

ORDINANCE NO. 19-03

AN ORDINANCE AMENDING CHAPTER 5.56 OF TITLE 5 OF THE MUNICIPAL CODE TO ALLOW MEDICAL AND ADULT USE OF CANNABIS, ALLOW DISPENSARIES AND MICRO-BUSINESSES, OPERATIONS STANDARDS FOR THE NEW CATEGORIES, AND OTHER VARIOUS AMENDMENTS TO BE CONSISTENT WITH THE STATE OF CALIFORNIA RULES AND REGULATIONS..

The City Council of the City of Hanford does ordain as follows:

Section 1: The Hanford Municipal Code Chapter 5.56 contains definitions, operational standards and enforcement provisions for cannabis businesses in the City of Hanford.

Section 2: The City Council has held a public hearing on the amendment to Chapter 5.56 which will allow medical and adult use of cannabis, adds dispensaries and micro-businesses as allowable businesses and establishes operational standards for various business types that may be located in the City of Hanford.

Section 3: The City Council finds that the adoption of this ordinance is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to the following sections of the CEQA Guidelines, 14 Cal. Code of Regulations, Chapter 3:

- A. The ordinance is exempt under Section 15061(b) (3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The ordinance permits a very limited number of commercial cannabis businesses, and the commercial cannabis businesses will have no impacts that are different than the farming, manufacturing, distribution, laboratory, and delivery activities already authorized within the City. Furthermore, the ordinance contains requirements that prevent any potential impacts on the environment that may be unique to businesses involving medical and non-medical cannabis. For example, the ordinance establishes prohibitions on nuisance odors, glare, excess energy usage, and establishes safety protections to prevent crime or deterioration of the business area into blight, prohibition on usages of hazardous chemicals except for those usages that are consistent with state standards for those chemicals, and a prohibition on usage of excess water in violation of drought laws etc. Further, there is no possibility that this ordinance would create cumulative impacts that are significant because this ordinance does not authorize a total number of businesses in the city than would have been otherwise authorized, does not authorize construction or other related activities or any other activities that are not already permitted, except that the ordinance allows the same activities but with a different material (medical cannabis and nonmedical cannabis) that is being grown, sold, transported, or otherwise utilized in some form; there are no other significant impacts that could occur as a result of this ordinance, and there are no unusual circumstances that would cause any such significant impacts;

B. The ordinance is also exempt under Section 15183 (projects consistent with a community plan, general plan, or zoning) since the types of businesses permitted by the ordinance are consistent with those contemplated by general plan and zoning, such as farming, manufacture, and distribution of other agriculture products and/or products to be used as pharmaceuticals;

SECTION 4: The City Council of the City of Hanford does ordain that Chapter 5.56 is hereby amended as shown in Exhibit A.

SECTION 5. That the ordinance shall take effect thirty (30) days after its passage, and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage or a summary of this ordinance shall be published in the Hanford Sentinel in a manner consistent with the requirements of the California Government Code.

Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on April 2, 2019, by the following roll call vote:

AYES: Draxler, Ramirez, Sorensen, Devine

NOES: Brieno

ABSTAIN: Ø

ABSENT: Ø

APPROVED



Sue Sorensen
MAYOR of the City of Hanford

ATTEST:




SARAH MARTINEZ
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss
CITY OF HANFORD)

I, SARAH MARTINEZ, City Clerk of the City of Hanford, do hereby certify the foregoing ordinance was duly introduced at a regular meeting of the City Council of the City of Hanford on the 19th day of March, 2019, and it was duly passed and adopted at a

regular meeting of the City Council of the City of Hanford held on the 2nd day of April, 2019.



SARAH MARTINEZ
CITY CLERK



Exhibit A
Chapter 5.56



Chapter 5.56 COMMERCIAL CANNABIS ACTIVITY.

5.56.010 Purpose and intent.

It is the purpose and intent of this chapter to accommodate the needs of medically-ill persons in need of cannabis for medical purposes, as advised and recommended by their health care provider(s), and to implement the Adult Use Cannabis Act which was passed by the voters of California while imposing regulations on the use of land to protect the city's neighborhoods, residents, and businesses from negative impacts. It is a further purpose and intent of this chapter to regulate the cultivation, manufacturing, processing, testing, transporting, delivery, and distribution of cannabis and cannabis-related products in a manner which is responsible, which protects the health, safety, and welfare of the residents of Hanford, and to enforce rules and regulations consistent with state law. In part to meet these objectives, an annual permit shall be required to own and/or to operate a commercial cannabis business within Hanford. Nothing in this chapter is intended to authorize the possession, use, or provision of cannabis for purposes which violate state or federal law. The provisions of this chapter are in addition to any other permits, licenses and approvals which may be required to conduct business in the city, and are in addition to any permits, licenses and approval required under state, county, or other law.

5.56.020 Legal authority.

Pursuant to Sections 5 and 7 of Article XI of the California Constitution, and the provisions of the Medical Cannabis Regulation and Safety Act (hereinafter "MCRSA"), and the Adult Use Cannabis Act (hereinafter "AUMA") the city of Hanford is authorized to adopt ordinances that establish standards, requirements and regulations for local licenses and permits for cannabis and cannabis-related activity. Any standards, requirements, and regulations regarding health and safety, 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 Hanford to cannabis, and/or cannabis-related activity.

5.56.030 Cannabis cultivation and commercial cannabis business activities prohibited unless specifically authorized by this chapter.

Except as specifically authorized in this chapter, the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, dispensing, distribution, delivery, or sale of cannabis or cannabis product is expressly prohibited in the city of Hanford.

5.56.040 Compliance with state and local laws.

It is the responsibility of the owners and operators of the commercial cannabis business to ensure that it is, always, operating in a manner compliant with all applicable state and local laws, and any regulations promulgated thereunder. Nothing in this chapter shall be construed as authorizing any actions which violate federal, state law or local law with respect to the operation of a commercial cannabis business. It shall be the responsibility of the owners and the operators of the commercial cannabis business to ensure that the commercial cannabis business is, at all times, operating in a manner compliant with all applicable federal, state and local laws, the 2008 Attorney General Guidelines, any subsequently enacted state law or regulatory, licensing, or certification requirements, and any specific, additional operating procedures or requirements which may be imposed as conditions of approval of the commercial

cannabis business permit. Nothing in this chapter shall be construed as authorizing any actions which violate federal or state law regarding the operation of a commercial cannabis business.

5.56.050 Definitions.

When used in this chapter, the following words shall have the meanings ascribed to them as set forth herein. Any reference to California statutes includes any regulations promulgated thereunder, and is deemed to include any successor or amended version of the referenced statute or regulatory provision.

“Bureau” means the Bureau of Cannabis Control within the California Department of Consumer Affairs.

“Cannabis” refers to “marijuana,” and means all parts of the *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether medical or nonmedical, growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Cannabis” also means the separated resin, whether crude or purified, obtained from cannabis. “Cannabis” also means marijuana as defined by Section 11018 of the California [Health and Safety Code](#) as enacted by Chapter 14017 of the Statutes of 1972. “Cannabis” does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, “cannabis” does not mean industrial hemp as that term is defined by Section 81000 of the California [Food and Agricultural Code](#) or Section 11018.5 of the California [Health and Safety Code](#).

“Cannabis business park” means a park or campus that is one contiguous commercial area of land which has many cannabis related businesses grouped together. Each individual business is clearly defined, having a unique entrance and immovable physical barriers between uniquely licensed premises.

“Cannabis concentrate” means manufactured cannabis that has undergone a process to concentrate the cannabinoid active ingredient, thereby increasing the product’s potency.

“Cannabis product” means a product containing cannabis, including, but not limited to, manufactured cannabis intended to be sold for use by cannabis patients in California pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the California [Health and Safety Code](#) (as the same may be amended from time to time) or pursuant to the Adult Use of Marijuana Act. For purposes of this chapter, “medical cannabis” does not include industrial hemp as defined by Section 81000 of the California [Food and Agricultural Code](#) or Section 11018.5 of the California [Health and Safety Code](#).

“Canopy” means all areas occupied by any portion of a cannabis plant, inclusive of all vertical planes, whether contiguous or noncontiguous on any one site.

“Caregiver” or “primary caregiver” has the same meaning as that term is defined in Section 11362.7 of the California [Health and Safety Code](#).

“City” or “city of Hanford” means the city of Hanford, a California general law city.

“Commercial cannabis activity” includes cultivation, manufacture, processing, laboratory testing, transporting, delivery, distribution, or sale of cannabis product, within the meaning of California [Business and Professions Code](#) Section 26001 and California [Business and Professions Code](#) Section 26050, et seq.

“Commercial cannabis business” means any business or operation which engages in cannabis activity.

“Commercial cannabis business permit” means a regulatory permit issued by the city of Hanford pursuant to this chapter to a commercial cannabis business, and is required before any commercial cannabis activity may be conducted in the city. The initial permit and annual renewal of a commercial cannabis business permit is made expressly contingent upon the business’ ongoing compliance with all of the requirements of this chapter and any regulations adopted by the city governing the commercial cannabis activity at issue.

“Cultivation” means any activity, whether occurring indoors or outdoors, involving the propagation, planting, growing, harvesting, drying, curing, grading, and/or trimming of cannabis plants or any part thereof for any purpose, including cannabis.

“Cultivation site” means a facility where cannabis is cultivated, propagated, planted, grown, harvested, dried, cured, graded, or trimmed, or that does all or any combination of those activities, and where the operator holds a valid commercial cannabis business permit for cultivation from the city of Hanford and a valid state license to cultivate cannabis as required by state law.

“Delivery” means the commercial transfer of cannabis or cannabis products from a dispensary, up to an amount determined to be authorized by the state of California, or any of its departments or divisions, to anyone for any purpose. “Delivery” also includes the use by a dispensary of any technology platform owned, controlled, and/or licensed by the dispensary, or independently licensed by the state of California under the MCRSA or AUMA (as the same may be amended from time-to-time), that enables anyone to arrange for or facilitate the commercial transfer by a licensed dispensary of cannabis or cannabis products.

“Dispensary” means a commercial cannabis business facility where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment (whether fixed or mobile) that delivers, pursuant to express authorization, cannabis and cannabis products as part of a retail sale, and where the operator holds a valid commercial cannabis business permit from the city of Hanford authorizing the operation of a dispensary, and a valid state license as required by state law to operate a dispensary.

“Dispensing” means any activity involving the retail sale of cannabis or cannabis products from a dispensary.

“Distribution” means the wholesale procurement, and sale, of cannabis or cannabis products between entities licensed pursuant to MCRSA, AUMA and any subsequent state of California legislation regarding the same.

“Distributor” means a person holding a valid commercial cannabis business permit for distribution issued by the city of Hanford, and, a valid state license for distribution, required by state law to engage in the business of purchasing cannabis from a licensed cultivator, or cannabis products from a license manufacturer, for sale to a licensed dispensary.

“Dried flower” means all dead cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and stems.

“Edible cannabis product” means manufactured cannabis that is intended to be used, in whole or in part, for human consumption. An edible cannabis product is not considered food as defined by Section 109935 of the California Health and Safety Code or a drug as defined by Section 109925 of the

California **Health and Safety Code**. An edible cannabis product shall not be deemed to be adulterated pursuant to Section 19347.6 of the **Business and Professions Code** solely because it contains cannabis.

“Greenhouse” means a fully enclosed permanent structure that is clad in transparent material with climate control, such as heating and ventilation capabilities and supplemental artificial lighting, and that uses a combination of natural and supplemental lighting for cultivation.

“Live plants” means living cannabis flowers and plants, including seeds, sprouts, immature plants (including unrooted clones), and vegetative stage plants.

“Manufactured cannabis” means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, extraction or other manufactured product intended for internal consumption through inhalation or oral ingestion or for topical application.

“Manufacturer” means a person that conducts the production, preparation, propagation, or compounding of manufactured cannabis, as defined in this section, or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container, where the operator holds a valid commercial cannabis business permit for manufacturing from the city of Hanford and, after January 1, 2018 or as soon as permitted by the state granting agency, department or division, a valid state license for manufacturing pursuant to MCRSA and/or AUMA. A manufacturer may also be a person that infuses cannabis in its products but does not perform its own extraction.

“Manufacturing site” means a location that produces, prepares, propagates, or compounds cannabis or cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and is owned and operated by a person issued a valid commercial cannabis business permit for manufacturing from the city of Hanford and, a valid state license as required for manufacturing of cannabis products.

“Microbusiness” shall have the same meaning as that contained in Section 26070(a)(3) of the **Business and Professions Code** of the State of California.

“Nursery” means a person that produces only clones, immature plants, seeds and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.

“Patient” or “qualified patient” shall have the same definition as California **Health and Safety Code** Section 11362.7 et seq., as it may be amended, and which means a person who is entitled to the protections of California **Health and Safety Code** Section 11362.5.

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

“Person with an identification card” shall have the meaning given that term by California **Health and Safety Code** Section 11362.7.

“State license” means a permit or license issued by the state of California, or one of its departments or divisions, under MCRSA or AUMA to engage in commercial cannabis activity.

“Topical cannabis” means a product intended for external application and/or absorption through the skin. A topical cannabis product is not considered a drug as defined by Section 109925 of the California **Health and Safety Code**.

“Testing laboratory” means a facility, entity, or site in the city of Hanford that offers or performs tests of cannabis or cannabis products and that is both of the following:

1. Accredited by an accrediting body that is independent from all other persons involved in the cannabis industry in the state.

2. Licensed by the Bureau of Cannabis Control, and is owned and operated by a person issued a valid commercial ~~medical~~ cannabis business permit for laboratory testing from the city of Hanford.

“Transport” means the transfer of cannabis products from the permitted business location of one licensee to the permitted business location of another licensee, for the purposes of conducting commercial cannabis activity authorized by the MCRSA and/or AUMA.

“Transporter” means a person issued a state license, and a commercial cannabis business permit by the city of Hanford, authorizing the transport of cannabis or cannabis products in amounts authorized by the state of California, or by one of its departments or divisions under the MCRSA and/or AUMA.

5.56.060 Commercial cannabis business permit required to engage in commercial cannabis business.

A. No person may engage in any commercial cannabis business or activity within the city of Hanford including cultivation, manufacture, processing, laboratory testing, transporting, dispensing, distribution, or sale of cannabis or a cannabis product unless the person: (1) has a valid commercial cannabis business permit from the city of Hanford; and (2) is currently in compliance with all applicable state and local laws and regulations pertaining to the commercial cannabis business or activities, including the duty to obtain any required state licenses.

B. Until **Health and Safety Code** Section 11362.775, subdivision (a), is repealed, the city intends that person’s eligible to operate collectives or cooperatives under that subdivision shall be eligible to apply for a city permit to conduct commercial cannabis activities, but only to the degree those activities are authorized under state law for collectives and cooperatives. When the **Health and Safety Code** Section 11362.775, subdivision (a), is repealed, or as soon as collectives and cooperatives are no longer permitted to engage in commercial cannabis activity under state law, any city permit holder operating a commercial cannabis business under a collective or cooperative who has not already obtained a state license for the commercial cannabis activities they are engaged in shall automatically forfeit his or her city commercial cannabis business permit. At that point, they shall no longer be authorized to engage in any commercial cannabis activities in the city until they obtain both a city issued commercial cannabis business permit and a state license for that commercial cannabis activity.

5.56.070 Cannabis employee permit required.

A. Any person who is an employee or who otherwise works or volunteers within a commercial cannabis business must be legally authorized to do so under applicable state law. Employees, workers, or volunteers at businesses that are permitted by the city of Hanford as cannabis business cultivators, manufacturers, distributors, or delivers that are operating pursuant to **Health and Safety Code** Section 11362.775(a) as collectives or cooperatives until that subsection is repealed must be qualified patients or primary caregivers as required by state law.

B. Any person who is an employee or who otherwise works or volunteers within a commercial cannabis business must obtain a commercial cannabis employee work permit from the city prior to performing any work at any commercial cannabis business.

C. Applications for a commercial cannabis employee work permit shall be developed and made available by the chief of police or designee(s), and shall include, but not be limited to, the following information:

1. Name, address, and phone number of the applicant;
2. Age and verification of applicant. A copy of a birth certificate, driver's license, government issued identification card, passport or other proof that the applicant is at least twenty-one (21) years of age must be submitted with the application;
3. Name, address of the commercial cannabis businesses where the person will be employed, and the name of the primary manager of that business;
4. A list of any crimes enumerated in California **Business and Professions Code** Section 26507(b)(4) for which the applicant has been convicted;
5. Name, address, and contact person for any previous employers from which the applicant was fired, resigned, or asked to leave and the reasons for such dismissal or firing;
6. The application shall be accompanied by fingerprints and a recent photograph of the applicant in a form and manner as required by the chief of police or designee(s);
7. A signed statement under penalty of perjury that the information provided is true and correct;
8. If applicable, verification that the applicant is a qualified patient or primary caregiver;
9. A fee paid in an amount set by resolution of the city council in an amount necessary to cover the costs of administering the employee work permit programs. The fee is non-refundable and shall not be returned in the event the work permit is denied or revoked.

D. The chief of police or designee(s) shall review the application for completeness, shall conduct a background check to determine whether the applicant was convicted of a crime or left a previous employer for reasons that show the applicant:

1. Has been convicted of a crime involving dishonesty, fraud or deceit, including but not limited to fraud, forgery, theft, or embezzlement as those offenses are defined in California Penal Code Sections 186.11, 470, 484, and 504a, respectively; or equivalent offenses in other states.
2. Has committed a felony or misdemeanor involving fraud, deceit, embezzlement; or
3. Was convicted of a violent felony, a crime of moral turpitude; or
4. The illegal use, possession, transportation, distribution or similar activities related to controlled substances, as defined in the Federal Controlled Substances Act, except for cannabis related offenses for which the conviction occurred after the passage of the Compassionate Use Act of 1996.

Discovery of these facts showing that the applicant has been convicted of a crime involving dishonesty, fraud or deceit are grounds for denial of the permit. Where the applicant's sentence (including any term of probation, incarceration, or supervised release) for possession of, possession for sale, sale, manufacture, transportation, or cultivation of a controlled substance is completed, such underlying conviction shall not be the sole ground for denial of a commercial cannabis work permit. Furthermore, an applicant shall not be denied a permit if the denial is based solely on any of the following: (i) a conviction for any crime listed in subsection (D)(4) for which the applicant has obtained a certificate of rehabilitation pursuant to Chapter 3.5 (commencing with Section 4852.01) of Title 6 of Part 3 of the California **Penal Code**; or (ii) a conviction that was subsequently dismissed pursuant to Section 1203.4, 1203.4a, or

1203.41 of the California **Penal Code** or any other provision of state law allowing for dismissal of a conviction.

E. The chief of police or designee(s) shall issue the commercial cannabis work permit or a written denial to the applicant within ninety (90) days of the date the application was deemed complete. Upon the request of a commercial cannabis business and while processing the application for a work permit, the chief of police or designee(s) may issue a temporary work permit for an employee if the business demonstrates to the chief of police or designee(s) that the employee is necessary for the operation of the business. The temporary permit may be immediately revoked by the chief of police or designee(s) upon determination that the applicant has failed the background check.

F. A work permit shall be valid for a twelve (12) month period and must be renewed on an annual basis. Renewal applications shall contain all the information required in subsection B including the payment of a renewal application fee in an amount to be set by resolution of the city council.

G. In the event a person changes employment from one commercial cannabis business in the city to another, the work permit holder shall notify the chief of police or designee(s) in writing of the change within ten (10) days, or the work permit shall be suspended or revoked and such person shall not be permitted to work at any commercial cannabis business in the city.

H. The city may immediately revoke the commercial cannabis work permit should the permit holder be convicted of a crime listed in subsections C and D or if facts become known to the chief of police or designee(s) that the permit holder has engaged in activities showing that he or she is dishonest.

I. The chief of police or designee(s) is hereby authorized to promulgate all regulations necessary to implement the work permit process and requirements.

J. The applicant may appeal the denial or revocation of a commercial cannabis work permit by filing a notice of appeal with the city clerk within ten (10) days of the date the applicant received the notice of denial, which appeal shall be conducted as set forth in Section **5.56.140** of this chapter.

K. The chief of police or designee(s) shall issue a permit in the form of a personal identification card that can be worn by the employee. The personal identification card shall be worn approximately chest-high on their outermost garment, in a prominent and visible location. The identification card shall be maintained in good and readable condition at all times.

5.56.080 Maximum number and type of authorized commercial cannabis businesses permitted.

The number of each type of commercial cannabis business that shall be permitted to operate in the city shall be established by resolution of the city council.

A. This section is only intended to create a maximum number of commercial cannabis businesses that may be issued permits to operate in the city under each category. Nothing in this chapter creates a mandate that the city council must issue any or all of the commercial cannabis business permits if it is determined that the applicants do not meet the standards which are established in the application requirements or further amendments to the application process.

B. Each year following the city council's initial award of permits, if any, or at any time in the city council's discretion, the city council may reassess the number of commercial cannabis business permits which are authorized for issuance. The city council, in its discretion, may determine by resolution that the number of commercial cannabis permits should stay the same, or be expanded.

5.56.090 Initial application procedure.

A. The city council shall adopt by resolution the procedures which will govern the application process, and the manner in which the decision will ultimately be made regarding the issuance of any commercial cannabis business permit(s). The resolution shall authorize the community development director or designee(s) to prepare the necessary forms, adopt any necessary rules to the application, regulations and processes, solicit applications, conduct initial evaluations of the applicants, and to ultimately provide a final recommendation to the city council.

B. At the time of filing, each applicant shall pay an application fee established by resolution of the city council, to cover all costs incurred by the city in the application process.

C. After the initial review, the community development director or designee(s) will make a recommendation to the city council, and the city council shall make a final determination in accordance with this section.

D. **The City's Reservation of Rights.** The city reserves the right to reject any or all applications. The city may also modify, postpone, or cancel any request for applications, or the entire program under this title, at any time without liability, obligation, or commitment to any party, firm, or organization. Persons submitting applications assume the risk that all or any part of the program, or any particular category of permit potentially authorized under this chapter, may be cancelled at any time prior to permit issuance. The city further reserves the right to request and obtain additional information from any candidate submitting an application. In addition to any other justification provided, a failure to comply with other requirements in this chapter, an application risks being rejected for any of the following reasons:

1. Proposal received after designated time and date.
2. Proposal not containing the required elements, exhibits, nor organized in the required format.
3. Proposal considered not fully responsive to this request for permit application.
4. Proposal contains excess or extraneous material not called for in the request for permit application.

5.56.100 Expiration of commercial cannabis business permits.

Each commercial cannabis business permit issued pursuant to this chapter shall expire twelve (12) months after the date of its issuance. Commercial cannabis permits may be renewed as provided in Section 5.56.120.

5.56.110 Revocation of permits.

Commercial cannabis business permits may be revoked for any violation of any law and/or any rule, regulation and/or standard adopted pursuant to this chapter.

5.56.120 Renewal applications.

A. An application for renewal of a commercial cannabis business permit shall be filed at least sixty (60) calendar days prior to the expiration date of the current permit.

B. The renewal application shall contain all the information required for new applications.

C. The applicant shall pay a fee in an amount to be set by the city council to cover the costs of processing the renewal permit application, together with any costs incurred by the city to administer the program created under this chapter.

D. An application for renewal of a commercial cannabis business permit shall be rejected if any of the following exists:

1. The application is filed less than sixty (60) days before its expiration.
2. The commercial cannabis business permit is suspended or revoked at the time of the application.
3. The commercial cannabis business has not been in regular and continuous operation in the four (4) months prior to the renewal application.
4. The commercial cannabis business has failed to conform to the requirements of this chapter, or of any regulations adopted pursuant to this chapter.
5. The permittee fails or is unable to renew its state of California license.
6. If the city or state has determined, based on substantial evidence, that the permittee or applicant is in violation of the requirements of this chapter, of the city's municipal code, or of the state rules and regulations, and the city or state has determined that the violation is grounds for termination or revocation of the commercial cannabis business permit.

E. The community development director or designee(s) is authorized to make all decisions concerning the issuance of a renewal permit. In making the decision, the community development director or designee(s) is authorized to impose additional conditions to a renewal permit, if it is determined to be necessary to ensure compliance with state or local laws and regulations or to preserve the public health, safety or welfare. Appeals from the decision of the community development director or designee(s) shall be handled pursuant to Section 5.56.140.

F. If a renewal application is rejected, a person may file a new application pursuant to this chapter no sooner than one year from the date of the rejection.

5.56.130 Effect of state license suspension, revocation, or termination.

Suspension of a license issued by the state of California, or by any of its departments or divisions, shall immediately suspend the ability of a commercial cannabis business to operate within the city, until the state of California, or its respective department or division, reinstates or reissues the state license. ~~Should the state of California, or any of its departments or divisions, revoke or terminate the license of a~~ commercial cannabis business, such revocation or termination shall also revoke or terminate the ability of a commercial cannabis business to operate within the city of Hanford.

5.56.140 Appeals.

Unless specifically provided elsewhere to the contrary, whenever an appeal is provided for in this chapter from a decision of the chief of police or community development director or designee(s), the appeal shall be conducted as prescribed in this section.

5.56.150 Written request for appeal.

A. Within ten (10) calendar days after the date of a decision of the chief of police or community development director or designee(s) to revoke, suspend or deny a permit, or to add conditions to a permit, an aggrieved party may appeal such action by filing a written appeal with the city clerk setting forth the reasons why the decision was not proper.

B. At the time of filing the appellant shall pay the designated appeal fee, established by resolution of the city council from time to time.

5.56.160 Appeal hearing.

A. Upon receipt of the written appeal, the city clerk shall set the matter for a hearing before the city council. The city council shall hear the matter de novo, and shall conduct the hearing pursuant to the procedures set forth by the city.

B. The appeal shall be held within a reasonable time after the filing the appeal, but in no event later than ninety (90) days from the date of such filing. The city shall notify the appellant of the time and location at least ten (10) days prior to the date of the hearing.

C. At the hearing, the appellant may present any information they deem relevant to the decision appealed. The formal rules of evidence and procedure applicable in a court of law shall not apply to the hearing.

D. At the conclusion of the hearing the city council may affirm, reverse or modify the decision appealed. The decision of the city council shall be final.

5.56.170 Permittee selection process.

A. The city council shall adopt by resolution a procedure guideline by which the top applicants in each category of each commercial cannabis business will be presented to the city council for a final determination at a public hearing.

B. The top final applicants for each category may be invited to attend the city council meeting, where they may be expected to make a public presentation introducing their team and providing an overview of their proposal. In order to provide adequate time, presentations may be divided over more than one meeting over multiple days as determined to be necessary.

C. At least ten (10) days prior to the hearing, notice of the hearing shall be sent to all property owners located within five hundred (500) feet of the proposed business locations of each of the finalists to be considered by the city council.

D. The city council shall either deny or approve the final candidates and shall select the top candidates in each category of the commercial cannabis businesses. The city council's decision as to the selection of the prevailing candidates shall be final.

E. Official issuance of the commercial cannabis business permit(s), however, is conditioned upon the prevailing candidate(s) obtaining all required land use approvals. Following the council's selection, the prevailing candidate(s) shall apply to the city's community development department to obtain any required land use approvals or entitlements for the permittee's location, if any. Land use approvals shall include compliance with all applicable provisions of CEQA. The chief of police or designee(s) shall

formally issue the commercial cannabis business permit(s) once the community development director or designee(s) affirms that all of the required land use approvals have been obtained.

F. Issuance of a commercial cannabis business permit does not create a land use entitlement. The commercial cannabis business permit shall only be for a term of twelve (12) months, and shall expire at the end of the twelve (12) month period unless it is renewed as provided herein. Furthermore, no permittee may begin operations, notwithstanding the issuance of a permit, unless all of the state and local laws and regulations, including, but not limited to, the requirements of this chapter and of the permit, have been complied with.

G. Notwithstanding anything in this chapter to the contrary, the city council reserves the right to reject any or all applications if it determines it would be in the best interest of the city, taking into account any health, safety and welfare impacts on the community. Applicants shall have no right to a commercial cannabis business permit until a permit is actually issued, and then only for the duration of the permits term. Each applicant assumes the risk that, at any time prior to the issuance of a permit, the city council may terminate or delay the program created under this chapter.

H. If an application is denied, a new application may not be filed for one year from the date of the denial.

I. Each person granted a commercial cannabis business permit shall be required to pay the permit fee established by resolution of the city council, to cover the costs of administering the commercial cannabis business permit program created in this chapter.

5.56.180 Change in location—Updated registration form.

A. Any time the dispensing, cultivation, manufacturing, transportation and distribution location specified in the regulatory permit is changed, the applicant shall re-register with the chief of police or designee(s). The process and the fees for re-registration shall be the same as the process and fees set forth for registration in Sections 5.56.090 and 5.56.120.

B. Within fifteen (15) calendar days of any other change in the information provided in the registration form or any change in status of compliance with the provisions of this chapter, including any change in the commercial cannabis business ownership or management members, the applicant shall file an updated registration form with the chief of police or designee(s) for review along with a registration amendment fee, as set forth in Sections 5.56.090 and 5.56.120.

5.56.190 City business license.

Prior to commencing operations, a commercial cannabis business shall obtain a city of Hanford business license.

5.56.200 Building permits and inspection.

Prior to commencing operations, a commercial cannabis business shall be subject to a mandatory building inspection, and must obtain all required permits and approvals which would otherwise be required for any business of the same size and intensity operating in that zone. This includes, but is not limited to, obtaining any required building permit(s), fire department approvals, health department approvals and other zoning and land use permit(s) and approvals.

5.56.210 Certification from the community development director.

Prior to commencing operations, a commercial cannabis business must obtain a certification from the community development director or designee(s) certifying that the business is located on a site that meets all of the requirements of Title 17 of the city's municipal code.

5.56.220 Right to occupy and to use property.

As a condition precedent to the city's issuance of a commercial cannabis business permit pursuant to this chapter, any person intending to open and to operate a commercial cannabis business shall provide sufficient evidence of the legal right to occupy and to use the proposed location. In the event the proposed location will be leased from another person, the applicant shall be required to provide a signed and notarized statement from the owner of the property, acknowledging that the property owner has read this chapter and consents to the operation of the commercial cannabis business on the owner's property.

5.56.230 Limitations on city's liability.

To the fullest extent permitted by law, the city of Hanford shall not assume any liability whatsoever with respect to having issued a commercial cannabis business permit pursuant to this chapter or otherwise approving the operation of any commercial cannabis business. As a condition to the approval of any commercial cannabis business permit, the applicant shall be required to meet all of the following conditions before they can receive the commercial cannabis business permit:

A. They must execute an agreement, in a form approved by the city attorney, agreeing to indemnify, defend (at applicant's sole cost and expense), and hold the city of Hanford, and its officers, officials, employees, representatives, and agents, harmless, from any and all claims, losses, damages, injuries, liabilities or losses which arise out of, or which are in any way related to, the city's issuance of the commercial cannabis business permit, the city's decision to approve the operation of the commercial cannabis business or activity, the process used by the city in making its decision, or the alleged violation of any federal, state or local laws by the commercial cannabis business or any of its officers, employees or agents.

B. Maintain insurance at coverage limits, and with conditions thereon determined necessary and appropriate from time to time by the city attorney.

C. Reimburse the city of Hanford for all costs and expenses, including, but not limited to, attorney fees and costs and court costs, which the city of Hanford may be required to pay as a result of any legal challenge related to the city's approval of the applicant's commercial cannabis business permit, or related to the city's approval of a commercial cannabis activity. The city of Hanford may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve any of the obligations imposed hereunder.

5.56.240 Records and recordkeeping.

A. Each owner and operator of a commercial cannabis business shall maintain accurate books and records in an electronic format, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis (at or before the time of the renewal of a commercial

cannabis business permit issued pursuant to this chapter), or at any time upon reasonable request of the city, each commercial cannabis business shall file a sworn statement detailing the number of sales by the commercial cannabis business during the previous twelve (12) month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month, and all applicable taxes paid or due to be paid. On an annual basis, each owner and operator shall submit to the city a financial audit of the business's operations conducted by an independent certified public accountant. Each permittee shall be subject to a regulatory compliance review and financial audit as determined by the city manager or designee(s).

B. Each owner and operator of a commercial cannabis business shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the commercial cannabis business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the commercial cannabis business. The register required by this paragraph shall be provided to the chief of police or designee(s) upon a reasonable request.

C. Each commercial cannabis business shall maintain a record of all persons, patients, collectives and primary caregivers served by the commercial cannabis business, for a period of no less than four (4) years.

D. All commercial cannabis businesses shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the growing and production or manufacturing, laboratory testing and distribution processes until purchase by or distribution to a qualified patient, primary caregiver for purpose or an adult twenty-one (21) years of age or older who qualifies to purchase cannabis as set forth in AUMA.

E. Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPPA) regulations, each commercial cannabis business shall allow city of Hanford officials to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted commercial cannabis activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the city's request, unless otherwise stipulated by the city. The city may require the materials to be submitted in an electronic format that is compatible with the city's software and hardware.

5.56.250 Security measures.

A. A permitted commercial cannabis business shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the commercial cannabis business. Except as may otherwise be determined by the chief of police or designee(s), these security measures shall include, but shall not be limited to, all of the following:

1. Preventing individuals from remaining on the premises of the commercial cannabis business if they are not engaging in an activity directly related to the permitted operations of the commercial cannabis business.

2. Establishing limited access areas accessible only to authorized commercial cannabis business personnel.

3. Except for live growing plants which are being cultivated at a cultivation facility, all cannabis and cannabis products shall be stored in a secured and locked room, safe, or vault. All cannabis and cannabis products, including live plants which are being cultivated, shall be kept in a manner as to prevent diversion, theft, and loss,

4. Installing twenty-four (24) hour security surveillance cameras of at least HD-quality to monitor all entrances and exits to and from the premises, all interior spaces within the commercial cannabis business which are open and accessible to the public, all interior spaces where cannabis, cash or currency, is being stored for any period of time on a regular basis and all interior spaces where diversion of cannabis could reasonably occur. The commercial cannabis business shall be responsible for ensuring that the security surveillance camera's footage is remotely accessible by the chief of police or designee(s), and that it is compatible with the city's software and hardware. In addition, remote and real-time, live access to the video footage from the cameras shall be provided to the chief of police or designee(s). Video recordings shall be maintained for a minimum of forty-five (45) days, and shall be made available to the chief of police or designee(s) upon request. Video shall be of sufficient quality for effective prosecution of any crime found to have occurred on the site of the commercial cannabis business.

5. Sensors shall be installed to detect entry and exit from all secure areas.

6. Panic buttons shall be installed in all commercial cannabis businesses.

7. Having a professionally installed, maintained, and monitored alarm system.

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

9. Security personnel shall be on-site twenty-four (24) hours a day or alternative security as authorized by the police chief or designee(s). Security personnel must be licensed by the State of California Bureau of Security and Investigative Services personnel and shall be subject to the prior review and approval of the chief of police or designee(s), with such approval not to be unreasonably withheld.

10. Each commercial cannabis business shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.

B. Each commercial cannabis business shall identify a designated security representative/liaison to the city of Hanford, who shall be reasonably available to meet with the chief of police or designee(s) regarding any security related measures or any operational issues.

C. As part of the application and permitting process each commercial cannabis business shall have a storage and transportation plan, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, and any currency.

D. The commercial cannabis business shall cooperate with the city whenever the chief of police or designee(s) makes a request, upon reasonable notice to the commercial cannabis business, to inspect or audit the effectiveness of any security plan or of any other requirement of this chapter.

E. A commercial cannabis business shall notify the chief of police or designee(s) within twenty-four (24) hours after discovering any of the following:

1. Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the chief of police or designee(s).

2. Diversion, theft, loss, or any criminal activity involving the commercial cannabis business or any agent or employee of the commercial cannabis business.

3. The loss or unauthorized alteration of records related to cannabis, registering qualifying patients, primary caregivers, or employees or agents of the commercial cannabis business.
4. Any other breach of security.

5.56.260 Restriction on alcohol sales.

No person shall cause or permit the sale, dispensing, or consumption of alcoholic beverages on or about the premises of the commercial cannabis business.

5.56.270 Fees and charges.

A. No person may commence or continue any commercial cannabis activity in the city, without timely paying in full all fees and charges required for the operation of a commercial cannabis activity. Fees and charges associated with the operation of a commercial cannabis activity shall be established by resolution of the city council which may be amended from time to time.

B. All commercial cannabis businesses authorized to operate under this chapter shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees required under federal, state and local law. Each commercial cannabis business shall cooperate with the city with respect to any reasonable request to audit the commercial cannabis business' books and records for the purpose of verifying compliance with this section, including, but not limited to, a verification of the amount of taxes required to be paid during any period.

5.56.280 Miscellaneous operating requirements.

A. Commercial cannabis businesses may operate only during the hours specified in the commercial cannabis business permit issued by the city.

B. Restriction on Consumption. Cannabis shall not be consumed on the premises of any commercial cannabis businesses or elsewhere in the city of Hanford other than within private residences.

C. No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of any property issued a commercial cannabis business permit, or on any of the vehicles owned or used as part of the commercial cannabis business. No outdoor storage of cannabis or cannabis products is permitted at any time.

D. Reporting and Tracking of Product and of Gross Sales. Each commercial cannabis business shall have in place a point-of-sale or management inventory-tracking system to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale) and other information which may be deemed necessary by the city. The commercial cannabis business shall ensure that such information is compatible with the city's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the chief of police or designee(s) prior to being used by the permittee.

E. All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the state and local regulations.

F. There shall not be a physician located in or around any commercial cannabis business at any time for the purpose of evaluating patients for the issuance of a cannabis recommendation or card where applicable.

G. Emergency Contact. Each commercial cannabis business shall provide the chief of police or designee(s) with the name, telephone number (both land line and mobile, if available) of an on-site employee or owner to whom emergency notice can be provided at any hour of the day.

H. Signage and Notices.

1. In addition to the requirements otherwise set forth in this section, business identification signage for a commercial cannabis business shall conform to the requirements of the Hanford Municipal Code, including, but not limited to, seeking the issuance of a city sign permit.

2. No signs placed on the premises of a commercial cannabis business shall obstruct any entrance or exit to the building or any window.

3. Each entrance to a commercial cannabis business shall be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.

4. Business identification signage shall be limited to that needed for identification only, and shall not contain any logos or information that identifies, advertises, or lists the services or the products offered. No commercial cannabis business shall advertise by having a person holding a sign and advertising the business to passersby, whether such person is on the premises of the commercial cannabis business or elsewhere including, but not limited to, the public right-of-way.

5. Signage shall not be directly illuminated, internally or externally. No banners, flags, billboards or other prohibited signs may be used at any time.

6. Holders of commercial cannabis business permits agree that, as an express and ongoing condition of permit issuance and subsequent renewal, the holder of the permit shall be prohibited from advertising any commercial cannabis business located in the city of Hanford utilizing a billboard (fixed or mobile), bus shelter, placard, aircraft, or other similar forms of advertising, anywhere in the state. This paragraph is not intended to place limitations on the ability of a commercial cannabis business to advertise in other legally authorized forms, including on the internet, in magazines, or in other similar ways.

I. Minors.

1. Persons under the age of twenty-one (21) years shall not be allowed on the premises of a commercial cannabis business and shall not be allowed to serve as a driver for a mobile delivery service.

It is unlawful and a violation of this chapter for any person to employ any person at a commercial cannabis business who is not at least twenty-one (21) years of age.

2. Notwithstanding Section 5.56.280 I.1., persons aged 18 to 20 years shall be allowed on the premises of a commercial cannabis business if they can produce a physician's recommendation. In that event, such persons can lawfully purchase cannabis for the sole purpose of addressing the medical need that is the subject of the physician's recommendation.

3. The entrance to the commercial cannabis business shall be clearly and legibly posted with a notice that no person under the age of twenty-one (21) years of age is permitted to enter upon the premises of the commercial cannabis business.

J. **Odor Control.** Odor control devices and techniques shall be incorporated in all commercial cannabis businesses to ensure that odors from cannabis are not detectable off-site. Commercial cannabis businesses shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the commercial cannabis business 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, or 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 business. As such, commercial cannabis businesses must install and maintain the following equipment, or any other equipment which the community development director or designee(s) determine is a more effective method or technology:

1. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally;
2. 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 are not detectable on the outside of the commercial cannabis business.

K. **Display of Permit and City Business License.** The original copy of the commercial cannabis business permit issued by the city pursuant to this chapter and the city issued business license shall be posted inside the commercial cannabis business in a location readily-visible to the public.

L. **Background Check.** Pursuant to California [Penal Code](#) Sections 11105(b)(11) and 13300(b)(11), which authorizes city authorities to access state and local summary criminal history information for employment, licensing, or certification purposes; and authorizes access to federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation, every person listed as an owner, manager, supervisor, employee or volunteer, of the commercial cannabis business must submit fingerprints and other information deemed necessary by the chief of police or designee(s) for a background check by the Hanford police department. Pursuant to California [Penal Code](#) Sections 11105(b)(11) and 13300(b)(11), which requires that there be a requirement or exclusion from employment, licensing or certification based on specific criminal conduct on the part of the subject of the record. No person shall be issued a permit to operate a commercial cannabis business or a related work permit unless they have first cleared the background check, as determined by the chief of police or designee(s), as required by this section. A fee for the cost of the background investigation, which shall be the actual cost to the city of Hanford to conduct the background investigation as it deems necessary and appropriate, shall be paid at the time the application for a commercial cannabis business permit is submitted.

M. **Loitering.** The owner and/or operator of a commercial cannabis business shall prohibit loitering by persons outside the facility both on the premises and within fifty (50) feet of the premises.

N. **Permits and Other Approvals.** Prior to the establishment of any commercial cannabis business or the operation of any such business, the person intending to establish a commercial cannabis business must first obtain all applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such commercial cannabis business intends to establish and to operate.

O. If a commercial cannabis business permittee is operating as a collective or cooperative under [Health and Safety Code](#) Section 11362.775, subdivision (a), members of the applicant authorized to possess cannabis shall sign an agreement with the commercial cannabis business which states that

members shall not distribute cannabis or cannabis products to non-members or in violation of the “Memorandum for all United States Attorneys,” issued by the United States Department of Justice, from James M. Cole, Deputy Attorney General and any other applicable state and federal laws, regulations, or guidelines.

P. If the commercial cannabis business permittee is operating as a collective or cooperative under **Health and Safety Code** Section 11362.775, subdivision (a), the commercial cannabis business shall terminate the membership of any member violating any of the provisions of this chapter.

5.56.300 Operational requirements.

The city manager or designee may develop other commercial cannabis business operational requirements or regulations as are determined to be necessary to protect the public health, safety and welfare.

5.56.310 Operating requirements for dispensaries/storefront retail facilities.

- A. No more than the number of cannabis retailers adopted by resolution may operate within the City of Hanford at any one time and shall be issued a permit by the City of Hanford.
- B. Retailers shall verify the age and all necessary documentation of each individual to ensure the customer is not under the age of eighteen (18) years. If the potential customer is 18 to 20 years old, retailer shall confirm the customer’s possession of a valid doctor’s recommendation and/or identification card (Medical Cannabis Card) pursuant to Health & Safety Code Section 11362.71. For adult-use purchases, retailers shall verify that all customers are 21 years of age or older for the purchase of cannabis or cannabis products.
- 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 retail area to separate it from the reception/lobby area. Individuals must show their physician’s recommendation, or a cannabis card issued pursuant to Health and Safety Code Section 11362.71 in order to gain access into the retailer. Physician’s recommendations are not to be obtained or provided at the retail location.
- D. 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. Security personnel may be allowed to carry firearms if authorized by the Chief of Police.
- E. Retailers may have only that quantity of cannabis and cannabis products to meet the daily demand readily available for sale on-site in the retail sales area of the retailer. Additional product may be stored in a secured, locked area to which customers, vendors, and visitors shall not have access.
- F. All restroom facilities shall remain locked and under the control of management.
- G. Retailers and microbusinesses authorized to conduct retail activities shall only serve customers who are within the licensed premises, or at a delivery address that meets the requirements of this division.
 - I. All cannabis goods sold by a retail business shall be contained in child-resistant packaging.

2. Retailers shall record point-of-sale areas and areas where cannabis goods are displayed for sale on the video surveillance system. At each point-of-sale location, camera placement must allow for the recording of the facial features of any person purchasing or selling cannabis goods, or any person in the retail area, with sufficient clarity to determine identity.
 3. A retail licensee or microbusiness licensee who is engaged in retail sale shall hire or contract for security personnel who are at least 21 years of age to provide security services for the licensed retail premises. All security personnel hired or contracted for by the licensee shall be licensed by the Bureau of Security and Investigative Services and shall comply with Chapters 11.4 and 11.5 of Division 3 of the Business and Professions Code.
- H. Access to Retailer Premises.
1. Access to the premises of a retail licensee/permittee shall be limited to individuals who are at least 21 years of age.
 2. Notwithstanding Section 5.56.310 (H)(1), individuals who are at least 18 years of age and in possession of a valid physician's recommendation shall be granted access to the premises of a retail licensee/permittee for the sole purpose of purchasing medicinal cannabis consistent with the physician's recommendation.
- I. Authorized Sales. A retailer shall only sell adult-use cannabis and adult-use cannabis products to individuals who are at least 21 years of age. A retailer shall only sell medicinal cannabis or medicinal cannabis products to individuals who are at least 18 years of age, but not yet 21, if those individuals are in possession of a valid physician's recommendation. Medicinal cannabis sales to individuals 21 years of age and older are unrestricted.
- J. Limited Access Areas. A retailer shall establish limited-access areas and permit only authorized individuals to enter the limited-access areas. Authorized individuals include individuals employed by the retailer as well as any outside vendors, contractors, or other individuals conducting business that requires access to the limited access area. All individuals granted access to the limited access area shall be at least 21 years of age, and if not employed by the retailer, shall be escorted at all times by an employee of the licensee/permittee. A retailer shall maintain a log of all individuals who are not employees who are granted access to the limited access area. These logs shall be made available to the Chief of Police or the Development Services Director upon request.
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- K. Microbusiness – Commercial Activity. ~~All cultivation, manufacturing, distribution, and retail~~ activities performed by a licensee under a Type 12-Microbusiness permit shall occur on the same licensed premises. Areas of the premises for manufacturing and cultivation shall be separated from the distribution and retail areas by a wall and all doors between the areas shall remain closed when not in use.
- L. Operating hours of the Store Front Retailer License shall be limited to the hours of 9:00 a.m. through 9:00 p.m., seven days a week.
- M. Store Front/Retail Security Requirements. All provisions incorporated within Section 5.56.250 of this Chapter (Security Measures), are directly applicable to and binding on all commercial cannabis businesses, including all Store Front/Retail businesses.

5.56.320. Operating requirements for delivery services.

Prior to commencing operations, a cannabis delivery service shall comply with the following requirements:

- (1) Obtain from the City a permit authorizing the delivery of cannabis and cannabis products within the city limits. A copy of this permit shall be retained by all drivers.
- (2) The retail business operating the delivery service shall provide the Community Development Director with evidence of a valid state license for a commercial cannabis business on whose authorization the delivery service is performing the delivery function.
- (3) The retail business operating the delivery service shall furnish to the Community Development Director, directly or via the jurisdiction from which the business has received an operating permit, the names and driver's license numbers of all the business' delivery drivers, and evidence verifying that criminal background checks have been conducted for all the business' drivers.
- (4) The retail business operating the delivery service shall furnish to the Community Development Director the year, make, model, color, license plate number, and numerical Vehicle Identification Number (VIN) for any and all vehicles that will be used to deliver cannabis goods.

5.56.330 Operating requirements for non-storefront retail.

- A. Non-Store Front Retailer (Delivery) License Owners and Operators are required to verify the age and the necessary documentation of each medical customer to ensure the customer is not under the age of eighteen (18) years, and to verify that the potential customer has a valid doctor's recommendation. Doctor recommendations are not to be obtained or provided at the retail location.
- B. All Store Front Retailers, Non-Store Front Retailers (delivery) and Microbusinesses which conduct deliveries into or within the City of Hanford shall be required to obtain a permit from the City of Hanford in order to conduct retail sales regardless if they are located in the city or another local jurisdiction.
- C. Operating hours of the Non-Store Front Retailer License shall be limited to the hours of 9:00 a.m. through 9:00 p.m., seven days a week.
- D. The commercial Non-Store Front Retailer shall only sell cannabis or cannabis products to a natural person 21 years of age or older, or a natural person 18 years of age or older who possesses a physician's recommendation for medical cannabis use only.
- E. The commercial cannabis Non-Store Front Retailer may only have on-site that quantity of cannabis and cannabis products reasonably anticipated to meet the weekly demand for which they may need to be readily available for sale.

5.56.329340 Operating requirements for cultivation facilities.

A. Outdoor Cultivation Prohibited. The cultivation of all cannabis must occur indoors. All outdoor cultivation is prohibited.

B. In no case, shall cannabis plants be visible from a public or private road, sidewalk, park or any common public viewing area.

C. If a commercial cannabis cultivation is permitted in the city of Hanford then it shall only be allowed to cultivate the square feet of canopy space permitted by state law.

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 business, 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 cannabis cultivation permit 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 legal standards for water usage, conservation and use; drainage, runoff, and erosion control; watershed and habitat protection; and proper storage of fertilizers, pesticides, and other regulated products to be used on the parcel, 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.

5.56.350 Cannabis manufacturing—Edibles and other cannabis products—Sale or distribution of edible and other cannabis products.

The manufacturing of food or other products infused with or which otherwise contain cannabis may be manufactured within the appropriate manufacturing zoning districts as described in Title 17, subject to the regulations set forth in this chapter, and subject to whatever additional regulations may be promulgated hereunder by an ordinance or resolution of the city council.

5.56.350360 Packaging and labeling.

A. Before a commercial cannabis manufacturer delivers any edible cannabis or edible cannabis product to a dispensary, the same shall be labeled and placed in tamper-evident packaging which at least

meets the requirements of California **Business and Professions Code** Section 19347, as the same may be amended from time to time or superseded or replaced by subsequent state legislation or by any department or division of the state of California.

B. All items to be sold or distributed shall be individually wrapped at the original point of preparation by the business permitted as a commercial cannabis manufacturer.

C. Labeling must include a warning if nuts or other known allergens are used, and must include the total weight (in ounces or grams) of cannabis in the package.

D. A warning that the item is a medication and not a food must be clearly legible on the front of the package and/or must comply with state packing requirements.

E. The package must have a label warning that the product is to be kept away from children.

F. The label must also state that the product contains cannabis and must specify the date of manufacture.

G. Any edible cannabis product that is made to resemble a typical food product must be in a properly labeled opaque (non-see-through) package before it leaves the commercial cannabis manufacturing business.

H. Deliveries must be in a properly labeled opaque package when delivered.

I. The city council may impose additional packaging and labeling requirements on cannabis or cannabis products by resolution, as permitted by law.

**5.56.370 Operating requirements for cannabis manufacturing (levels one and two)—
Extraction, etc.**

A. Cannabis manufacturing facilities requiring a Type 6 or Type 7 state license (using non-volatile and volatile solvents) as defined in **Business and Professions Code** Section 19341, may be permitted to operate within those zone districts as defined in Title 17 of the city of Hanford Municipal Code.

B. Any compressed gases used in the manufacturing process shall not be stored on any property within the city of Hanford in containers that exceeds the amount which is approved by the fire department and authorized by the regulatory permit. Each site or parcel subject to a commercial cannabis business permit shall be limited to a total number of tanks as authorized by the fire department on the property at any time.

C. Cannabis manufacturing facilities may use the hydrocarbons N-butane, isobutane, propane, or heptane or other solvents or gases exhibiting low to minimal potential human-related toxicity approved by the community-development department. These solvents must be of at least ninety-nine percent (99%) purity and any extraction process must use them in a professional grade closed loop extraction system designed to recover the solvents, work an environment with proper ventilation, controlling all sources of ignition where a flammable atmosphere is or may be present.

D. If an extraction process uses a professional grade closed loop CO₂ gas extraction system where every vessel is certified by the manufacturer for its safe use as referenced in subsection F. The CO₂ must be of at least ninety-nine percent (99%) purity.

E. Closed loop systems for compressed gas extraction systems must be commercially manufactured and bear a permanently affixed and visible serial number.

F. Certification from an engineer licensed by the state of California must be provided to the community development department for a professional grade closed loop system used by any commercial cannabis manufacturer to certify that the system was commercially manufactured, is safe for its intended use, and was built to codes of recognized and generally accepted good engineering practices, including, but not limited to:

1. The American Society of Mechanical Engineers (ASME);
2. American National Standards Institute (ANSI);
3. Underwriters Laboratories (UL); or
4. The American Society for Testing and Materials (ASTM).

G. The certification document must contain the signature and stamp of the professional engineer and serial number of the extraction unit being certified.

H. Professional closed loop systems, other equipment used, the extraction operation, and facilities must be approved for their use by the fire department and meet any required fire, safety, and building code requirements specified in the California Building Reference Codes.

I. Cannabis manufacturing facilities may use heat, screens, presses, steam distillation, ice water, and other methods without employing solvents or gases to create keef, hashish, bubble hash, or infused dairy butter, or oils or fats derived from natural sources, and other extracts.

J. Cannabis manufacturing facilities may use food grade glycerin, ethanol, and propylene glycol solvents to create or refine extracts. All ethanol must be removed from the extract in a manner to recapture the solvent and ensure that it is not vented into the atmosphere.

K. Cannabis manufacturing facilities creating cannabis extracts must develop standard operating procedures, good manufacturing practices, and a training plan prior to producing extracts for the marketplace.

L. Any person using solvents or gases in a closed loop system to create cannabis extracts must be fully trained on how to use the system, have direct access to applicable material safety data sheets and handle and store the solvents and gases safely.

M. Parts per million for one gram of finished extract cannot exceed state standards for any residual solvent or gas when quality assurance tested.

5.56.372 Operating requirements for Distributors.

- A. A distributor shall not store non-cannabis goods or non-cannabis accessories that are to be sold to another party on any licensed premises. Additionally, a distributor shall not distribute non-cannabis goods or non-cannabis accessories at a licensed premise. For the purposes of this section, non-cannabis goods are any goods that do not meet the definition of cannabis goods as defined in Title 16, Section 5000(c) of the California Code of Regulations.
- B. After taking physical possession of a cannabis goods batch, the distributor shall contact a testing laboratory and arrange for a laboratory employee to come to the distributor's licensed premises to select a representative sample for laboratory testing.
- C. A distributor shall ensure that all cannabis goods batches are stored separately and distinctly from other cannabis goods batches on the distributor's premises.
- D. The distributor shall ensure that the batch size from which the sample is taken meets the requirements of state law, specifically the testing provisions within the California Code of Regulations.

- E. A distributor or an employee of the distributor shall be physically present to observe the laboratory employee obtain the sample of cannabis goods for testing and shall ensure that the increments are taken from throughout the batch. The sampling shall be video-recorded, and the recording kept available to state and local authorities for a minimum of 180 days, pursuant to Section Title 16, 5305 of the California Code of Regulations.
- F. A distributor shall not transport cannabis or cannabis products to a licensed retail facility until and unless it has verified that the cannabis or cannabis products have been tested and certified by a testing lab as being in compliance with state health and safety requirements pursuant to Title 16, Sections 5705, 5710 and 5714 of the California Code of Regulations.

5.56.374 Operating requirements for Testing Laboratories.

- A. Testing Labs shall be required to conduct all testing in a manner pursuant to Business and Professions Code Section 26100 and shall be subject to state and local law. Each Testing Lab shall be subject to additional regulations as determined from time to time as more regulations are developed under this Chapter and any subsequent State of California legislation regarding the same.
- B. Testing Labs 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 cannabis testing laboratories performing testing shall obtain and maintain ISO/IEC 17025 accreditation as required by the Bureau of Cannabis Control.
- D. Testing labs 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 licensee in accordance with state law, and shall not distribute, sell, or dispense cannabis, or cannabis products, from the 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 as established in approved security measures by the Chief of Police.
- 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 lab shall not certify samples from a qualified patient or primary caregiver for resale or transfer to another party or 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.

5.56.376 Operating requirements for Microbusinesses.

Microbusinesses must comply with the local operating requirements and all requirements imposed by state law that apply to the specific activities operating under the umbrella of the individual microbusiness.

- A. Outdoor Commercial Cultivation is prohibited.
- B. In no case, shall cannabis plants be visible from a public or private road, sidewalk, park or any common public viewing area.
- C. Commercial cannabis cultivation which is permitted in the City of Hanford shall not exceed 10,000 square feet of canopy space permitted by state law as part of a microbusiness license.
- 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 business, 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 cannabis cultivation permit shall submit to 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 legal standards for water usage, conservation and use; drainage, runoff, and erosion control; watershed and habitat protection; and proper storage of fertilizers, pesticides, and other regulated products to be used on the parcel, and a description of the cultivation activities and schedule of activities during each month of growing and harvesting, or explanation of growth cycles and anticipated harvesting schedules for all-season harvesting.
 - (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 that may derive from the cultivation site.

5.56.380 Promulgation of regulations, standards and other legal duties.

A. In addition to any regulations adopted by the city council, the city manager or designee is authorized to establish any additional rules, regulations and standards governing the issuance, denial or renewal of commercial cannabis business permits, the ongoing operation of commercial cannabis

businesses and the city's oversight, or concerning any other subject determined to be necessary to carry out the purposes of this chapter.

B. Regulations shall be published on the city's website.

C. Regulations promulgated by the city manager shall become effective upon date of publication. Commercial cannabis businesses shall be required to comply with all state and local laws and regulations, including, but not limited to, any rules, regulations or standards adopted by the city manager or designee.

D. Testing labs, transporters and distribution facilities shall be subject to state law and shall be subject to additional regulations as determined from time to time as more regulations are developed under subsection A.

5.56.390 Community relations.

A. Each commercial cannabis business shall provide the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the commercial cannabis business can be provided. Each commercial cannabis business shall also provide the above information to all businesses and residences located within one hundred (100) feet of the commercial cannabis business.

B. During the first year of operation pursuant to this chapter, the owner, manager, and community relations representative from each commercial cannabis business holding a permit issued pursuant to this chapter shall attend a quarterly meeting with the city manager or designee(s) and other interested parties as deemed appropriate by the city manager, to discuss costs, benefits, and other community issues arising as a result of implementation of this chapter. After the first year of operation, the owner, manager, and community relations representative from each such commercial cannabis business shall meet with the city manager or designee(s) when and as requested by the city manager or designee(s).

C. Commercial cannabis businesses to which a permit is issued pursuant to this chapter shall develop and make available to youth organizations and educational institutions a public education plan that outlines the risks of youth addiction to cannabis, and that identifies resources available to youth related to drugs and drug addiction.

5.56.400 Fees deemed debt to city of Hanford.

The amount of any fee, cost or charge imposed pursuant to this chapter shall be deemed a debt to the city of Hanford that is recoverable via an authorized administrative process as set forth in the municipal code, or in any court of competent jurisdiction.

5.56.410 Permit holder responsible for violations.

The person to whom a permit is issued pursuant to this chapter shall be responsible for all violations of the laws of the state of California or of the regulations and/or the ordinances of the city of Hanford, whether committed by the permittee or any employee or agent of the permittee, which violations occur in or about the premises of the commercial cannabis business whether or not said violations occur within the permit holder's presence.

5.56.420 Inspection and enforcement.

A. The city manager, chief of police or designee(s) charged with enforcing the provisions of the Hanford Municipal Code, or any provision thereof, may enter the location of a commercial cannabis business at any time, without notice, and inspect the location of any commercial cannabis business as well as any recordings and records required to be maintained pursuant to this chapter or under applicable provisions of state law.

B. It is unlawful for any person having responsibility over the operation of a commercial cannabis business, to impede, obstruct, interfere with, or otherwise not to allow, the city to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a commercial cannabis business under this chapter or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsify any records, recordings or other documents required to be maintained by a commercial cannabis business under this chapter or under state or local law.

C. The city manager, chief of police or designee(s) charged with enforcing the provisions of this chapter may enter the location of a commercial cannabis business at any time during the hours of operation and without notice to obtain samples of the cannabis to test for public safety purposes. Any samples obtained by the city of Hanford shall be logged, recorded, and maintained in accordance with the Hanford police department standards for evidence.

5.56.430 Concurrent regulation with state.

It is the stated intent of this chapter to regulate commercial cannabis activity in the city of Hanford concurrently with the state of California.

5.56.440 Violations declared a public nuisance.

Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance.

5.56.450 Each violation a separate offense.

Each and every violation of this chapter shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the Hanford Municipal Code. Additionally, as a nuisance per se, any violation of this chapter shall be subject to injunctive relief, any permit issued pursuant to this chapter being deemed null and void, disgorgement and payment to the city of any monies unlawfully obtained, costs of abatement, costs of investigation, attorney fees, and any other relief or remedy available at law or in equity. The city of Hanford may also pursue any and all remedies and actions available and applicable under state and local laws for any violations committed by the commercial cannabis business or persons related to, or associated with, the commercial cannabis activity. Additionally, when there is determined to be an imminent threat to public health, safety or welfare, the city manager, chief of police or designee(s), may take immediate action to temporarily suspend a commercial cannabis business permit issued by the city, pending a hearing before the city council.

5.56.460 Criminal penalties.

Each and every violation of the provisions of this chapter may be prosecuted as a misdemeanor and upon conviction be subject to a fine not to exceed one thousand dollars (\$1,000.00) or imprisonment in

the County Jail for a period of not more than twelve (12) months, or by both such fine and imprisonment. Each day a violation is committed or permitted to continue shall constitute a separate offense. (Ord. 17-08 § 2, 2017)

5.56.470 Administrative penalties and costs.

In addition to any other remedy available at law, an administrative citation may be issued to any person or entity who violates this chapter.

A. Issuance of Citation.

1. Whenever the city's Police Chief, his/her designee, or a city Code Enforcement Officer determines that a violation of this chapter has occurred, the Police Chief, his/her designee, or a City Code Enforcement Officer shall have the authority to issue an administrative citation to any person or entity responsible for the violation.
2. Each administrative citation shall contain the following information:
 - i. The date of the violation or, if the date of the violation is unknown, then the date the violation is identified;
 - ii. The address or a definite description of the location where the violation occurred;
 - iii. The section of this chapter that was violated and a description of the violation;
 - iv. The amount of the fine for the violation;
 - v. A description of the fine payment process, including a description of the time within which and the place at which the fine shall be paid;
 - vi. An order prohibiting the continuation or repeated occurrence of the code violation described in the administrative citation;
 - vii. A description of the administrative citation review process, including the time within which the administrative citation may be contested and the place from which a request for hearing form to contest the administrative citation may be obtained; and
 - viii. The name and signature of the individual issuing the citation.

B. Amount of Fines.

1. The amounts of the administrative citation fines for violations of this chapter shall be set forth in a schedule of fines established by resolution of the Hanford City Council (City Council).

2. The schedule of fines shall specify any increased fines for repeat violations of the same code provision by the same person or entity.

C. *Payment of Fines.*

1. Fines shall be paid to the city within thirty (30) days from the date of the administrative citation.
2. Any administrative citation fine paid shall be refunded if it is determined, after an appeal hearing, that a person or entity charged in the administrative citation was not responsible for the violation or that there was no violation as charged in the citation.
3. Payment of a fine under this chapter shall not excuse, discharge, or permit any continuation or repeated occurrence of the code violation that is the subject of the administrative citation.

D. *Hearing Request.*

1. Any recipient of an administrative citation may appeal the citation by submitting a written request for hearing to the City Clerk or his/her designee within thirty (30) days from the date of the administrative citation, together with an advance deposit of the fine.
2. The person or entity requesting the hearing shall be notified by the city of the time and place set for the hearing at least ten (10) days prior to the date of the hearing.
3. If the Police Chief, his/her designee, or a Code Enforcement Officer submits an additional written report concerning the administrative citation to the hearing body, then a copy of such report shall be served on the person requesting the hearing at least five (5) days prior to the date of the hearing.

E. *Hearing Body.*

The City Council or its designee(s) shall serve as the hearing body for appeals regarding administrative citations issued under chapter.

G. *Hearing Procedure.*

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1. No hearing to contest an administrative citation shall be held unless the fine has been deposited with the city in advance.
 2. A hearing shall be set for a date that is not less than fifteen (15) days and not more than sixty (60) days from the date that the request for hearing is filed in accordance with the provisions of this chapter.
 3. At the hearing, the party contesting the administrative citation shall be given the opportunity to testify and to present evidence concerning the administrative citation.

4. The failure of any recipient of an administrative citation to appear at the appeal hearing shall constitute a forfeiture of the fine and a failure to exhaust his/her/its/their administrative remedies.
5. The administrative citation and any additional report submitted by the Police Chief, his/her designee, or a Code Enforcement Officer shall constitute prima facie evidence of the respective facts contained in those documents.
6. The hearing body may continue the hearing and request additional information from the Police Chief, his/her designee, Code Enforcement Officer, or the recipient of the administrative citation prior to issuing a written decision.

H. *Hearing Body's Decision.*

1. After considering all of the testimony and evidence submitted at the hearing, the hearing body shall issue a written decision to uphold, modify, or cancel the administrative citation and shall list in the decision the reasons for the decision. The decision of the hearing body shall be final.
2. If the hearing body determines that the administrative citation should be upheld, then the fine amount on deposit with the city shall be retained by the city.
3. If the hearing body determines that the administrative citation should be canceled, then the city shall promptly refund the amount of the deposited fine.
4. If the hearing body determines that the fine levied under the administrative citation should be adjusted, then the city will promptly refund the amount of the deposited fine that exceeds the amount fixed by the hearing body or the recipient of the administrative citation will promptly pay to the city an additional amount fixed by the hearing body if the body finds that the fine assessed under the administrative citation to be insufficient.
5. The recipient of the administrative citation shall be served with a copy of the hearing body's written decision.

I. *Late Payment Charges.*

Any person or entity who fails to pay to the city any fine imposed or amount owed pursuant to the provisions of this chapter on or before the date that the fine or amount is due shall also be liable for a late payment charge equal to ten percent (10%) of the unpaid amount, and interest shall accrue thereafter at a rate of one and one half percent (1.5%) per month on the unpaid fine; provided however, the additional penalty and/or interest shall not apply if collection of the same by the city would violate State law.

J. *Recovery of Administrative Citation Fines and Costs.*

Any person or entity who violates this chapter shall be responsible for the enforcement costs incurred by the city with respect to such violation. The city may collect any past due administrative citation fines, enforcement and collection costs, and late payment charges by use of all available legal means. Collection costs shall be in addition to any interest and/or late charges imposed upon the delinquent obligation and shall be added to and

become a part of the underlying obligation. Any partial payment of an obligation, when a partial payment is permitted, will be applied first to the principal amount of the underlying obligation, then to any penalties, and then to interest.

K. *Right to Judicial Review.*

Any person or entity aggrieved by a decision of the hearing body on an administrative citation may obtain review of the decision by filing a petition for review with the Superior Court for Kings County, California in accordance with the timelines and provisions set forth in California Government Code Section 53069.4, as may be amended.

L. *Notices.*

The administrative citation and all notices required to be given by this chapter shall be served by personal delivery thereof to the person or entity to be notified or by deposit in the United States Mail, certified mail with return receipt requested, addressed to such person to be notified at his/her/its last-known address as the same appears in the public records or other records pertaining to the matter to which such notice is directed. Service by mail shall be deemed to have been completed at the time of deposit in the mail.

5.56.480 Remedies cumulative and not exclusive.

The remedies provided herein are not to be construed as exclusive remedies. The city is authorized to pursue any proceedings or remedies provided by law.