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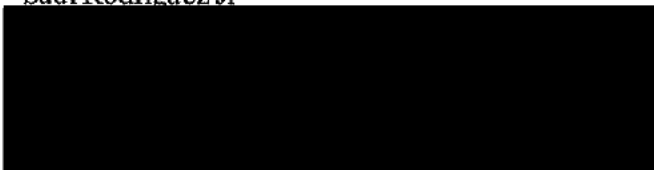
Notice of Intent to Circulate Petition

Notice is hereby given by the persons whose names appear hereon of their intention to circulate the petition within the City of Riverside, CA for the purpose of taxing and regulating cannabis. A statement of the reasons of the proposed action as contemplated in the petition is as follows:

Without regulation, the cultivation and manufacturing of cannabis, and its subsequent transportation, distribution, and retail sales has potential adverse effects to the health and safety of the community. By creating a fair and reasonable regulatory environment for cannabis businesses, the City will be able to maintain order while avoiding undue burdens on its financial resources, and investing in our local community.

Resident and Voter of Riverside

Saul Rodriguez Jr



Affidavit of Proponent

Pursuant to Section 9608 of the California Elections Code, the following affidavit is submitted:

I, Saul Rodriguez Jr, acknowledge that it is a misdemeanor under state law (section 18650 of the Elections Code) to knowingly or willfully allow the signatures on an initiative petition to be used for any purposes other than qualification of the proposed measure for the ballot. I certify that I will not knowingly or willfully allow the signatures for this initiative to be used for any purpose other than qualification of the measure for the ballot.

I declare under the penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on 11/3/21, 2021, at Riverside County, California.


Saul Rodriguez Jr

Letter of Authorization

I, Saul Rodriguez Jr, the proponent of the Riverside Cannabis Taxation and Regulation Act submitted to the City of Riverside on 11/5, 2021, do hereby authorize Ryan Fischer and Dorothy Groza, to act on my behalf for the purposes of contact, correspondence, filing of documents, negotiations, and acquisition of voter data with the City of Riverside and/or County of Riverside.



Saul Rodriguez Jr

Ryan Fischer's contact information is as follows:

Ryan Fischer

Phone: 909-900-9166

Email: ryanfischer72@yahoo.com

Dorothy Groza's contact information is as follows:

Dorothy Groza

Phone: 562-999-1577

Email: dorothy.groza@gmail.com

Request that a Ballot Title and Summary be prepared by the City Attorney

I, Saul Rodriguez Jr, a resident of the City of Riverside residing at 6530 Harley St
Riverside, CA and proponent of the Riverside Cannabis Taxation and Regulation Act submitted to the
City Clerk of the City of Riverside today, 11/5, 2021, request that the City Attorney of the
City of Riverside prepare a Ballot Title and Summary for the proposed measure.

X
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RIVERSIDE

THE RIVERSIDE CANNABIS TAXATION AND REGULATION ACT – An Uncodified Initiative Ordinance for the City of Riverside

The People of the City of Riverside do ordain as follows:

SECTION 1: TITLE

This initiative shall be known as and may be cited as the Riverside Cannabis Taxation and Regulation Act of 2022.

SECTION 2: FINDINGS AND DECLARATIONS

We the people of the City of Riverside do find and declare the following:

A. In November 1996, voters approved Proposition 215, the Compassionate Use Act ("CUA"), which decriminalized the use of medicinal cannabis in California (codified in California Health and Safety Code Section 11362.5 et seq.).

B. In 2015, California enacted three bills – Assembly Bill 243 (Wood); Assembly Bill 266 (Bonta); and Senate Bill 643 (McGuire) - that collectively established a comprehensive state regulatory framework for the licensing and enforcement of cultivation, manufacturing, retail sale, transportation, storage, delivery, and testing of medicinal cannabis in California. The regulatory scheme was known as the Medicinal Cannabis Regulation and Safety Act (MCRSA).

C. In 2016 the voters of the State of California, including the voters in the City of Riverside, passed Proposition 64, the "Control, Regulate and Tax Adult Use of Marijuana Act ("AUMA"). Under AUMA, adults 21 years of age or older may legally grow, possess, and use cannabis for nonmedicinal purposes, with certain restrictions. In addition, beginning on January 1, 2018, AUMA made it legal to sell and distribute cannabis through a regulated business.

D. In 2017, the State of California passed the Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA") which establishes a robust set of regulations for the medicinal and adult nonmedicinal use cannabis markets, aligns all permit types, authorizes certain state agencies to establish rules governing cannabis operations and to implement the law; and preserves local control over cannabis-related uses by requiring all cannabis businesses to obtain both a state license and a local license or permit.

E. Without regulation, the cultivation and manufacturing of cannabis, and its subsequent transportation, distribution, and retail sales has potential adverse effects to the health and safety of the community. By creating a fair and reasonable regulatory environment for cannabis businesses, the City will be able to maintain order while avoiding undue burdens on its financial resources.

F. Bringing cannabis into a regulated and legitimate market will create a transparent and accountable system. City revenues from a legal and regulated market can cover not only the cost of administering the new law but can also be used to invest in many programs, including but not limited to; public health programs that educate youth to prevent and treat serious

substance abuse; train local law enforcement to enforce the new law; invest in the community to reduce the illicit market and create job opportunities.

SECTION 3: PURPOSE AND INTENT

It is the intent and purpose of this code to allow medical and adult use cannabis businesses in portions of the city where such uses would be compatible with surrounding commercial and industrial uses and not materially detrimental to adjacent properties. It is the further intent of this code to regulate the location, cultivation, production, manufacturing, testing, transportation, distribution, dispensing, acquisition and use of cannabis in a manner that is consistent with the State Compassionate Use Act ("CUA"), the State Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA"), as well as with laws and regulations that have been or may be enacted by the State regarding the same, including but not limited to cannabis for medicinal or recreational use. It is the further intent of this code to regulate cannabis businesses which, unless closely regulated, may have the potential of causing adverse secondary effects upon the community. This code is intended to minimize this potential impact. To do so, the following regulations:

- A. Provide for a means of cultivation, production, manufacturing, testing, transportation, distribution, retail sales, acquisition and use of cannabis by persons who qualify to obtain, possess, and use cannabis for purposes consistent with State law.
- B. Protect public health and safety through reasonable limitations on cannabis businesses as they relate to noise, air and water quality, food safety, community safety, security, nuisance conditions and other health and safety concerns.
- C. Impose fees and taxes to cover the cost to the City of regulating cannabis businesses in an amount sufficient for the City to recover its related costs, and to help mitigate against possible adverse secondary effects.
- D. Adopt a mechanism to monitor compliance with the provisions of this City Code and State law.
- E. Create regulations that address the particular needs of the residents and businesses of the City and coordinate with laws and regulations that have been or may be enacted by the State regarding the same, including but not limited to cannabis for medicinal or recreational use.
- F. Create local area jobs and economic opportunities within the City.
- G. Facilitate the implementation of State law without going beyond the authority granted to the City by the State.
- H. Protect the public health and safety by limiting the locations in the City where cannabis businesses may operate.

SECTION 4: AMENDMENT OF GENERAL PLAN, SPECIFIC PLANS, CITY OF RIVERSIDE ZONING MAP, MUNICIPAL CODE AND ZONING CODES

To ensure consistency with any zoning or regulatory changes enacted by this initiative to add cannabis businesses as an allowed use for certain select properties within the City of Riverside, the citizens of the City of Riverside do hereby amend the General Plan, any and all Specific Plans that contain property

named or described in this initiative, the City of Riverside Zoning Map, the City of Riverside Municipal Code and City of Riverside Zoning Code.

SECTION 5: DEFINITIONS

"A-licensee" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means any person holding a license under MAUCRSA for cannabis or cannabis products that are intended for adults 21 years of age and over and who do not possess physician's recommendations.

"Applicant" means any individual or entity applying for a cannabis business permit under this code.

"Authorized Individual" means an individual person elected by a corporate entity to act on its behalf and able to make decisions on the corporate entity's behalf. For the purposes of this code, the authorized individual(s) must be named directors, members, or officers of the entity as listed on the entity's Statement of Information as submitted to the California Secretary of State.

"Building" means any structure having a roof supported by columns or by walls and designed for the shelter or housing of any person, chattel or property of any kind.

"Bureau" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means the Department of Cannabis Control within the Department of Consumer Affairs.

"Business Entity Address" means an address listed on the applicant's Statement of Information as submitted to the California Secretary of State that is designated by the applicant for a cannabis business permit under this code to serve as the applicant's Business Entity Address for the purposes of their Local Community Enterprise Score.

"Cannabis" has the same meaning as cannabis or marijuana as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, Cannabis means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; 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" 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 code, "cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the California Health and Safety Code.

"Cannabis products" has the same meaning as cannabis products as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it has the same meaning as defined in Section 11018.1 of the California Health and Safety Code.

"City" means the City of Riverside, California.

"City council" shall mean the city council of the City of Riverside, California.

"City manager" shall mean the city manager of the City of Riverside, California, or his/her designee.

"Code" means the City of Riverside municipal code, including all development and zoning codes and the Comprehensive Zoning Ordinance of the City of Riverside.

"Commercial cannabis activity" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means cultivation, possession, manufacture, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sales of cannabis and cannabis products.

"Conviction" means a plea or verdict of guilty, or a conviction following a plea of nolo contendere.

"Cultivation" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

"Cultivation Site" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means a location where cannabis is planted, grown, harvested, dried, cured, graded or trimmed, or a location where any combination of those activities occurs.

"Customer" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means a natural person 21 years of age or over or a natural person 18 years of age or older who possesses a physician's recommendation.

"Day care center" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently it has the same meaning as in Section 1596.76 of the California Health and Safety Code.

"Delivery" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means the commercial transfer of cannabis or cannabis products to a customer. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer.

"Distribution" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means the procurement, sale, and transport of cannabis and cannabis products between licensees.

"Distributor" has the same meaning as the term as provided in State law at this time, but if that definition is amended by State law in the future, as amended. Currently under State law, it means for the distribution of cannabis and cannabis products. A distributor licensee shall be bonded and insured at a level established by the State licensing authority.

"Dried flower" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means all dead cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and trim.

"Greenhouse" means a building, typically constructed of a translucent building material in which plants are grown in a controlled environment. For the purposes of this code a cultivation site within a Greenhouse is considered to be an indoor cultivation site.

"Gross Sales" except as otherwise specifically provided, means, whether designated a sales price, royalty, rent, commission, dividend, or other designation, the total amount (including all receipts, cash, credits, services and property of any kind or nature) received or payable for sales of goods, wares or merchandise or for the performance of any act or service of any nature for which a charge is made or credit allowed (whether such service, act or employment is done as part of or in connection with the sale of goods, wares, merchandise or not), without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, interest paid or payable, losses or any other expense whatsoever. However, the following shall be excluded from the definition of Gross Receipts:

1. Cash discounts where allowed and taken on sales;
2. Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;
3. Such part of the sale price of any property returned by purchasers to the seller as refunded by the seller by way of cash or credit allowances or return of refundable deposits previously included in gross receipts;
4. Receipts derived from the occasional sale of used, obsolete or surplus trade fixtures, machinery or other equipment used by the taxpayer in the regular course of the taxpayer's business;
5. Cash value of sales, trades or transactions between departments or units of the same business;
6. Whenever there are included within the gross receipts amounts which reflect sales for which credit is extended and such amount proved uncollectible in a subsequent year, those amounts may be excluded from the gross receipts in the year they prove to be uncollectible; provided, however, if the whole or portion of such amounts excluded as uncollectible are subsequently collected they shall be included in the amount of gross receipts for the period when they are recovered;
7. Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded when in excess of one dollar;
8. Amounts collected for others where the business is acting as an agent or trustee and to the extent that such amounts are paid to those for whom collected. These agents or trustees must provide the City's finance department with the names and the addresses of the others and the amounts paid to them. This exclusion shall not apply to any fees, percentages, or other payments retained by the agent or trustees.
9. Retail sales of t-shirts, sweaters, hats, stickers, key chains, bags, books, posters, rolling papers, cannabis accessories such as pipes, pipe screens, vape pen batteries without cannabis) or other personal tangible.

"Indoor" means situated, conducted, or used within a building.

"Licensee" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means any person holding a license issued under MAUCRSA, regardless of whether the license held is an A-license or an M-license, and includes the holder of a testing laboratory license.

"Local Non-Profit Organization" means a California registered domestic non-profit entity and/or a 501(c)(6) organization, that has maintained both of the following for more than three hundred and sixty-five (365) days as calculated by the City manager or his/her designee: 1) a mailing address within City limits, and 2) an active business license issued from the City.

"M-license" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means a state license issued under MAUCRSA for commercial cannabis activity involving medicinal cannabis.

"Manufacture" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

"Manufacturer" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means a licensee that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container.

"Manufactured cannabis" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product.

"Marijuana" has the same meaning as cannabis.

"Medical marijuana" has the same meaning as medicinal cannabis.

"Microbusiness," has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently it means for the cultivation of cannabis on an area less than 10,000 square feet and to act as a licensed distributor, Level 1 manufacturer, and retailer under this division, provided such licensee can demonstrate compliance with all requirements imposed by this division on licensed cultivators, distributors, Level 1 manufacturers, and retailers to the extent the licensee engages in such activities. Microbusiness licenses that authorize cultivation of cannabis shall include the license conditions described in subdivision (b) of Section 26060.1 of the California Business and Professions Code.

"Nursery" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means a licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.

"Permit" means a cannabis business permit issued by the City that authorizes a person to conduct commercial cannabis activity, pursuant to this code.

"Permittee" means a person issued a permit under this code to engage in commercial cannabis activity.

"Person" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it 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.

"Premise" means the designated structure or structures specified that is owned, leased, or otherwise held under the control of the applicant, licensee or permittee where the commercial cannabis activity will be or is conducted. "Parcel" means a contiguous quantity of land, in the possession of, or owned by, or recorded as the property of the same claimant or person.

"Retailer," has the same meaning as the term as provided in State law at this time, but if that definition is amended by State law in the future, as amended. Currently under State law a retailer is for the retail sale and delivery of cannabis or cannabis products to customers. A retailer shall have a licensed premise which is a physical location from which commercial cannabis activities are conducted. A retailer's premises may be closed to the public. A retailer may conduct sales exclusively by delivery.

"State law" means the State Compassionate Use Act ("CUA"), the State Medical Marijuana Program Act ("MMPA"), the State Medical Cannabis Regulation and Safety Act ("MCRSA"), Control, Regulate and Tax Adult Use of Marijuana Act ("AUMA"), and the Medicinal and Adult Cannabis Regulation and Safety Act ("MAUCRSA"), as well as laws and regulations that have been or may be enacted by the State regarding the same, including but not limited to cannabis for medical or recreational use, as it is now or amended.

"Testing laboratory" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means a laboratory, facility, or entity in the state 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 commercial cannabis activity in the state and (2) licensed by the Department of Cannabis Control.

"Vaping" means to inhale vapor through the mouth from a usually battery-operated electronic device that heats up and vaporizes a liquid or solid.

"Volatile solvent" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it means a solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures.

"Youth Center" has the same meaning as the term as provided in MAUCRSA at this time, but if that definition is amended by State law in the future, as amended. Currently under MAUCRSA, it has the same meaning as defined in Section 11353.1 of the California Health and Safety Code.

"Zoning code" mean the Comprehensive Zoning Ordinance of the City of Riverside.

SECTION 6: Location, type, and numerical limits requirements.

To provide for safe, convenient access for the citizens and patients of Riverside:

A. Cannabis businesses shall only be located within the zones as outlined in Section 6, Paragraph B below, and shall not be located:

1. Within 600 feet of any school as defined in California Health and Safety Code Section 11362.768.
2. Within 600 feet of any daycare as defined in California Health and Safety Code Section 1596.76.
3. Within 600 feet of any youth center as defined in California Health and Safety Code Section 11353.1.

The distances specified in this section shall be measured in a straight line, without regard to intervening structures, from the nearest point of the property line of the premises in which the proposed cannabis business is to be established to the nearest point of the property line of a use listed above. The subsequent establishment of a sensitive use as outlined in this section shall not disqualify an existing cannabis business.

B. Only the following medical and adult use cannabis state license types:

Manufacturing; Cultivation; Testing Laboratory; Storefront Retailer; and Distribution as defined in the State law will be allowed within the City of Riverside as follows:

1. Manufacturing, Cultivation, Testing Laboratory and Distribution shall only be allowed within the General Industrial (I) Zone, and Business and Manufacturing Park (BMP) Zone.
2. Storefront Retailers shall only be allowed within the Commercial Retail (CR) Zone, Commercial General (CG) Zone, Commercial Regional Center (CRC) Zone, Business and Manufacturing Park (BMP) Zone, and commercial property within the Downtown Specific Plan.

C. The number of permitted cannabis retail businesses within the City shall be limited to one (1) per thirty-two thousand (32,000) residents. This number may increase with each additional thirty-two thousand (32,000) residents. The population figures to be used shall be those most recently estimated and officially published by the California Department of Finance for cities, counties and the state. As an example, with our current population, there shall be no more than ten (10) cannabis retail businesses with the City. Also, there shall be no more than three (3) cannabis retail businesses within the Downtown Specific Plan.

D. The total number of manufacturing, cultivation, testing laboratory, and distribution cannabis business permits issued under this code shall not exceed ten (10).

SECTION 7: If this code conflicts with the General Plan, any or all Specific Plans, the Municipal Code or Zoning Code, this code shall prevail.

This initiative amends the General Plan, any and all Specific Plan, the Zoning Code, and the Municipal Code. In anticipation that the City may attempt to use some other regulation to delay or to thwart the implementation of this initiative, the voters of the City of Riverside declare that where the establishment of a cannabis business within the City conflicts with other City Code, the General Plan, or Specific Plan(s), this code shall prevail. For example, where the underlying zone prohibits marijuana dispensaries, or prohibits uses that are deemed to be violations of federal law, this code shall prevail. No city official shall use the underlying zoning designation and its prohibitions on use, or any other city code, or any Specific Plan restriction, or language within the General Plan as a reason to deny an applicant from acquiring a local cannabis permit and operating a cannabis business within the City.

SECTION 8: Development and Operating Standards.

The following development and operating standards shall apply to:

A. All cannabis businesses

1. Shall operate in a manner consistent with State law governing its operations, including but not limited to the security, locks, alarms systems and track and trace requirements.
2. Any business license or permit required by this Code shall be kept current at all times.
3. Signage shall conform to the standards established for the zone.
4. Shall install and maintain a fully operational digital video surveillance and camera recording system that monitors no less than the front and rear of the Premises, all points of ingress and egress at the cannabis business. The video and surveillance system shall meet the requirements currently established in State law or as amended.
5. Install and use a fire and burglar alarm system that is monitored by a company that is staffed twenty-four hours (24) a day, seven (7) days a week.
6. Shall not maintain more cannabis on the premises than is permitted under applicable State law.
7. Report to the proper authorities any diversion, theft, or loss as required by State law.
8. Shall be ventilated so that the odor of cannabis cannot be detected at any property adjoining the parcel on which the cannabis business is located.

B. Cannabis retail businesses

1. Shall not operate during hours prohibited by State law.
2. Shall install and use a limited access room for storage of any processed cannabis and cash on the property when the business is closed to the public. For cannabis-infused products that must be kept refrigerated or frozen, the business shall lock the refrigerated container or freezer.
3. No person, other than a qualified customer, permittee, licensee, employee, contractor or individual authorized by State law, shall be in the cannabis retail business.

4. Consultations by medical professionals shall not be permitted within the cannabis retail business.

5. Smoking Prohibition. Smoking of tobacco and cannabis in all workplaces, including cannabis dispensaries, is prohibited.

SECTION 9: Cannabis business permit—Required.

No cannabis business shall be established until an application for a cannabis business permit is approved by the City manager pursuant to the procedures set forth in this code.

SECTION 10: Cannabis business permit—Application.

Applications for a cannabis business permit shall be filed with the City Clerk. When an application is submitted, the City Clerk shall date stamp and time stamp the application. The City Clerk shall only accept one (1) application per applicant. The application shall contain, at a maximum, the following:

A. If the applicant is a sole proprietorship, the name and address of the applicant. If the applicant is a corporation, limited liability company, limited partnership, or partnership, then the applicant shall submit the entity's most recent annual Statement of Information submitted to the California Secretary of State and the entity's minutes or resolution(s) naming the owner(s), the current directors, managers and officers, and any authorized individual(s) that are authorized to act on behalf of the entity. The applicant may also submit an earlier Statement of Information filed with the Secretary of State to establish its longevity as a Local Community Enterprise. As an example, an entity making application shall submit the entity's Statement of Information provided to the California Secretary of State for the year 2022 and the entity's minutes or resolution(s) naming the owners and authorized individual(s) that are authorized to act on behalf of the entity and may also submit the entity's Statement of Information provided to the California Secretary of State for the year 2021 to establish its longevity as a Local Community Enterprise. The applicant must also submit a letter signed by an authorized individual(s) designating which address on their Statement(s) of Information shall serve as their Business Entity Address for the scoring of the applicant's Local Community Enterprise Score

B. Applicant shall submit evidence that the applicant is at least one of the following:

1. The owner of the premises upon which the requested use is to be maintained.
2. Has the permission of such owner to make such application, or
3. Is or will be the plaintiff in an action of eminent domain to acquire the premises involved;

C. The street address, otherwise a description of, the premises upon which the requested use is to be maintained;

D. If the applicant is not the owner of the premises, the name and address of the owner, and the nature of the applicant's interest in the premises involved;

E. A detailed site plan, drawn to a scale of one-inch equals ten feet, showing the proposed location of all buildings and structures, landscaped areas, parking areas, driveways and means of ingress and egress;

F. A detailed facility floor plan, drawn to a scale of three sixteenths of an inch equals one foot, showing the proposed uses of the floor area depicted on the floor plan and in-store security camera locations.

G. Three copies of white background prints of a map drawn to a scale of one-inch equals fifty feet, showing the location of the property concerned, and the location of all highways, streets and alleys and all lots and parcels of land within a distance of six hundred feet from the exterior boundaries of the proposed use;

H. One copy of the map referred to in subsection G of this section shall show the use to which each and every lot and parcel of land is put;

I. A plan for ventilation of the cannabis business that describes the ventilation system that will be used to prevent any odor of cannabis off the premises of the business.

J. Live Scan fingerprints of the applicant, or, in the case of a corporate entity, Live Scan fingerprints of the owner(s) and the authorized individual(s) to enable the Riverside Police Department to perform a background check on the applicant.

K. A fully legible copy of one valid government issued form of photo identification, such as a State Driver's License or Identification Card showing that the applicant, or, in the case of a corporate entity, the owner(s) and the authorized individual(s) is/are 21 years of age or older.

L. If the applicant, or the authorized individual(s) of an applicant, currently hold a state cannabis license issued by the California Department of Cannabis and are listed as the Business Owner within the California Department of Cannabis Control as the Business Owner, then the applicant may submit a copy of that license as part of the application. This submission is not a requirement. An applicant may not have such a license or may not wish to submit a copy of said license. Failure to do so will not be deemed grounds to determine the application as incomplete or as grounds to deny the applicant a permit.

M. A business plan for the proposed use.

N. A signed statement by the applicant or authorized individual(s) that he/she certifies under penalty of perjury that all information contained in the application is true and correct.

O. A signed and notarized statement from a Local Non-Profit Organization attesting to the applicant's participation in a charitable event held within the city limits of Riverside within the past three hundred sixty-five (365) days.

SECTION 11: Application fee.

With the exception of an applicant seeking to manufacture cannabis products using volatile solvents, when a cannabis business permit application is filed, it shall be accompanied by a filing fee in the amount of two thousand five hundred dollars (\$2,500.00).

SECTION 12: Permit application—Review.

All cannabis permit applicants are merit-based and are governed by the permit application process outlined in this Section.

A. Within seven (7) days following the application being submitted, the City manager shall determine if it is complete, and shall either:

1. Notify the applicant in writing that the application is complete;
2. Notify the applicant in writing that the application is incomplete, and set forth the reason(s) therefore, including all additional information and documentation necessary to render it complete.

B. The applicant shall have seven (7) days from the date of notice of incomplete application to submit all additional information and documentation identified by the City manager to complete the application. Any amended application shall maintain the original date and time stamp in the order in which it was received. Within seven (7) days following receipt of an amended application, the City manager shall determine whether the application is complete, and shall either:

1. Notify the applicant in writing that the application is complete; or
2. Notify the applicant in writing that the amended application is incomplete, and set forth the reason(s) therefore, including all additional information and documentation necessary to render it complete.

C. The applicant shall have seven (7) days from the date of notice of incomplete amended application to submit all additional information and documentation identified by the City manager to complete the amended application. Any amended application shall maintain the original date and time stamp in the order in which it was received. Within seven (7) days following receipt of an amended application, the City manager shall determine whether the application is complete, and shall either:

1. Notify the applicant in writing that the application is complete; or
2. Notify the applicant in writing that the application remains incomplete and shall be denied. The City Manager, nor any other person acting on behalf of the City, shall notify the applicant in writing that the amended priority application is incomplete, and set forth the basis for such determination including all additional information and documentation necessary to render it complete.

D. The applicant shall have the right to submit a new application with full payment of the application fee and/or appeal the City Manager's decision of incompleteness pursuant to Section 24 Appeals below.

E. Within 30 days after the application has been submitted to the City Clerk, the City Manager or City Manager's designee shall review the application, cause the property to be inspected as he or she deems appropriate, and shall score the applications as follows:

1. Location Score – If the applicant’s proposed location is within the correct zone and satisfies the Sensitive Use Buffers outlined by Section 6 of this code. The application shall receive one hundred (100) points for its Location Score. If the applicant’s proposed location is not within the correct zone or is within the Sensitive Use Buffer of a sensitive use, then the application shall receive zero (0) points for its Locations Score and the application shall be denied.

2. Security Score – If the applicant’s detailed facility floor plan as described in Paragraph F has been deemed complete, then the application shall receive one hundred (100) points for its Security Score. If the applicant’s detailed facility floor plan has been deemed incomplete, then the application shall receive zero (0) points for its Security Score.

3. Ventilation and Odor Control Score - If the applicant’s ventilation and odor control description as described in Paragraph I has been deemed complete, then the application shall receive one hundred (100) points for its Ventilation and Odor Control Score. If the applicant’s ventilation and odor control description has been deemed incomplete, then the application shall receive zero (0) points for its Ventilation and Odor Control Score

4. Local Community Enterprise Score – If the applicant does not have a Business Entity Address as defined by this code within the city limits of Riverside, or if the applicant previously had a Business Entity Address within the city limits of Riverside as defined by this code but a subsequent Statement of Information shows that the most recent Business Entity Address is not within the city limits of Riverside, then the applicant shall receive a score of zero (0) points for their Local Community Enterprise Score.

If the applicant has maintained a Business Entity Address as defined by this code within the city limits of the City of Riverside, the City Manager or his/her designee shall calculate how much time has passed between the filing of the earliest applicable Statement of Information and the date the applicant’s cannabis business permit application was received by the City Clerk, and score the application as follows:

a. If the applicant has maintained a Business Entity Address, as defined by this code, within the city limits of Temecula for less than four hundred ten (410) days as calculated by the City manager or his/her designee, the application shall receive a Local Enterprise Score of ten (10) points.

b. If the applicant has maintained a Business Entity Address, as defined by this code, within the city limits of Temecula for four hundred ten (410) days or more as calculated by the City manager or his/her designee, the application shall receive a Local Enterprise Score of one hundred twenty-five (125) points.

5. Corporate Stability Score – If the directors, managers, or members listed on an applicant’s Statement of Information have not changed, then the application shall receive one hundred (100) points for its Corporate Stability Score. If the directors, managers, or members listed on an applicant’s Statement of Information have changed

in any way, then the application shall receive zero (0) points for its Corporate Stability Score.

6. State Cannabis Law Compliance Verification Score – If the applicant has submitted a copy of a state cannabis license issued by the California Department of Cannabis Control as part of its application, the City Manager or his/her designee shall inquire of the California Department of Cannabis Control if the “Business Owner” assigned to that state cannabis license within the Department of Cannabis Control’s database of licensees matches the authorized individual as listed on the applicant’s Statement of Information, and shall inquire if that state cannabis license is Active. If it is Active, and the “Business Owner” as listed in the Department of Cannabis Control’s database of licensees matches the director, manager or member as listed on the applicant’s Statement of Information and named as the authorized individual for the applicant, then the application shall receive one hundred (100) points for its State Cannabis Law Compliance Verification Score. If the applicant did not submit a copy of a state cannabis license issued by the California Department of Cannabis Control, or applicant’s state cannabis license is Inactive, Suspended, Revoked, or the “Business Owner” assigned to that state cannabis license within the Department of Cannabis Control’s database of licensees does not match the director, manager or member as listed on the applicant’s Statement of Information and named as the authorized individual for the applicant, then the application shall receive zero (0) points for its State Cannabis Law Compliance Verification Score.

7. Business Plan Score – The business plan score shall be comprised of three (3) sections as listed below. Each section is worth one hundred (100) points, for a grand total of three hundred (300) points for the Business Plan Score.

a. Financial Projections - If the applicant’s submitted business plan includes three (3) years of projected income statements, then the applications shall be awarded one hundred (100) points. If the applicant’s submitted business plan does not include projected income statements for the business or includes less than three (3) years of projected income statements, then the applications shall be awarded zero (0) points.

b. Marketing Plan: Responsible Messaging and Advertising – If the applicant’s submitted business plan includes a marketing plan that explicitly incorporates the marketing restrictions and rules outlined in California Business and Professions Code Division 10 Chapter 15, then the application shall be awarded one hundred (100) points. If the applicant’s submitted business plan fails to explicitly incorporate California Business and Professions Code Division 10 Chapter 15 within its marketing plan, then the applicant shall be awarded zero (0) points.

c. Seed to Sale Tracking – If the applicant’s submitted business plan commits to utilizing software that is compliant with the METRC seed to sale tracking software, then the application shall receive one hundred (100) points. As an example, if the submitted business plan of an applicant for an adult use retail

permit commits to utilizing Greenbits, or Indica Online, or other METRC compliant Point of Sale Software, then the application shall receive one hundred (100) points. Otherwise, the application shall receive zero (0) points.

8. Charitable Community Event Score – Should the applicant submit a notarized letter signed by an executive officer of a Local Non-Profit Organization attesting to the applicant's participation in a charitable event held within the city limits of Riverside within the past three hundred sixty-five (365) days, then the applicant shall receive fifty (50) points for its Charitable Community Event Score.

F. Within three (3) days after the application has been reviewed and scores assigned as outlined in Section 12 Paragraph E of this code, the City manager or his/her designee shall meet with the applicant and add all the points the application has received together to provide the application with its Total Merit Score. At the meetings with the applicant, the City manager or his/her designee shall provide to the applicant their Total Merit Score and the scores the application received for each of the categories outlined in Section 12 Paragraph E of this code. Applicants may appeal the decision and scoring of the City manager or his/her designee as outlined in Section 24 of this code.

G. Within ninety (90) days, as measured from the first day applications for cannabis business permits were accepted by the City as determined by Section 23 of this code, the cannabis business permits shall be awarded based on Total Merit Score with the applicant that has the highest Total Merit Score receiving the first permit, and the applicant with the second highest Total Merit Score receiving the second permit, and so on. If an applicant that would qualify to receive a cannabis business permit based on their Total Merit Score but have received the same Total Merit Score as another applicant, the City manager shall award cannabis business permits among them based on the date and time stamp of their application wherein the applicant with the earliest date and time stamp as affixed to its application by the City Clerk shall receive a cannabis permit first, the applicant with the second earliest date and time stamp as affixed to its application by the City Clerk shall receive a cannabis permit second, and so on.

G. If the City manager finds that any of the applicable requirements of this code are not satisfied or finds that the applicant has been previously found guilty of a felony within the last 10 years or finds evidence that the applicant has provided materially false information, the application will be denied.

SECTION 13 - Taxes.

A. This measure levies an annual tax on all cannabis businesses of three percent (3%) of all gross sales as defined by this code.

B. The taxes generated shall be deposited into the general fund and the City Council shall consider the following priorities before distributing the funds:

1. Enforcement of this provision.
2. Mitigating possible adverse effects on local area youth through support of after school programs, drug education, and at-risk youth programs

3. Infrastructure improvements within the City limits.

C. The City Council may impose taxes authorized by this section at a lower rate with a simple majority vote. The City Council shall seek to maintain the competitiveness of the cannabis industry within its borders by adjusting the tax rate accordingly. No action by the City Council under this subsection shall prevent the City Council from subsequently increasing the taxes for cannabis business permits to the maximum rates specified in this section.

D. Upon the award of any cannabis permit, the applicant shall prepay the City ten thousand (\$10,000) dollars of local cannabis sales tax.

SECTION 14 - Change of Ownership/Authorized Individual

No change in the ownership or change of any authorized individual of any entity with a cannabis business permit authorized by this code shall be allowed without the approval of the City manager or his/her designee.

SECTION 15 - Change of Ownership/Authorized Individual Application

A Change of Ownership/Authorized Individual application for an entity holding an existing Cannabis Business Permit authorized under this code must include, at a maximum, the following:

A. A notarized letter signed by the existing authorized individual of the entity naming the proposed new owner(s) or proposed new authorized individual(s).

B. Live Scan fingerprints of the proposed new owner(s) or proposed new authorized individual(s) to enable the Riverside Police Department to perform a background check on the proposed new owner(s).

C. A fully legible copy of one valid government issued form of photo identification, such as a State Driver's License or Identification Card showing that the proposed new owner(s) or proposed new authorized individual(s) is/are 21 years of age or older.

SECTION 16 - Change of Ownership/Authorized Individual Application— Review and approval.

Within thirty (30) days of receipt of the Change of Ownership/Authorized Individual Application, if the City manager or his/her designee finds that any of the applicable requirements of this code are not satisfied or finds that the applicant has been previously found guilty of a felony within the last 10 years or finds evidence that the applicant has provided materially false information, the application will be denied. Otherwise, the City manager or his/her designee shall approve the Change in Ownership/Authorized Individual application. The City manager or his/her designee's decision may be appealed as outlined under Section 24 of this code.

SECTION 17 - Relocation

The permittee may relocate their cannabis business within the City of Riverside provided the new location meets the location standards set forth in Section 6 of this code.

SECTION 18 - Relocation Application

A Change of Ownership/Authorized Individual application for an entity holding an existing Cannabis Business Permit authorized under this code must include, at a maximum, the following:

- A. A notarized letter signed by the existing authorized individual of the entity naming the proposed new owner(s) or proposed new authorized individual(s).
- B. Evidence that the applicant:
 - 1. Is the owner of the premises involved.
 - 2. Has the permission of such owner to make such application, or
 - 3. Is or will be the plaintiff in an action in eminent domain to acquire the premises involved;
- C. The street address, otherwise a description of, the premises upon which the requested use is to be maintained;
- D. If the applicant is not the owner of the premises, the name and address of the owner, and the nature of the applicant's interest in the premises involved;
- E. A detailed site plan, drawn to a scale of one-inch equals ten feet, showing the proposed location of all buildings and structures, landscaped areas, parking areas, driveways and means of ingress and egress;
- F. A detailed facility floor plan, drawn to a scale of three sixteenths of an inch equals one foot, showing the proposed uses of the floor area depicted on the floor plan and in-store security camera locations.
- G. Three copies of white background prints of a map drawn to a scale of one-inch equals fifty feet, showing the location of the property concerned, and the location of all highways, streets and alleys and all lots and parcels of land within a distance of six hundred feet from the exterior boundaries of the proposed use;
- H. H. One copy of the map referred to in subsection G of this section shall show the use to which each and every lot and parcel of land is put;
- I. I. A plan for ventilation of the cannabis business that describes the ventilation system that will be used to prevent any odor of cannabis off the premises of the business.

SECTION 19 – Relocation Application— Review and approval.

Within thirty (30) days after receipt of the Relocation Application, if the City manager or his/her designee finds that any of the applicable requirements of this code are not satisfied or finds that the applicant has provided materially false information, the application will be denied. Otherwise, the City manager or his/her designee shall approve the Relocation application. The City manager or his/her designee's decision may be appealed as outlined under Section 24 of this code.

SECTION 20 - Delivery.

Retail delivery of cannabis within the City of Riverside shall only be permitted by cannabis businesses that hold a valid state issued storefront retail or microbusiness license and a valid cannabis business permit issued by the City of Riverside.

SECTION 21 - Conflicts.

In the event any provision of this Code conflicts with any other provision of the General Plan, any or all Specific Plans, the Riverside Municipal Code, or the Zoning Code of the City of Riverside, now or hereinafter enacted, the provisions of this code shall prevail.

SECTION 22 - Compliance with applicable State law

Except as may be provided otherwise in this Section, any law or regulation adopted by the State governing the cultivation, production, manufacture, possession, transport, testing, distribution, or retail sale of cannabis shall also apply to cannabis businesses in the City. This includes but is not limited to State laws and regulations regarding use of childproof product containers; labeling; patient confidentiality; quality control; laboratory testing; edible and infused products standards and testing; employee training; delivery; and odor control. Noncompliance with any applicable State law or regulation is unlawful and shall be grounds for revocation or suspension or any permit under this Section.

SECTION 23 - Suspensions or revocations.

The City manager may suspend or revoke a cannabis business permit if he/she finds that one or more of the following conditions exist:

- A. The cannabis business does not comply with, and fails to remedy such non-compliance in a timely manner, any of the requirements outlined in Section 8 or Section 22 of this Code;
- B. The business owner, or its authorized individual has been convicted in a court of competent jurisdiction of:
 - 1. Any violation of any statute, or any other ordinance arising from any act performed in the exercise of any rights granted by the permit, the revocation of which is under consideration, or;
 - 2. Any offense involving the maintenance of a nuisance caused by any act performed in the exercise of any rights granted by the permit, the revocation of which is now under consideration.
- C. The business owner, or its authorized individual has knowingly made any false, misleading or fraudulent statement of material fact in the application for a permit.

SECTION 24 - Appeals.

Any person aggrieved by a decision of the City manager or his/her designee made under this code has the right to appeal such decision as follows:

- A. Notice of Appeal. Any decision of the City manager or his/her designee made under this code will become final within ten days from the date such notice is served, unless within that ten-day period an appeal is filed with the city clerk, including payment of the applicable fee established by city council resolution. The appeal notice must state, with specificity, the factual and legal basis of the appeal.
- B. Scheduling of Appeal Hearing. The city clerk will expeditiously schedule a hearing before a hearing officer and notify the appellant, in writing, of the day, time and location of the hearing,

which may be held no later than thirty days after the notice of appeal is received by the city; provided, however, the hearing may be held after such thirty-day period upon the request or concurrence of the appellant. The time for compliance of any original order will be stayed during the pendency of the appeal hearing.

C. Hearing by Hearing Officer. The hearing officer will consider the testimony of the appellant, city staff or agents, and any other testimony or evidence relevant to the decision. The hearing officer must provide the appellant with a written decision within ten days from the date of the conclusion of the hearing.

D. Any person dissatisfied with the hearing officer's decision may seek prompt judicial review of such decision pursuant to California Code of Civil Procedure Section 1094.8.

Failure to meet any of the requirements outlined in Section 24 Paragraphs B or C shall result in a ruling in favor of the appellant.

SECTION 25 - Time table for Implementation and Initial Application Period

- A. If this ordinance is passed by the voters of the City of Temecula, the City shall begin to accept applications on the tenth (10th) day following the date the election is certified, or January 2nd, 2023, whichever is later, and shall continue to accept applications for cannabis business permits under this code for a period lasting two (2) weeks.
- B. If this ordinance is adopted by the City Council, the City shall begin to accept applications on the tenth (10th) day following the date the City Council adopts the ordinance, or January 2nd, 2023, whichever is later, and shall continue to accept applications for cannabis business permits under this code for a period lasting two (2) weeks.
- C. The City shall not accept any additional applications for a cannabis business permit under this code after the initial application period as described above has passed, unless the City Council, by a simple majority vote, chooses to do so.

SECTION 26 - Severability

If any provision in this Section, or part thereof, or the application of any provision or part to any person or circumstance is held for any reason to be invalid or unconstitutional, the remaining provisions and parts shall not be affected, but shall remain in full force and effect, and to this end the provisions of this Section are severable.

SECTION 27: COMPETING MEASURES

In the event that this measure and another measure or measures relating to the regulation of cannabis in the City of Riverside appear on the same ballot, the provisions of the other measure or measures shall be deemed to be in conflict with this measure. In the event that this measure shall receive a greater number of affirmative votes required to pass than the other measure or measures, the provisions of this measure shall prevail in their entirety over the competing measure or measures, and the competing measure or measures shall be null and void.