

Arts and Crafts Show	T							T	T	T	T	T	T	T	T	T	T
TEMPORARY USES (Continued)																	
	A-1	R-R	R-1	R-2	R-3	R-4	C-1	C-2	C-H	O-F	B/P	M-1	M-2	PQP	P-R	O-S	P-D*
Businesses and Uses Prohibited by State or Federal Law																	
Carnivals/Fairs/Fund Raisers	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T
Construction Trailers	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T
Religious Assembly	T													T	T	T	T
Seasonal Sales	T	T					T	T	T		T	T		T	T	T	T

Footnotes:

1. Affordable or market rate duplexes are allowed on all corner lots in the R-1 and R-2 zones citywide.
2. Only if an existing historical structure is planned for relocation to a C-2 zone that adjoins a residential district.
3. A single residential unit is allowed at a business located in the central business district zone (C-2) upon planning commission approval of a conditional use permit (CUP), while multifamily residential is allowed above a business in the C-2 zone upon planning commission approval of a CUP. A residential unit proposed for a first floor area must be occupied by the property owner or licensed business proprietor, at least four hundred (400) square feet in size, and located at the rear of the business. No more than twenty (20) percent of the existing first floor area can be converted into residential uses and the existing first floor area must be at least two thousand (2,000) square feet in size.
4. Manufactured homes and factory-built homes located on a permanent foundation are allowed in the specified zones by right or upon planning commission approval of a conditional use permit (CUP).
5. For single farmworkers, single room occupancy housing is permitted.
6. Vacation rental (hosted) is allowed in all residential zones upon zoning administrator approval of a vacation rental permit.
7. Vacation rental (non-hosted) is allowed in all residential zones upon planning commission approval of a conditional use permit (CUP).
8. A Commercial Cannabis Permit (CCP) is required. A retail storefront commercial cannabis business must be within the C-1 or C-2 zone and located on Assessor's Parcel Maps, Book 03-16, 03-221, 03-321, 03-35, 03-37, 038-05, 038-07 and 038-19.

* All PD uses per PD permit, and as consistent with the general plan.

Also see: Chapter 17.36 (Design Review). Design review may be required, including for land uses which are otherwise permitted by this title, depending upon the type and location of the development project proposed.

** A commercial use operating from a residential structure originally constructed as a residential structure can be converted from a commercial use to a residential use."

Section 4. Amendments to Section 17.52.020. Section 17.205.030 of Chapter 17.52 (Cannabis Uses) of Title 17 (Zoning) of the Winters Municipal Code is hereby amended in its entirety to read as follows:

"17.205.030 Commercial cannabis uses and requirements.

A. Standards for All Commercial Cannabis Uses.

1. Purpose. This section provides the development, operating, and permit standards for commercial cannabis uses, to ensure neighborhood compatibility, minimize potential environmental impacts, mitigate potential nuisances, and provide safe, legal access to cannabis. Additional

standards may apply to particular commercial cannabis uses, as established in other subsections of this section.

2. *Applicability.* Commercial cannabis uses shall be permitted only in compliance with the requirements of this section, state law and all other applicable requirements for the specific type of commercial cannabis use and those of the underlying base zone. In addition to the requirements of this section, commercial cannabis uses shall comply with all applicable state laws and regulations, including the California Environmental Quality Act (CEQA), and other applicable provisions of the City's General Plan and the Winters Municipal Code. The terms used in this section are defined in Section 17.04.140, except for those terms that are defined specifically in this section. Except for hospitals and research facilities that obtain written permission for cannabis cultivation under federal law, it is unlawful to engage in any commercial cannabis use within the City without first having obtained from the City a valid commercial cannabis permit issued pursuant to the provisions of this section. Possession of other types of state or city permits or licenses does not exempt a person or entity from the requirement of obtaining a commercial cannabis permit under this section. Unless specific distinctions are made in subsequent subsections, these requirements shall apply equally to either adult use or medical cannabis activities.
3. *Limitations on Use.* A commercial cannabis use shall only be allowed if such use is in compliance with this section and all applicable provisions set forth and/or incorporated in the Winters Municipal Code, including but not limited to building, plumbing, electrical, fire, hazardous materials, and public health and safety codes. A commercial cannabis use shall comply with all laws and regulations applicable to that type of commercial cannabis use, including all state cannabis laws, and shall comply with all permit, license, approval, inspection, reporting, and operational requirements of other public agencies having jurisdiction over that type of commercial cannabis use. The commercial cannabis use owner or manager shall provide copies of other agency and department permits, licenses, or certificates to the City to serve as verification of such compliance.
4. *Application Procedures and Requirements.* The form and content of the commercial cannabis permit application, the procedures for submitting a commercial cannabis permit application, and the procedures for the issuance and/or denial of a commercial cannabis permit shall be created by the City Manager or his or her designee, subject to approval and adoption by resolution by the City Council. In addition to any other disclosures, data, forms, recitals, assurances, agreements, or other information required by federal, state, or local law, applicants for a

commercial cannabis permit shall provide the following information when submitting an application for a commercial cannabis permit:

a. Property Owner Consent. Commercial cannabis permits shall only be issued where written permission from the property owner and/or landlord is provided. The applicant shall provide evidence of such consent. The property owner and applicant, if other than the property owner, shall sign the application for the commercial cannabis permit, and shall include affidavits agreeing to abide by and conform to the conditions of the commercial cannabis permit and all provisions of the Winters Municipal Code pertaining to the establishment and operation of the commercial cannabis use. The affidavit(s) shall acknowledge that the approval of the commercial cannabis permit shall, in no way, permit any activity contrary to the Winters Municipal Code, or any activity which violates any applicable laws.

b. Name of proposed commercial cannabis business. The name of the proposed commercial cannabis business, including, if applicable, the name on file with the California Secretary of State and any fictitious business names and/or DBAs. If the proposed commercial cannabis business is incorporated, the names, titles, addresses, and contact information of each corporate officer, the name, address, and contact information of the agent for service of process, a certified copy of the articles of incorporation, and a certified copy of the bylaws. If the proposed commercial cannabis business is a partnership, the names, addresses, and contact information for each partner and the agent for service of process.

c. Contact information of owners. The name, address, and contact information of each owner of the proposed commercial cannabis business. For purposes of this section, "owner" shall have the same meaning as the word "owner" set forth in California Business and Professions Code Section 26001(am) and California Code of Regulations, Title 4, Division 19, Chapter 1, Article 1, Section 15003, which includes, for each applicable commercial cannabis business, any of the following:

i. a person with an aggregate ownership interest of 20 percent or more in the entity applying for a commercial cannabis permit, unless the interest is solely a security, lien, or encumbrance, or

ii. an individual who manages, directs, or controls the operations of the commercial cannabis business, including but not limited to:

aa. a member of the board of directors of a nonprofit;

- ab. a general partner of a commercial cannabis business that is organized as a partnership;
 - ac. a non-member manager or managing member of a commercial cannabis business that is organized as a limited liability company;
 - ad. the trustee(s) and all persons who have control of the trust and/or the commercial cannabis business that is held in trust; and
 - ae. the chief executive officer, president or their equivalent, or an officer, director, vice president, general manger or their equivalent.
- d. Criminal history requirements. For each applicant, owner, and manager, a criminal history ("LiveScan"), to include state and federal level checks, prepared not more than two weeks prior to the date of submitting the commercial cannabis permit application, demonstrating that there are no convictions or pending charges for a felony, a felony or misdemeanor involving moral turpitude, or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance within the previous ten years, and that the business owner is not currently on parole or probation for a felony, a felony or misdemeanor involving moral turpitude, or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance. For each owner or manager who becomes part of a commercial cannabis business after a commercial cannabis permit is issued, the commercial cannabis business must submit the required criminal history showing the absence within the past ten years of the offenses listed above to the City Manager or his or her designee within two weeks of the new owner or manager joining the commercial cannabis business. For purposes of this section, "manager" shall mean any person(s) designated by the commercial cannabis business to act as the representative or agent of the commercial cannabis business in managing day-to-day operations with corresponding liabilities and responsibilities, and/or the person in apparent charge of the premises where the commercial cannabis business is located; evidence of management includes, but is not limited to, evidence that the individual has the power to direct, supervise, or hire and dismiss employees, controls hours of operations, creates policy rules, or purchases supplies.

i. A conviction within the meaning of this sections means a plea or verdict of guilty or a conviction following a plea of nolo contendere or no contest.

ii. A commercial cannabis use shall notify the police chief in writing of any disqualifying conviction described in subsection A.4.d. for an owner or manager within 10 days of the conviction or of any pending charges for offenses described in subsection A.4.d. for an owner or manager within 10 days of the filing of such charges by a prosecuting agency.

iii. A commercial cannabis use may submit to the police chief a written request for a waiver of the prohibition against the convictions specified in subsection A.4.d with regard to a particular applicant, owner, or manager on the ground that such person's involvement with the commercial cannabis business will not pose a threat to public safety. If the police chief determines that the requesting party has not submitted a preponderance of evidence to support the conclusion that there is no threat to public safety, the police chief shall deny the request, subject to the appeal procedures as set forth in Chapter 2.44. When responding to any request for a waiver under this section, and when determining whether a particular commercial cannabis activity with a particular applicant, owner, or manager will not pose a threat to public safety, the police chief will take into consideration: (1) employers are prohibited from using the types of "criminal history" documented in California Code of Regulations Title 2, Division 4.1, Chapter 5, Subchapter 2, Article 2, Section 11017; and (2) the California Department of Cannabis Control will deny a license based on convictions that are substantially related to the qualifications, functions, or duties of the business for which the application is made, including criteria set forth in California Code of Regulations Title 4, Division 19, Chapter 1, Article 3, Sections 15017 and 15035.

e. Manager's contact information. The name and contact information for each manager of a proposed commercial cannabis business. If such information is not available at the time the commercial cannabis permit application is submitted, the commercial cannabis permit applicant shall submit such information to the City Manager as soon as it becomes available.

f. Type of use. The proposed type of commercial cannabis use.

g. Location and compliance with zoning. The proposed location of the commercial cannabis business, demonstrating compliance with the zoning and locational restrictions applicable to that commercial cannabis use.

5. Compliance with County Health Regulations and Requirements. Commercial cannabis uses may be subject to permit requirements and regulations, including inspections, established by the Yolo County Health & Human Services Agency (HHS) under the direction of the County Health Director, or any other individual designated by the County Health Director to act on his or her behalf.

6. Development Standards.

a. Building Requirements. All structures used for commercial cannabis uses must comply with applicable building and fire code provisions as determined by the City's building official and the fire department official, respectively. In addition, the site of the commercial cannabis use and all associated buildings must comply with all applicable sections of the Winters Municipal Code, as determined by the City Manager, prior to issuance of a commercial cannabis permit. Commercial cannabis uses that provide access to the public, including but not limited to employees, vendors, contractors, business partners, members, customers, or patients, shall meet local, state and federal requirements for accessibility, including accessible parking, paths of travel, seating, restrooms, and washing facilities. All facilities must be inspected by the City and fire department prior to issuance of a commercial cannabis permit.

b. Emissions Control. All commercial cannabis businesses shall utilize appropriate measures in operation and, where applicable, construction, to prevent the emission of dust, smoke, noxious gases, or other substances that have the potential to impact local or regional air quality.

c. Hours of Operation. Hours of operation for commercial cannabis businesses are established in sections below pertaining to each particular use category.

d. Operating Plan. All commercial cannabis businesses shall submit, as a part of the commercial cannabis permit application and thereafter maintain, an operating plan that specifies the manner in which operations will be handled and which details the number of employees and hours and days of operation. Any commercial cannabis business approved under this section shall be operated in conformance with the approved operating plan and shall meet any specific, additional operating procedures and measures as may be imposed as conditions of approval to ensure that the operation of the facility is consistent with protection of the health, safety and welfare of the community, customers, qualified patients, and primary

caregivers, and will not adversely affect surrounding uses. Any change to the operating plan must be approved in writing by the City Manager or his or her designee.

e. Odor Control. Devices and techniques shall be incorporated in all commercial cannabis uses to ensure that odors from cannabis are not detectable off site. Commercial cannabis uses shall provide a sufficient odor-absorbing ventilation and exhaust system so that odor generated inside the facility that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, in any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis use. As such, commercial cannabis uses must install and maintain the following equipment or any other equipment which the building official or designee determines has the same or better effectiveness:

- i. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally; or
- ii. An air system that creates negative air pressure between the commercial cannabis business's interior and exterior so that the odors generated inside the commercial cannabis business's facility are not detectable on the outside of the facility.

f. Air Quality. A commercial cannabis permit applicant shall provide a calculation of the business's anticipated emissions of air pollutants. The commercial cannabis permit applicant shall also provide assurances that the business will comply with all best management practices established by the Yolo-Solano Air Quality Management District. No commercial cannabis permit shall be issued to any business that would exceed the thresholds of significance established by the Yolo-Solano Air Quality Management District for evaluating air quality impacts under the California Environmental Quality Act for either operation or construction. After the receiving a commercial cannabis permit from the City, a commercial cannabis business must not exceed the thresholds of significant impacts under the California Environmental Quality Act for either operation or construction.

g. Hazardous Materials. To the extent that a commercial cannabis permit applicant intends to use any hazardous materials in its operations, the applicant shall provide a hazardous materials management plan that complies with all federal, state, and local requirements for management of such substances. "Hazardous materials" includes any hazardous substance regulated by any federal, state, or local laws or regulations

intended to protect human health or the environment from exposure to such substances. After receiving a commercial cannabis permit for a commercial cannabis use that involves hazardous materials, the commercial cannabis business must comply at all times with its approved hazardous materials management plan.

h. *Water Supply.* If a proposed commercial cannabis business will occupy an existing building, the applicant shall demonstrate to the satisfaction of the City engineer and building official that water usage will not exceed that of the building's intended occupancy class without additional review and prior approval by the City Manager or his or her designee. If a proposed commercial cannabis business will occupy a newly constructed building, the proposed use and construction design shall include all necessary devices and processes to ensure water usage will not exceed an operation typical of the zone or area in which it is proposed. After receiving a commercial cannabis permit, the commercial cannabis business must ensure that its water usage will not exceed that of the building's intended occupancy class without additional review and prior approval by the City Manager or his or her designee.

i. *Wastewater.* A commercial cannabis permit applicant shall demonstrate to the satisfaction of the City engineer that sufficient wastewater capacity exists for the proposed use. To the extent the proposed commercial cannabis use will result in agricultural or industrial discharges to the City's wastewater system, the applicant shall provide a plan for meeting all federal, state, and local requirements for such discharges. After receiving a commercial cannabis permit, the commercial cannabis business must ensure that its wastewater discharge does not exceed that of the approved occupancy class without additional review and prior approval by the City Manager or his or her designee.

7. *Permit Requirements.* In addition to state permitting requirements and the requirements of this section, including the requirement of a commercial cannabis permit, commercial cannabis businesses shall be subject to the cannabis permit requirements as shown in the Land Use/Zone Matrix in Section 17.52.020. In addition, all commercial cannabis uses must obtain a zoning clearance and pay applicable fees and taxes. Any violations of the Winters Municipal Code or any other local, state, or federal law pertaining to the structure or property to be used for the commercial cannabis use must be cured prior to issuance of a commercial cannabis permit. The City Manager or his or her designee, may design application forms specific to each permitted category and require inspections of proposed facilities before issuing a permit under this section, for adoption by resolution by the City Council. Commercial cannabis uses shall also be subject to permit requirements and regulations established by the Winters Municipal Code and any additional requirements established by resolution or ordinance of the

City Council, or applicable law. A City business license is required for commercial cannabis uses pursuant to Chapter 5.04.

a. Issuance and Term of Permit. Except as provided in subsection B. of this section pertaining to the approval process for a commercial cannabis permit for cannabis storefront retailers, commercial cannabis permits shall be issued to the operator by the City Manager or his or her designee if the applicant has paid all applicable fees and the commercial cannabis permit application is complete, demonstrates compliance with all applicable federal, state, and local requirements, and includes the information required by this section to the satisfaction of the City Manager, City engineer, building official, or his or her designee as applicable. Each commercial cannabis permit approved under this section, shall be valid for a period not to exceed three years from the date of permit approval and shall be subject to permit renewals, in accordance with subsection A.8. of this section. No property interest, vested right, or entitlement to receive a future permit to operate a commercial cannabis use shall ever inure to the benefit of a commercial cannabis permit holder. Commercial cannabis permits issued pursuant to this section are not transferable without prior City approval. Commercial cannabis permits may be issued with conditions. The City has no duty or obligation to issue commercial cannabis permits. The City may elect at any time to cease issuing commercial cannabis permits, including upon receiving credible information that the federal government will commence enforcement measures against such businesses and/or local governments that permit them.

b. Operator/Permit Holder Qualifications. Owners of commercial cannabis permits must be 21 years of age or older.

c. Priority. When processing permit applications for commercial cannabis uses other than cannabis storefront retailers, priority may be given to applications based on a City Council-adopted applicant selection process.

d. Issues of Significant Public Interest. In considering an application under this section for a commercial cannabis permit, the City Manager or his or her designee's review shall be limited to compliance with this section and applicable federal, state, or local laws and regulations. The City Manager or his or her designee may, however, determine that an application does not meet the requirements for a particular license and that the license may remain unissued due to a significant public interest. "Significant public interest" includes, but is not limited to, potential health or safety impacts, potential conflicts with neighboring uses, unique characteristics of the proposed site, unique characteristics of the proposed

operations, and/or other factors that, in the City Manager or his or her designee's discretion, warrant rejection of application(s).

e. Denial of Commercial Cannabis Permit. In addition to any other basis for denying a commercial cannabis permit set forth in this section, the City Manager or their designee may deny a commercial cannabis permit if the application contains any false or misleading statement or information, misrepresentation, or material omission or if the criminal history for any applicant, owner, or manager includes a felony, a felony or misdemeanor involving moral turpitude, or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance within the previous ten years.

8. Exercise and Renewal of Permit. Commercial cannabis permits shall be exercised only by the applicant and are not transferable to any other person or entity without prior written City approval. Permits shall expire upon termination of the business for which it was issued, or upon sale or unauthorized transfer of ownership of the cannabis commercial business. Any commercial cannabis permit that is abandoned for a period of six months shall automatically expire and shall become null and void with no further action required on the part of the City. For purposes of this section, "abandonment" shall mean the failure to initiate the activities described in the permit application or cessation of regular and continuous business operations. All commercial cannabis permits, including commercial cannabis permits for cannabis storefront retailers, have a term of three years and must be renewed prior to expiration. A commercial cannabis use must apply for permit renewal no less than 60 days prior to the expiration of their current permit. Approval of permit renewals may be issued by the City Manager or his or her designee following demonstration by the operator/permittee of compliance with all requirements in effect. Review shall also include, but not be limited to, analyses of the following:

a. Compliance with permit requirements. The commercial cannabis use has been conducted in accordance with this section and all applicable permit conditions, and all applicable state and local laws and regulations, and the business is in good standing with all state and local agencies.

b. Violation and complaints satisfied. Any and all code and/or commercial permit violations or complaints, including complaints related to nuisance activities, have been promptly addressed and cured to the satisfaction of the police chief and City Manager or his or her designee depending on the violation.

c. Authorization of transfer. The commercial cannabis use for which the permit was approved has not been transferred without authorization to another owner or operator.

d. No outstanding violations. There are no outstanding violations of applicable laws, including the Winters Municipal Code and state cannabis laws.

e. Current on city taxes and fees. The business for which the permit was approved is current on all City taxes and fees due.

f. A complete application. The application for renewal is complete, does not contain any false or misleading statement or information, misrepresentation, or material omission, and the criminal history for any owner or manager does not include a felony, a felony or misdemeanor involving moral turpitude, or any crime involving the sale, possession for sale, manufacture, transportation, cultivation, or distribution of a controlled substance within the previous ten years.

9. Health and Safety. Commercial cannabis businesses shall not create a public nuisance of any kind or adversely affect the health or safety of the nearby residents or businesses by creating dust, light, glare, heat, noise, noxious gases, odor, smoke, traffic, vibration, unsafe conditions or other impacts, or be hazardous due to the use or storage of materials, processes, products, runoff or wastes.

10. Taxes. Commercial cannabis businesses shall timely remit payment of all applicable taxes that may be enacted by the voters or any additional regulations that may be promulgated in addition to all current applicable state and local taxes.

11. Security. The following security measures shall be adhered to by all commercial cannabis businesses. Additional security measures may apply to particular commercial cannabis uses, as established in this section.

a. Safety and security plan. A safety and security plan shall be required prior to permit issuance and shall be subject to review and approval by the City Manager or his or her designee. All safety and security plans shall be held in a confidential file exempt from disclosure as a public record pursuant to Government Code Section 7922.000. Such plans shall include, at a minimum, information regarding implementation of the requirements of this section. The City Manager or his or her designee may require that additional information be included in the plan. Commercial cannabis permittees must adhere to the requirements of the approved safety and security plan at all times the commercial cannabis permit is active.

b. Security cameras. Security cameras shall be installed with capability to record activity on the property, including parking lots, entry points to the property, and within all buildings and structures on the

property, including all entrances, exits, perimeter windows and all areas where customers and employees may have access, apart from any restroom area. Security cameras shall record 24 hours a day, seven days a week. Additionally:

- i. Areas where cannabis is grown, tested, cured, manufactured, or stored shall have camera placement in the room facing the primary entry door at a height which will provide a clear unobstructed view of activity without sight blockage from lighting hoods, fixtures, or other equipment.
- ii. Cameras shall also be placed at each location where weighing, packaging, transport preparation, processing, or labeling activities occur.
- iii. At least one camera must be dedicated to record the access points to the secured surveillance recording area.
- iv. At each entrance and exit to the facility, camera coverage must enable recording of customer facial features with sufficient clarity to determine identity.

c. Surveillance video. Surveillance video shall be kept for a minimum of 90 days in a format that can be easily accessed for viewing. Video must use standard industry format to support criminal investigations. Permit holders shall be required to cooperate with all law enforcement investigations and provide video footage related to any such investigation upon request. Failure to do so could result in revocation of a commercial cannabis permit. Motion-sensor lighting and alarms shall be required and shall be professionally installed and monitored to ensure the safety of persons and to protect the premises from theft. Alarm and surveillance systems shall be equipped with a failure notification system that provides prompt notification to the commercial cannabis use of any prolonged surveillance interruption and/or failure of the system. The commercial cannabis business shall notify the Winters Police Department within 24 hours of a failure of the surveillance video system. The commercial cannabis use shall restore the surveillance video system within a time period as determined by the police chief or his or her designee. All surveillance equipment, records, and recordings must be stored in a secured area that is only accessible to management staff. Permittees must keep a current list of all authorized employees who have access to the surveillance system and/or alarm system.

d. Security alarm and contracts. A permittee shall maintain up-to-date and current records and existing contracts on the premises that describe the location and operation of each security alarm system, a schematic of security zones, the name of the alarm installation company, and the name

of any monitoring company. Off-site monitoring and video recording storage of the premises by the licensee or an independent third party is authorized if standards exercised at the remote location meet or exceed all standards for on-site monitoring.

e. Security measures operational during outages. All security measures installed on site shall have the capability to remain fully operational during a sustained power outage.

f. Weapons and firearms. With the exceptions of weapons and firearms possessed by on-duty law enforcement officers, weapons and firearms are prohibited on the property of a commercial cannabis use.

g. Fire safety standards and emergency access. Security measures shall be designed to ensure emergency access in compliance with fire safety standards.

h. Locking doors. All structures used for commercial cannabis uses shall have locking doors, with commercial-grade nonresidential locks, to prevent free access.

i. Security measures to prevent loitering. Security measures shall prevent individuals from remaining on the premises of the commercial cannabis use if they are not engaging in activities expressly related to the operations of the business.

j. Safe and secure transportation plan. Security measures shall include a transportation plan that details the procedures established for the safe and secure transport of cannabis, cannabis products, and currency to and from the business, including the transfer of currency for City tax payments.

k. Storage of cannabis products when not on display. Except for live growing cannabis plants and products on display for sale at retail dispensaries during hours when the business is open to the public, all cannabis and cannabis products shall be stored in a secured and locked room, safe, or vault that meets approval of the Winters Police Department. To the fullest extent possible, all cannabis and cannabis products shall be kept in a manner that prevents theft and loss, except for limited amounts used for the purposes of display or immediate sales.

l. Duress alarm buttons. Duress alarm buttons shall be installed in all commercial cannabis use facilities with easy access by employees and all employees shall be properly trained in their use.

m. Interior security bars. Any security bars installed on the windows or the doors of the commercial cannabis business shall be installed only on the interior of the building.

n. Security personnel approval by police chief. Security personnel hired by the commercial cannabis business shall be subject to prior review and approval of the police chief or his or her designee.

o. Liaison contact information. Each commercial cannabis business shall identify a liaison and provide the liaison's contact information to the Winters Police Department. The designated liaison shall be reasonably available to meet with the chief of police or his or her designee regarding security measures and operational issues.

12. Employees.

a. Age of employees. All employees of a commercial cannabis use must be 21 years of age or older.

b. Current register of employees. Each commercial cannabis business shall maintain on site a current register of all the employees currently employed by the commercial cannabis use and shall produce such register to the police chief, his or her designee, or any other City official authorized to enforce the Winters Municipal Code for purposes of determining compliance with this section.

13. Weights and Measures. All scales used for commercial transactions shall be registered for commercial use and sealed by the California Department of Food and Agriculture's Division of Measurement Standards.

14. Tracking. Commercial cannabis businesses and permittees shall comply with any track and trace program established by the City or by County or State agencies. Commercial cannabis businesses must maintain records tracking all cannabis production and products and shall make all records related to the commercial cannabis business available to the City upon request. The City Manager or his or her designee may require commercial cannabis businesses to comply with a County track and trace system if appropriate.

15. Police Notification. Commercial cannabis businesses shall notify the Winters Police Department within 24 hours of discovering any of the following:

a. Discrepancy in inventory. Significant discrepancies identified during inventory. The level of significance shall be two percent of inventory or per state regulations, whichever is stricter.

- b. Diversion, theft, loss or criminal activity. Diversion, theft, or loss, or any criminal activity involving the commercial cannabis business or any agent or employee of the commercial cannabis business.
- c. Breach of security. Any other breach of security.

16. Inspections. Commercial cannabis businesses shall be subject to inspections by appropriate local and state agencies, including but not limited to the California Department of Public Health, California Department of Food and Agriculture's Division of Measurement Standards, and the City. Commercial cannabis businesses shall be inspected at random times for compliance with the Winters Municipal Code and permit requirements. Unless otherwise allowed under the law, the inspection shall be conducted during regular business hours. If interference in the performance of the duty of the agency having jurisdiction occurs, the agency may request that the City temporarily suspend the permit and order the cannabis operation to immediately cease operations.

17. Restriction on Alcohol Sales. No alcoholic beverages may be sold, dispensed, or consumed on or about the premises of any commercial cannabis business. This section shall not apply to responsible after-hours consumption by employees which does not violate any state or local law or regulation. After-hours consumption, however, is not permitted at any cannabis retail dispensary.

18. Appeal of Decision on Commercial Cannabis Permit. Within 10 days of a decision by the City Manager or his or her designee to approve or disapprove a commercial cannabis permit application for a commercial cannabis use other than a cannabis storefront retailer, or a decision by the City Manager or his or her designee to approve or deny a commercial cannabis permit renewal application, an applicant or interested party may appeal the approval or disapproval by following the procedures for appeals set forth in Chapter 2.44 of the Winters Municipal Code. The appeal hearing shall be set and conducted in accordance with Chapter 2.44.

19. Liability and Indemnification. To the fullest extent permitted by law, any actions taken by a public officer or employee under the provisions of this section shall not become a personal liability of any public officer or employee of the City. To the maximum extent permitted by law, the permittees under this section shall defend (with counsel acceptable to the City), indemnify and hold harmless the City of Winters, the Winters 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 judgments (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 strictly 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 commercial cannabis permittee shall reimburse the City for its reasonable legal costs and attorneys' fees. Permittees under this section shall be required to agree to the above obligations in writing.

B. Standards for Cannabis Storefront Retailers.

1. Purpose. This subsection provides the locational, operational, and permit standards for any commercial cannabis storefront retailers within the City in order to promote the health, safety, and general welfare of its residents and businesses. The standards in this subsection shall be in addition to standards contained in subsection A of this section (Standards for All Commercial Cannabis Uses) for all commercial cannabis businesses.

2. Applicability. Commercial cannabis storefront retailers shall be permitted only in compliance with the requirements of this subsection B, all other applicable requirements of subsection A of this section (Standards for All Commercial Cannabis Uses), and all other applicable requirements of the Winters Municipal Code and state and county agencies.

3. Permit Requirements and Application Procedure. A commercial cannabis permit, issued in addition to any applicable permit issued by the Yolo County Health & Human Services Agency, shall be required to operate a cannabis retail dispensary within the City. Cannabis retail dispensaries shall also be subject to permit requirements and regulations established by the state and those established by the City Council through resolution or ordinance, or applicable law.

4. Commercial cannabis permits for retail dispensaries shall be considered and issued according to the following procedure:

a. City Council approval of commercial cannabis permits. The City Council, following an open application period and review of applications by City staff and recommendations by the City Manager or his or her designee, shall consider commercial cannabis permit applications for retail dispensaries meeting all minimum qualifications at a properly noticed public hearing and, in its sole discretion, may approve the issuance of commercial cannabis permits for retail dispensaries.

b. City Manager to create procedures with City Council approval. The City Manager or his or her designee may create, subject to approval and adoption by resolution by the City Council, such forms, fees, and procedures as are necessary to implement this subsection with respect to the selection, investigation process, renewal, revocation, and suspension of commercial cannabis permits for retail dispensaries. Such procedures

may include a priority ranking system, and appointment of a staff review panel for retail dispensary permits.

c. Permits valid for three years. Each approved commercial cannabis permit for a retail dispensary shall be valid for a period not to exceed three years from the date of permit issuance and shall be subject to permit renewals in accordance with subsection A.8. of this section.

5. Limit on Number of Retail Dispensaries. No more than one retail dispensary shall be permitted within the City at any one time. The one retail dispensary facility authorized under this subsection must maintain a storefront which is open to the public.

6. Location Requirements. Unless otherwise allowed under state law and as modified by this subsection:

a. Allowed in zones listed in Land Use/Zone Matrix. A retail dispensary which is open to the public may only be located within the allowed zoning district(s) in the Land Use/Zone Matrix in section 17.52.020 of the Winters Municipal Code.

b. Location not allowed near residential zones/uses. A retail dispensary shall not be established on any parcel containing a dwelling unit, or immediately abutting (sharing a common property line with) a residential zoning district or within 100 feet of a residential use. Residentially zoned does not include mixed-use zoning for purposes of this section.

c. Locational distance to youth-oriented property. A retail dispensary shall not be established within 500 feet from any youth-oriented property.

d. Distance from public park, public playground or public library. A retail dispensary shall not be established within 500 feet of any public park, public playground, or public library.

e. Measurement of distances from prohibited locations. Distances from prohibited locations listed in subsections b. through d. above are measured as a straight line from the property line (with the cannabis business) to the property line of the prohibited location (parcel to parcel).

7. Operating Standards. In addition to standards contained in subsection A of this section (Standards for All Commercial Cannabis Uses), the following are the minimum development criteria and operational standards applicable to any cannabis retail dispensary:

- a. Compliance with local, state and federal rules and regulations. The building in which the retail dispensary is located shall comply with all applicable local, state and federal rules, regulations, and laws including, but not limited to, building codes and accessibility requirements.
- b. Safety and security plan to be confidential. The retail dispensary shall provide adequate security on the premises pursuant to subsection A.11. of this section, and any additional requirements in this section, including lighting and alarms, to ensure the safety of persons and to protect the premises from theft. The applicant shall submit a safety and security plan for review and approval by the Winters Police Department. *The safety and security plan will remain confidential.*
- c. Plans to comply with zoning requirements. The site plan, circulation, parking, lighting, facility exterior, and any signage shall be subject to all underlying zoning requirements, director review, and approval. The City Manager may waive this requirement where the applicant can demonstrate that existing facilities, including parking, lighting, and landscaping, already meet the requirements of this section.
- d. Signage restrictions. No exterior signage or symbols shall be displayed which advertise the availability of cannabis using drug-related symbols which are attractive to minors or which are carried out in a manner intended to encourage persons under 21 years of age to consume cannabis or cannabis products, nor shall any such signage or symbols be displayed on the interior of the facility in such a way as to be visible from the exterior.
- e. Persons allowed onto the premises. No person shall be allowed onto the premises of a retail dispensary unless they are an employee, customer, vendor or contractor of the retail dispensary, primary caregiver, qualified patient, or employee of an agency having jurisdiction to monitor or investigate the terms of regulatory compliance by the retail dispensary. If the retailer dispensary denies entry for monitoring and inspection to any employee of an agency having such jurisdiction, the facility may be closed and the commercial cannabis permit may be revoked, modified, or suspended. In strict accordance with California Health and Safety Code Section 11362.5 et seq., no person under the age of 18 shall be allowed on a medical cannabis retail site unless allowed under state law, and no person under the age of 21 shall be allowed on a nonmedical cannabis retail site pursuant to California Business and Professions Code Section 26140. All persons entering the site, except those representing a regulatory agency, shall present a photo identification. A doctor's recommendation shall not be required for customers of a nonmedical cannabis retail dispensary. The operating plan submitted as a part of the

commercial cannabis permit application shall specify how this provision will be complied with and enforced.

f. Prohibition of alcohol license. No retail dispensary shall hold or maintain a license from the California Department of Alcoholic Beverage Control to sell alcoholic beverages or operate a business that sells alcoholic beverages. No alcoholic beverages shall be allowed or consumed on the premises of a retail dispensary.

g. Sale of goods restricted to those products listed in permit. No cannabis retail dispensary shall conduct or engage in the commercial sale of any product, good or service unless otherwise approved by the commercial cannabis permit. A retail dispensary may sell live starter (immature) plants, clones, and seeds from qualified nurseries, but shall not cultivate or clone cannabis. A retail dispensary may sell manufactured cannabis, including edible products, and vaporizing devices if allowed by a permit issued by the Yolo County Health & Human Services Agency. Not more than five percent of the retail dispensary area, up to a maximum of 200 square feet, may be devoted to the sale of incidental goods for personal cannabis cultivation and use or promotional items such as clothing, hats, or posters.

h. Consumption of cannabis on premises prohibited. No cannabis shall be consumed on the premises of a retail dispensary. For purposes of complying with this requirement, the term "premises" includes the physical building and leasehold space, as well as any accessory structures, parking areas, sidewalks, driveways, or other immediate surroundings

i. No expansion of facility without prior approval. No retail dispensary may increase in size without amending its commercial cannabis permit, as applicable. The size limitation shall be included in the operational plan required by subsection A.6.d. of this section.

j. Physician on site is prohibited. A retail dispensary shall not have a physician on site to evaluate patients for medical cannabis.

k. Parking to be provided on site. Parking required by Chapter 17.72 shall be provided on site.

l. Operating hours. The retail dispensary's operating hours shall be limited to no more than Sunday through Thursday, 9 a.m. to 8 p.m. and Friday and Saturday from 9 a.m. to 9 p.m.

m. Delivery. Delivery of cannabis is allowed by retail dispensaries. Delivery functions must be included in the commercial cannabis permit

application and approved as a discrete function. Delivery functions shall be in conformance with state cannabis laws and all of the following:

- i. Deliveries can only be conducted between the hours of 9 a.m. and 9 p.m.
- ii. Deliveries shall be made by an employee of the licensed retail dispensary and said employee shall carry with him/her at all times a physical copy of the business's commercial cannabis permit, business license, and state cannabis license.

n. **Record Keeping.** A retail dispensary shall maintain records in accordance with the state and local requirements of its license type. The retail dispensary shall keep accurate records, follow accepted cash handling practices, and maintain a general ledger of cash transactions. The retail dispensary shall allow the City to access the books, records, accounts, and all data relevant to its operations for purposes of conducting an audit or examination to determine compliance with the Winters Municipal Code, administrative regulations, conditions of approval, and applicable laws. Books, records, accounts, and all relevant data shall be produced no later than 24 hours after receipt of the City's request.

o. **Required Signage.** The following signs, in measurements of not less than eight by ten inches, shall be clearly and legibly posted in a conspicuous location inside the retail dispensary where they will be visible to customers in the normal course of a transaction, stating:

- i. "The dispensing of cannabis without a state license is illegal.
- ii. "Use or consumption of cannabis on this premises or property is prohibited."
- iii. For retail dispensaries: "All visitors to this premises must be at least 21 years of age, or, at least 18 years of age and able to show a government-issued medical cannabis ID card in accordance with California Health and Safety Code Section 11362.7 et seq."

C. Enforcement.

1. **Public Nuisance.** The violation of this section, any regulation promulgated under this section, and the condition of any permit issued under this section is hereby declared to be a public nuisance and may be abated pursuant to the provisions of Title 19 (Nuisance Abatement) of the Winters Municipal Code.

2. **Enforcement by City.** The provisions of this section, any regulation promulgated under this section, and the condition of any permit issued under this

section may be enforced by the City by any means provided for in Title 19 (Nuisance Abatement) of in addition to any and all other remedies, civil, equitable or criminal, afforded to the City under the law. Violations of this section, any regulation promulgated under this section, and the condition of any permit issued under this section are punishable as misdemeanors. Each day of engaging in any of the prohibited activities shall constitute a separate offense.

3. Revocation, modification or suspension. In addition to any other remedies available to the City under the law, the City may revoke, modify, or suspend any commercial cannabis permit, following notice and opportunity for a hearing, based on any one of, or combination of, the conditions set forth below:

- a. Minimum qualifications or failure to comply. A permittee ceases to meet any of the minimum qualifications listed in this section or has failed to comply with the requirements of this section or any conditions of approval of the permit.
- b. State license revoked. A permittee's state license for the commercial cannabis use is revoked, terminated, suspended, or not renewed. In the case of a suspension, the City shall not reinstate the commercial cannabis permit until documentation is received showing that the state license is eligible to be reinstated or reissued. It shall be within the City's discretion whether to reinstate any permit.
- c. Cessation of business for six consecutive months. The commercial cannabis use has not been in regular and continuous operation for six consecutive months.
- d. Federal and state laws changed or modified. State law permitting the commercial cannabis use for which the permit was issued is amended or repealed resulting in the prohibition of such use, or the City receives credible information that the federal government will commence enforcement measures against such businesses and/or local governments that permit them.
- e. Change of circumstances. Circumstances under which the permit was granted have changed and the public health, safety, and welfare require the suspension, revocation, or modification.
- f. Misrepresentation or material omissions. The permit was granted or renewed, in whole or in part, on the basis of a misrepresentation or material omission in the permit or renewal application, or the permittee made a misrepresentation or material omission in any submittal required after the issuance of the commercial cannabis permit.
- g. Taxes and fees. The permittee is not current on City taxes or fees.

h. Violation of permit or municipal code. The permittee has violated the Winters Municipal Code, this section, any regulation promulgated under this section, and/or any condition of a commercial cannabis permit issued under this section, and/or has otherwise created a public nuisance pursuant to Civil Code sections 3479 and 3480 or Title 19 of the Winters Municipal Code.

4. Procedures for revocation, modification or suspension. The following procedures apply to the revocation, modification, or suspension of a commercial cannabis permit:

a. Public hearing before City Council after investigation. If, as the result of an investigation, the City determines that one or more of the conditions contained in subsection C.3. of this section applies to a commercial cannabis permit granted in accordance with the provisions of this section, the City Manager shall schedule a public hearing before the City Council to consider the revocation, modification, or suspension of the commercial cannabis permit.

b. Notification of hearing. Written notice of the date, time, place and purpose of such public hearing shall be served to the following parties, as applicable:

i. The owner of the property for which the commercial cannabis permit was granted;

ii. The person or entity to which the commercial cannabis permit was issued, as reflected on the permit and permit application; and

iii. Any person or entity who has been identified as an owner of the commercial cannabis business that is subject to the proposed commercial cannabis permit revocation, modification, or suspension.

c. Notice by registered mail, postage prepaid, return receipt requested. Such notice shall be provided by registered mail, postage prepaid, return receipt requested, not less than 10 days prior to the date of such hearing. Notice may also be posted at the entrance to the commercial cannabis use that is subject to the proposed commercial cannabis permit revocation, modification, or suspension.

d. Public hearing procedures. At the public hearing, each party shall have the right to call and examine witnesses and introduce exhibits. The hearing need not be conducted according to technical rules relating to

evidence and witnesses. The City Council has the right to ask questions and the discretion to exclude evidence if its tendency to prove or disprove an issue is substantially outweighed by the likelihood that its admission will not assist in proving or clarifying a material issue or consume an undue amount of time. Evidence offered during the hearing must be credible and relevant in the estimation of the City Council, but formal rules governing the presentation and consideration of evidence shall not apply. Evidence presented by staff or other officials of the City tending to support an administrative decision shall constitute prima facie evidence that the decision was justified. The burden of proof shall then be on the aggrieved party or other affected person challenging the decision to refute such evidence. The standard to be applied for meeting this burden shall be a preponderance of evidence.

e. City Council may revoke, modify or suspend permit. Following a public hearing, the City Council may revoke, modify, or suspend the commercial cannabis permit after finding one or more of the conditions set forth in subsection C.3. of this section.

5. City may pursue multiple remedies. The election of any particular enforcement remedy shall in no way act as a waiver of the pursuit of any other available enforcement remedy. The City may pursue any enforcement remedy, or combination of enforcement remedies, permitted by law to achieve compliance with this section, any regulation promulgated under this section, and the condition of any permit issued under this section.

Section 5. CEQA. The City Council finds that the Ordinance is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) (the "common sense exemption") because there is no possibility that the general policymaking and/or administrative activity in the Ordinance will have a significant effect on the environment.

Section 6. Effective Date and Publication. This Ordinance of the City of Winters shall be effective thirty (30) days after the date of its passage. This Ordinance shall be published in accordance with Government Code Section 36933.

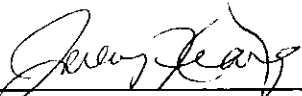
INTRODUCED on the 18th day of February, 2025, and **PASSED AND ADOPTED** by the City Council of the City of Winters on this 18th day of March, 2025, by the following vote:

AYES: Council Members Casavecchia, Loren, Scianna,
NOES: Mayor Pro Tem Biasi, Mayor Vallecillo
ABSENT: None
ABSTAIN: None

CITY OF WINTERS


Albert Vallecillo, Mayor

ATTEST:



Jeremy Craig, City Clerk