

ORDINANCE NO. 2019-08

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ ADDING THE DEFINITION OF “CANNABIS RETAIL BUSINESS” AND REVISING THE DEFINITION OF “PROPRIETOR” IN CHAPTER 6.91 – CANNABIS RETAILER LICENSES OF THE CITY OF SANTA CRUZ MUNICIPAL CODE

BE IT ORDAINED By the City of Santa Cruz as follows:

Section 1. Section 6.91.020 shall be revised as follows:

**6.91.020 Definitions.**

The following words and phrases, whenever used in this chapter, shall have the meanings defined in this section unless the context clearly requires otherwise:

1. “Adult use” shall refer to nonmedical use of cannabis by persons twenty-one years of age or older in conformance with the Medical and Adult-Use Cannabis Regulation and Safety Act and the provisions of state law regarding cannabis use and sale.
2. “Application period” shall be the time stated in the notice of availability during which the planning department will accept applications for cannabis retailer licenses.
3. “Cannabis Retail Business” shall refer to a business within the City of Santa Cruz holding a valid Cannabis Retailer License.
4. “Chief of police” shall refer to the city of Santa Cruz chief of police or the person designated by the chief of police.
5. “Date of issuance of cannabis retailer license” shall be the date on which the cannabis retailer license was approved by the planning department and the chief of police.
6. “License vacancy” shall mean any time in which the total number of licenses issued is fewer than allowed by city council.
7. Medical Cannabis, Medical Marijuana. See “medicinal cannabis.”
8. “Medicinal cannabis” or “medicinal cannabis products” means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Health and Safety Code Section 11362.5, by a medicinal cannabis patient in California who possesses a physician’s recommendation.
9. “Person” shall mean any natural person, partnership, cooperative, association, corporation, personal representative, receiver, trustee, assignee, or any other legal entity.
10. “Planning department” means the planning and community development department of the city of Santa Cruz.

11. "Police department" means the police department of the city of Santa Cruz.

12. "Proprietor" shall mean any of the following:

- A. A person with an aggregate ownership interest of 20 percent or more in a cannabis retail business, unless the interest is solely a security, lien, or encumbrance.
- B. The chief executive officer of a nonprofit or other entity.
- C. A member of the board of directors of a nonprofit.
- D. The trustee(s) and all persons who have control of the trust that holds a cannabis retail business.
- E. An individual entitled to a share of at least 20 percent of the profits of a cannabis retail business.
- F. An individual who will be participating in the direction, control, or management of a cannabis retail business. Such an individual includes any of the following:
  - i. A general partner of a cannabis retail business that is organized as a partnership.
  - ii. A non-member manager or managing member of a cannabis retail business that is organized as a limited liability company.
  - iii. An officer or director of a cannabis retail business that is organized as a corporation.

Section 2. This ordinance shall take effect and be in force thirty (30) days after final adoption.

PASSED FOR PUBLICATION this 14<sup>th</sup> day of May, 2019, by the following vote:

AYES: Councilmembers Krohn, Glover, Meyers, Brown, Mathews; Vice Mayor Cummings; Mayor Watkins.

NOES: None.

ABSENT: None.

DISQUALIFIED: None.

APPROVED: \_\_\_\_\_  
Martine Watkins, Mayor

ATTEST: \_\_\_\_\_  
Bonnie Bush, City Clerk Administrator

PASSED FOR FINAL ADOPTION this 28<sup>th</sup> day of May, 2019 by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: \_\_\_\_\_  
Martine Watkins, Mayor

ATTEST: \_\_\_\_\_  
Bonnie Bush, City Clerk Administrator

This is to certify that the above and foregoing document is the original of Ordinance No. 2019-08 and that it has been published or posted in accordance with the Charter of the City of Santa Cruz.

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Bonnie Bush, City Clerk Administrator