

ATTACHMENT G
CORRESPONDENCE FROM THE CITY OF PASADENA TO THE ATRIUM GROUP
DATED JULY 2, 2019



OFFICE OF THE CITY MANAGER

July 2, 2019

Mr. Larry Mondragon
Representative
The Atrium Group, LLC

Via Email Only

Dear Mr. Mondragon,

This letter is in response to correspondence from you to the City on June 28 and July 1, 2019 wherein you assert that Anthroposophical Society in America, Los Angeles Branch, located at 110 Martin Alley is a "Library" within the meaning of the term as the word is used in Pasadena Municipal Code Section 17.050.066 (D).

As you are aware, the Code requires dispensaries to be located a certain distance away from sensitive uses. The Pasadena Code expanded the State's sensitive uses, which include schools, day care centers and youth facilities to include libraries, religious institutions, and residential zoned properties.

The intent of the distance separation requirements for the purposes of the code is to ensure that dispensaries are located over 600 feet from a Public Library, and not meant to include other businesses or institutions that include a library component as part of their business. A business license is not a land use permit and does not authorize or convey zoning compliance or planning approval. The fact that the subject business was issued a business license identifying it is a non-profit library does not convey any use status for the purposes of the Municipal Code.

Chapter 17.80 of the Zoning Code includes a glossary of specialized terms and land use types. Section 17.80.010 (Purpose of Chapter) specifically states "...If a word is not defined in this Chapter, or in other provisions of the Municipal Code, the Zoning Administrator shall determine the correct definition." [emphasis added]. In the instant situation, the term "Library" is not defined in the Zoning Code, but is defined elsewhere

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in the City's Municipal Code. Specifically, in Library is defined in Title 4, Section 4.109.120 of the Municipal Code Therefore, the term "Library" shall also apply to the provisions of Title 17.

Pursuant to Section 17.80.010 of the Zoning Code and Section 4.109.120 of the Municipal Code, "Library" means:

The Pasadena library system and each of the branches thereof as the same may exist from time to time, together with any additions or betterments thereto, or improvements, extensions or expansions thereof.

Accordingly, the 600-foot separation requirement shall only apply to public libraries as defined in Section 4.109.120 of the Municipal Code, and shall not apply to bookstores or private businesses or Anthroposophical Societies that operate "libraries" as a component of their overall operations.

Sincerely,



JULIE A. GUTIERREZ
Assistant City Manager

c: David M. Reyes, Director of Planning & Community Development

ATTACHMENT H
SECTION 17.50.066 OF THE CITY OF PASADENA ZONING CODE

17.50.066 - Cannabis businesses.

- A. **Purpose.** It is the purpose of this chapter to regulate commercial cannabis businesses consistent with state law including, but not limited to, the Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA"), and furthermore, to protect the health, safety, and welfare of the residents of the City of Pasadena. Nothing in this chapter is intended to authorize the possession, use, or provision of cannabis for purposes which violate state or federal law. Medicinal and adult-use cannabis businesses shall comply with all provisions of the Pasadena Municipal Code, state law, and all other applicable local codes and regulations. The regulations in this chapter do not interfere with a person's right to obtain and use cannabis as authorized under state law; however, it is neither the intent nor the effect of this chapter to condone the use or consumption of cannabis.
- B. **Legal Authority.** Pursuant to Section 7 of Article XI of the California Constitution, the City of Pasadena is authorized to adopt ordinances that establish standards, requirements, and regulations for local licenses and permits for commercial cannabis businesses. Any standards, requirements, and regulations regarding health and safety, testing, security, and worker protections established by the State of California, or any of its departments or divisions, shall be the minimum standards applicable in the City of Pasadena to commercial cannabis businesses.
- C. **Definitions.** The technical terms and phrases used in this chapter are defined in Pasadena Municipal Code Section 5.78.050—Definitions (see PMC Chapter 5.78—Commercial Cannabis Activity).
- D. **Retailer.**
1. **Commercial Cannabis Permit Required.** A cannabis retailer must obtain and maintain at all times a valid commercial cannabis permit as required by Chapter 5.78.
 2. **Use Permit Required.** A use permit is required to establish or operate as a cannabis retailer.
 3. **Limitation on the Number of Retailers.**
 - a. No more than six (6) retailers may operate within the City of Pasadena at any one time and no more than six (6) permits shall be issued by the City of Pasadena for retailers to operate within the City of Pasadena; and
 - b. No more than one (1) retailer may operate within a city council district at any one time.
 4. The maximum square footage of a retail use shall be 15,000 square feet.
 5. **Location Requirements.** Cannabis retailers shall be permitted in only the CO, CL, CG, CD, and IG zoning districts and shall be subject to the following requirements:
 - a. No retailer shall be established or located within 1,000 feet, measured from the nearest property lines of each of the affected parcels, of any other cannabis retailer or cultivation site, or within 500 feet of any testing laboratory;
 - b. No retailer shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any existing residential zone;
 - c. No retailer shall be established or located within a mixed-use development project containing a residential use component;
 - d. No retailer shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any childcare center, in-home (family day care home), youth-oriented facility, church or faith congregation, or substance abuse center;
 - e. No retailer shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any park, library, or K-12 school;
 - f. Retailers shall be required to comply with all zoning, land use, and development regulations applicable to the underlying zoning district in which they are permitted to establish and operate as set forth in the Pasadena Municipal Code.
 6. **Operating Requirements.** In addition to those operating requirements specifically set forth in Section 5.78.170, the following operating requirements shall apply to all cannabis retailers operating in the City of Pasadena:
 - a. **Hours of Operation.** Retailers may be open for access to the public only between the hours of 7:00 a.m. and

10:00 p.m., Monday through Sunday.

- b. For medicinal cannabis, the retailer shall verify the age and all necessary documentation of each customer to ensure the customer is not under the age of eighteen (18) years and that the potential customer has a valid physician's recommendation. For adult-use cannabis, the retailer shall verify the age of each customer to ensure the customer is not under the age of twenty-one (21) years.
 - c. Entrances into the retailer shall be locked at all times with entry strictly controlled. A "buzz-in" electronic/mechanical entry system shall be utilized to limit access and entry to the retailer to separate it from the reception/lobby area.
 - d. Notwithstanding the requirements of Section 15.78.160, uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities.
 - e. Retailers may have only that quantity of cannabis and cannabis products reasonably anticipated to meet the daily demand readily available for sale on-site in the retail sales area of the retail facility.
 - f. All restroom facilities shall remain locked and under the control of management.
7. **Delivery Services.** Permitted in association with retailer. Delivery of cannabis shall be permitted pursuant to this section. A delivery service may operate only as a part of and in conjunction with a retailer permitted pursuant to state law and pursuant to this section. Delivery of cannabis from a retailer permitted pursuant to this section can only be made in a city or county that does not expressly prohibit it by ordinance.
8. **Conditions of Approval.** The planning commission may address development and operational standards through conditions on the use permit as it determines to be necessary or appropriate for the use permit under consideration; provided, that conditions shall not conflict with the provisions of Section 5.78.170 and Section 17.50.066(D)(5) relating to operating requirements of cannabis retailers, and shall be subordinate to conditions placed on the commercial cannabis permit issued under Chapter 5.78.
9. **Parking.** Off-street parking shall be provided as required for retail stores under Chapter 17.46.
10. **Discontinuance.** If a cannabis retailer authorized by a use permit approved under this section is discontinued for a continuous period of 12 months, the use permit expires for discontinuance of use and thereafter is void.

E. Cultivation Sites.

1. **Commercial Cannabis Permit Required.** A cannabis cultivation site must obtain and maintain at all times a valid commercial cannabis permit as required by Chapter 5.78.
2. **Use Permit Required.** A use permit is required to establish or operate a cannabis cultivation site.
3. **Limitation on the Number of Cultivation Sites.**
 - a. No more than 4 cultivation sites may operate within the City of Pasadena at any one time and no more than 4 permits shall be issued by the City of Pasadena for cultivation sites to operate within the City of Pasadena.
 - b. No more than one cultivation site may operate within a city council district at any time.
4. The maximum square footage of a cultivation site shall be 30,000 square feet.
5. **Location Requirements.** Cannabis cultivation sites shall be permitted in only the CG and IG zoning districts and shall be subject to the following conditions:
 - a. No cultivation site shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any existing residential zone;
 - b. No cultivation site shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any childcare center, in-home (family day care home), youth-oriented facility, church or faith congregation, or substance abuse center;
 - c. No cultivation site shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any park, library, or K-12 school.
 - d. Cultivation sites shall be required to comply with all zoning, land use, and development regulations applicable

to the underlying zoning district in which they are permitted to establish and operate as set forth in the Pasadena Municipal Code.

- e. No cultivation site shall be established or located within 1,000 feet, measured from the nearest property line, of any other cultivation site or cannabis retailer, or within 500 feet of any testing laboratory.

6. **Operating Requirements.** In addition to those operating requirements specifically set forth in Section 5.78.170, the following operating requirements shall apply to all cannabis cultivation sites operating in the City of Pasadena:

- a. All outdoor cultivation is prohibited. Commercial cannabis cultivation must occur indoors only.
 - b. In no case shall cannabis plants be visible from a public or private road, sidewalk, park, or any common public viewing area.
 - c. A cultivation site shall only be allowed to cultivate the square footage of canopy space permitted by state law under the type of cultivation license issued.
 - d. Cannabis cultivation shall be conducted in accordance with state and local laws related to land conversion, grading, electricity, water usage, water quality, woodland and riparian habitat protection, agricultural discharges, and similar matters.
 - e. Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage, or inadvertent damage from pests, rodents, or other wildlife.
 - f. The cultivation of cannabis shall at all times be operated in such a way as to ensure the health, safety, and welfare of the public, the employees working at the commercial cannabis facility, visitors to the area, neighboring properties, and the end users of the cannabis being cultivated, to protect the environment from harm to streams, fish, and wildlife; to ensure the security of the cannabis being cultivated; and to safeguard against the diversion of cannabis.
 - g. All applicants for a commercial cannabis permit to operate a cannabis cultivation site shall submit the following in addition to the information generally otherwise required for a commercial cannabis business:
 - (1) A cultivation and operations plan that meets or exceeds minimum standards for water usage; drainage, runoff, and erosion control; watershed and habitat protection; and proper storage of fertilizers, pesticides, and other regulated products to be used on the premises, and a description of the cultivation activities (indoor, mixed-light) and schedule of activities during each month of growing and harvesting, or explanation of growth cycles and anticipated harvesting schedules for all-season harvesting (indoor, mixed-light).
 - (2) A description of a legal water source, irrigation plan, and projected water use.
 - (3) Identification of the source of electrical power and plan for compliance with applicable building codes and related codes.
 - (4) Plan for addressing odor and other public nuisances which may derive from the cultivation site.
7. **Conditions of Approval.** The planning commission may address development and operational standards through conditions on the use permit as it determines to be necessary or appropriate for the use permit under consideration; provided, that conditions shall not conflict with the provisions of Section 5.78.170 and Section 17.50.066(E)(5) relating to operating requirements of cannabis cultivation sites, and shall be subordinate to conditions placed on the commercial cannabis permit issued under Chapter 5.78.
8. **Parking.** Off-street parking shall be provided as required for an "Industry, Standard" use under Chapter 17.46.
9. **Discontinuance.** If a cannabis cultivation site authorized by a use permit approved under this section is discontinued for a continuous period of 12 months, the use permit expires for discontinuance of use and thereafter is void.

F. Testing laboratory.

- 1. **Commercial Cannabis Permit Required.** A testing laboratory must obtain and maintain at all times a valid commercial cannabis permit as required by Chapter 5.78.

2. **Use Permit Required.** A use permit is required to establish or operate a testing laboratory.
3. **Limitation on the Number of Testing Laboratories.**
 - a. No more than four (4) testing laboratories may operate within the City of Pasadena at any one time and no more than four (4) permits shall be issued by the City of Pasadena for testing laboratories to operate within the City of Pasadena.
 - b. No more than one testing laboratory may operate within a city council district at any time.
4. **Location Requirements.**
 - a. Cannabis testing laboratories shall be permitted in any zoning district where laboratories, medical or otherwise, are permitted and shall be required to comply with all zoning, land use, and development regulations applicable to the underlying zoning district in which they are permitted to establish and operate as set forth in the Pasadena Municipal Code.
 - b. No testing laboratory site shall be established or located within 500 feet, measured from the nearest property line, of any other testing laboratory, or 1,000 feet of any cultivation site or cannabis retailer.
5. **Operating Requirements.** In addition to those operating requirements specifically set forth in Section 5.78.170, the following operating requirements shall apply to all cannabis testing laboratories operating in the City of Pasadena:
 - a. Testing laboratories shall be required to conduct all testing in a manner pursuant to Business and Professions Code 26100 and shall be subject to state and local law. Each testing laboratory shall be subject to additional regulations as determined from time to time as more regulations are developed under Chapter 5.78 and any subsequent State of California legislation or regulations regarding the same.
 - b. Testing laboratories shall conduct all testing in a manner consistent with general requirements for the competence of testing and calibrations activities, including sampling using verified methods.
 - c. All testing laboratories performing testing shall obtain and maintain ISO/IEC 17025 accreditation as required by the Bureau of Cannabis Control, as well as ELAP certification.
 - d. Testing laboratories shall destroy any harvest batch whose testing sample indicates noncompliance with health and safety standards required by the bureau unless remedial measures can bring the cannabis or cannabis products into compliance with quality standards as specified by law and implemented by the bureau.
 - e. Each operator shall ensure that a testing laboratory employee takes the sample of cannabis or cannabis products from the distributor's premises for testing required by state law and that the testing laboratory employee transports the sample to the testing laboratory.
 - f. Except as provided by state law, a testing laboratory shall not acquire or receive cannabis or cannabis products except from a state licensee in accordance with state law, and shall not distribute, sell, or dispense cannabis, or cannabis products, from the state licensed premises from which the cannabis or cannabis products were acquired or received. All transfer or transportation shall be performed pursuant to a specified chain of custody protocol.
 - g. A testing laboratory may receive and test samples of cannabis or cannabis products from a qualified patient or primary caregiver only if the qualified patient or primary caregiver presents the qualified patient's valid physician's recommendation for cannabis for medicinal purpose. A testing laboratories shall not certify samples from a qualified patient or primary caregiver for resale or transfer to another party or state licensee. All tests performed by a testing laboratory for a qualified patient or primary caregiver shall be recorded with the name of the qualified patient or primary caregiver and the amount of the cannabis or cannabis products received.
6. **Conditions of Approval.** The planning commission may address development and operational standards through conditions on the use permit as it determines to be necessary or appropriate for the cannabis testing laboratory use permit under consideration; provided, that conditions shall not conflict with the provisions of Section 5.78.170

and Section 17.50.151(F)(5) relating to operating requirements of cannabis testing laboratories, and shall be subordinate to conditions placed on the cannabis business permit issued under Chapter 5.78.

7. **Parking.** Off-street parking shall be provided as required for research and development offices under Chapter 17.46.
8. **Discontinuance.** If a cannabis testing laboratory authorized by a use permit approved under this section is discontinued for a continuous period of 12 months, the use permit expires for discontinuance of use and thereafter is void.

(Ord. 7326 § 3, 6-5-2018)

ATTACHMENT I
CANNABIS RULES AND REGULATIONS PROMULGATED BY THE CITY MANAGER

City of Pasadena

In addition to those already present on the City's Marijuana Regulations webpage, the following rules and regulations are promulgated pursuant to Section 5.78.190 of the "Commercial Cannabis Activity Ordinance" as of June 20, 2019.

CONDITIONAL USE PERMIT: CANNABIS RETAILER

RULES AND REGULATIONS

- I. **Applicability.** The following rules and regulations apply to the processing of land use entitlements required for commercial cannabis businesses pursuant to Section 5.78 of the Pasadena Municipal Code.
 - A. Only the top-ranking applicants notified pursuant to PMC Section 5.78.080. can submit an application for a Conditional Use Permit: Cannabis Retailer to the Planning and Community Development Department.
- II. **Conditional Use Permit Application Acceptance.**
 - A. Only the first COMPLETE application submitted within a council district will be processed.
 - i. Subsequent additional complete applications received within the same council district will be held in the order received; an application is not considered received until it is complete.
 - ii. Where an application is on hold, the time for obtaining a permit pursuant to Section 5.78.080 (H) is concurrently tolled as to that application.
 - iii. Upon issuance of a commercial cannabis permit, no other applications within that same council district will be processed.
 - iv. Should the first complete commercial cannabis CUP applicant fail to secure a CUP, the next complete application in the queue will be processed.
 - B. Upon receiving notification of a complete application, applicants will be required to submit hardcopies of electronically submitted materials and pay all applicable fees.
- III. **Contents of Conditional Use Permit for Cannabis Use (CUP).**
 - A. City staff will undertake a review for completeness to determine whether all of the submittal requirements listed in the Conditional Use Permit: Cannabis Retailer application have been provided.

- B. City staff will inform all applicants whether their applications are complete, or identify missing submittals. A determination of completeness does not include a substantive review and evaluation of the materials.

V. Review Authority

- A. The review authority for 'Conditional Use Permit: Cannabis Retailer' is the Planning Commission.

VI. Appeals.

- A. The Conditional Use Permit: Cannabis Retailer is appealable pursuant to the appeals process as specified in the Pasadena Zoning Code.

City of Pasadena

The rules and regulations promulgated pursuant to Section 5.78.190 of the "Commercial Cannabis Activity Ordinance" are hereby amended as follows as of June 27, 2019:

CONDITIONAL USE PERMIT: CANNABIS RETAILER

RULES AND REGULATIONS

- VII.** For purposes of establishing compliance with Section 17.050.066 D, the City shall consider the locations identified in all complete and code compliant applications in the order received.
- VIII.** An application with a proposed location that is not code compliant will not be processed and will remain on hold until withdrawn by the applicant or able to proceed because the location becomes code compliant. Applications that do not have a code compliant location will not be considered when determining the allowed locations for other applications as established in section 17.050.066 D.
- IX.** The City will process only one application per applicant at a time. Multiple applications by the same applicant will not be considered.