

**ORDINANCE NO. 2020-0004**

Adopted by the Sacramento City Council

January 14, 2020

**An Ordinance Amending Various Sections of Chapter 5.150, Relating to Cannabis Businesses**

BE IT ENACTED BY THE COUNCIL OF CITY OF SACRAMENTO:

**SECTION 1.**

Section 5.150.020 of the Sacramento City Code is amended to read as follows:

**5.150.020 Definitions.**

As used in this chapter:

“Cannabis” has the same meaning as in California Business and Professions Code section 26001.

“Cannabis, adult-use” means cannabis or cannabis products intended to be sold for use by adults 21 years of age and over who do not possess a physician’s recommendation for the use of cannabis issued in accordance with the Compassionate Use Act of 1996 (California Health and Safety Code section 11362.5).

“Cannabis, medical” means cannabis or cannabis products intended to be sold for medical use by persons who possess a physician’s recommendation for the use of cannabis issued in accordance with the Compassionate Use Act of 1996 (California Health and Safety Code section 11362.5).

“Cannabis accessories” has the same meaning as in California Health and Safety Code section 11018.2.

“Cannabis business” means a business subject to the permit requirements of this chapter.

“Cannabis business permit” means any permit issued to a cannabis business pursuant to the provisions of this chapter.

“Cannabis cultivation business” means a business cultivating cannabis, including a cannabis nursery.

“Cannabis dispensary, delivery-only” means a business selling cannabis or cannabis products only by delivery, not by completing the transfer in a building or structure that is open to customers or elsewhere on the dispensary site.

“Cannabis dispensary, storefront” means a business selling cannabis or cannabis products from a building or structure that is open to customers. A storefront cannabis dispensary does not include the following uses: a clinic licensed pursuant to chapter 1 of division 2 of the California Health and Safety Code; a health care facility licensed pursuant to chapter 2 of division 2 of the California Health and Safety Code; a residential care facility for persons with chronic life-threatening illness licensed pursuant to chapter 3.01 of division 2 of the California Health and Safety Code; a residential care facility for the elderly licensed pursuant to chapter 3.2 of division 2 of the California Health and Safety Code; and a residential hospice or a home health agency licensed pursuant to chapter 8 of division 2 of the California Health and Safety Code, as long as any such use complies with applicable laws including, but not limited to, the Compassionate Use Act of 1996 (California Health and Safety Code section 11362.5), the Medical Marijuana Program Act (California Health and Safety Code section 11362.7 et seq.), the Medicinal and Adult-Use Cannabis Regulation and Safety Act (California Business and Professions Code section 26000 et seq.), and the Sacramento City Code.

“Cannabis distribution business” means a business procuring, selling, and transporting cannabis and cannabis products between cannabis businesses.

“Cannabis identification card” has the same meaning as “identification card” in California Health and Safety Code section 11362.7.

“Cannabis manufacturing business” means a business producing, preparing, propagating, or compounding cannabis and cannabis products. Cannabis manufacturing business includes businesses involving the extraction of a substance from a cannabis plant, the infusion or mixture of cannabis into another substance, the preparation of an edible item that contains cannabis, and the packaging and labeling of cannabis or cannabis products. Cannabis manufacturing business does not include a cannabis cultivation business.

“Cannabis microbusiness” means a business that engages in activities of three or more of the following cannabis businesses on the same site: manufacturing, distribution, storefront dispensary, delivery-only dispensary, or cultivation (provided that the cultivation area is less than 10,000 square feet).

“Cannabis nursery” means a business that produces clones, immature plants, seeds, or other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.

“Cannabis product” has the same meaning as in California Health and Safety Code section 11018.1.

“Cannabis testing laboratory” means a business performing scientific analysis of cannabis or cannabis products to determine chemical profile, presence of contaminants, or other similar data.

“Canopy” has the same meaning as in section 8000 of title 3 of the California Code of Regulations.

“CBC” means the California Building Code.

“CEC” means the California Electrical Code.

“CFC” means the California Fire Code.

“City manager” means the city manager or designee.

“CMC” means the California Mechanical Code.

“Conditional use permit” means a conditional use permit issued by the city pursuant to the Planning and Development Code.

“CPC” means the California Plumbing Code.

“Cultivate” means to plant, grow, harvest, dry, cure, grade, or trim cannabis.

“Cultivation area” means the area in which cannabis is cultivated.

“Deliver” means to physically move any item from a cannabis business to a person other than another cannabis business.

“Juvenile” means any natural person who is under the age of 18 years.

“Manager” means a person who participates in the direction, control, or management of a cannabis business.

“Member” means any qualified patient, primary caregiver, or person with a cannabis identification card who is registered with a cannabis business.

“Person with a cannabis identification card” has the same meaning as “person with an identification card” in California Health and Safety Code section 11362.7.

“Physician” has the same meaning as in California Business and Professions Code section 4039.

“Primary caregiver” has the same meaning as in California Health and Safety Code section 11362.7.

“Private medical records” means records related to the medical history of a qualified patient, but does not include the recommendation of a physician for the medical use of cannabis, the designation of a primary caregiver by a qualified patient, or a cannabis identification card.

“Qualified patient” has the same meaning as in California Health and Safety Code section 11362.7.

“Reasonable compensation” means compensation commensurate with wages and benefits paid to officers and employees of other not-for-profit organizations who have similar job descriptions and duties, required level of education and experience, prior individual earnings history, and number of hours worked.

“Sell” means engaging in any transaction, for any consideration, in which title of an item is transferred from one person to another, and includes delivery and soliciting or receiving orders.

“Site” means the portion of a parcel or parcels of real property upon which a cannabis business is operated.

“Staff” means a person other than a manager who works or provides services on the site of a cannabis business, whether as an employee, contractor, or volunteer.

“Transport” means to physically move items between cannabis businesses. Transport does not include delivery.

“Volatile solvent” 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. “Volatile solvent” does not include ethanol when used in a manner that will not create explosive or ignitable mixtures, as approved by the fire chief or designee.

## **SECTION 2.**

A. Subsection C of section 5.150.030 of the Sacramento City Code is amended to read as follows:

C. If any other applicable state or local license or permit required for a cannabis business's operation is denied, suspended, modified, surrendered, revoked, or expired, the cannabis business shall notify the city manager in writing within 10 calendar days of the action.

B. Except as amended by subsection A above, all provisions of section 5.150.030 remain unchanged and in full effect.

### **SECTION 3.**

Section 5.150.095 is added to the Sacramento City Code to read as follows:

#### **5.150.095 Identification badges.**

Managers and staff of the permitted cannabis business must wear an identification badge that meets the requirements of section 5043 of title 16 of the California Code of Regulations, while on the site or during delivery or transportation.

### **SECTION 4.**

Section 5.150.100 of the Sacramento City Code is amended to read as follows:

#### **5.150.100 Building design.**

A cannabis business permittee must maintain the design of the buildings on the site in accordance with the plans (e.g., floor plans and site plans) that are approved through the application process, unless authorized by the city manager.

### **SECTION 5.**

A. Subsection C of section 5.150.130 of the Sacramento City Code is amended to read as follows:

C. The permittee shall properly store and dispose of all waste generated on the site, including chemical and organic waste, in accordance with all applicable laws and regulations. No permittee shall dispose of cannabis or cannabis products unless they have been made unusable and unrecognizable.

B. Except as provided in subsection A above, section 5.150.130 of the Sacramento City Code remains unchanged and in full effect.

## **SECTION 6.**

Section 5.150.140 of the Sacramento City Code is amended to read as follows:

### **5.150.140 Reporting of criminal activity.**

A cannabis business permittee shall immediately report to the city police department and the city manager all criminal activity occurring on the cannabis business site.

## **SECTION 7.**

A. Section 5.150.210 of the Sacramento City Code is amended as follows:

1. Subsection A.4 is amended to read as follows:

4. Business site.

- a. Description. A general description of the proposed business site, including the street address, parcel number, the total square footage of the site, and the characteristics of the surrounding area.
- b. Floor plan. A scaled floor plan for each level of each building that makes up the business site, including the entrances, exits, walls, and operating areas. The floor plan must be professionally prepared by a licensed civil engineer or architect.
- c. Compliance with the Planning and Development Code. The date of issuance and the file number of the conditional use permit that was approved by the city for the proposed location.
- d. Statement of owner's consent. Written consent of the owner or landlord of the proposed site to operate a cannabis business, specifying the street address and parcel number.

2. Subsection A.7 is amended to read as follows:

7. Business operations.

- a. Business plan. A plan describing how the cannabis business will operate in accordance with this code, state law, and other applicable regulations. The business plan must include plans for handling cash and transporting cannabis and cannabis products to and from the site.

- b. Community relations contact. The contact information of the person designated as being responsible for outreach and communication with the surrounding community, including the neighborhood and businesses.
  - c. State licenses. Copies of the state licenses relating to cannabis that the applicant holds.
  - d. Tax compliance. The city business operations tax certificate number; a copy of the applicant's most recent financial statements; a copy of the applicant's most recent state and federal signed tax returns; and proof of filing the tax returns with the applicable government agency.
  - e. Insurance. The applicant's certificate of commercial general liability insurance and endorsements.
  - f. Budget. A copy of the applicant's most recent annual budget for operations.
- B. Except as amended by subsection A above, all provisions of section 5.150.210 remain unchanged and in full effect.

## **SECTION 8.**

Section 5.150.240 of the Sacramento City Code is amended to read as follows:

### **5.1250.240 Grounds for denial of a cannabis business permit.**

The city manager may deny a cannabis business permit if the city manager determines that one or more of the following circumstances exist:

- A. The application received has been incomplete for 180 days after it was filed with the city or not responsive to the requirements of this article;
- B. The application contains a false or misleading statement or omission of a material fact;
- C. The operation of a cannabis business described in the application fails to comply with any of the requirements in this code, state law, or any other regulation;
- D. The applicant or any of its managers has any unpaid and overdue administrative penalties imposed for violations this chapter;
- E. The applicant has not paid the applicable business operations tax pursuant to chapter 3.08;

- F. Within 12 months of the filing date of the application, either the applicant has had its cannabis business permit revoked; or any of its owners, officers, directors, partners, agents, or any persons vested with the authority to manage or direct the affairs of the business were associated with another business that had its cannabis business permit revoked;
- G. The applicant or any of its managers has violated a provision of this chapter;
- H. Within 12 months of the filing date of the application, the applicant, the cannabis business' manager, or property owner has violated a provision of the CBC, CEC, CFC, CPC, CMC, or chapters 8.04, 8.08, 8.96, or 8.100 of this code, in connection with developing or operating the cannabis business or the site; or
- I. Operation of the cannabis business is a threat to the public health, safety, or welfare.

**SECTION 9.**

Section 5.150.270 of the Sacramento City Code is amended to read as follows:

**5.150.270 Notice of suspension, modification, and revocation.**

- A. If the city manager proposes to suspend, modify, or revoke a permit, written notice of the proposed suspension, modification, or revocation shall be served on the cannabis business at least 15 days prior to the date of the proposed suspension, modification, or revocation. The notice shall contain:
  - 1. A brief statement of the grounds for the suspension, modification, or revocation.
  - 2. A statement that the dispensary may appeal the action in accordance with section 5.150.290.
  - 3. A statement that the failure to appeal the notice of suspension, modification, or revocation will constitute a waiver of all rights to an appeal hearing, and the suspension, modification, or revocation will be final.
- B. Notwithstanding subsection A of this section, the city manager may immediately revoke the cannabis business permit without prior notice under the following circumstances:
  - 1. A cannabis business other than a storefront cannabis dispensary is in violation of section 5.150.070.D (criminal history);
  - 2. A cannabis business holding a valid cannabis business permit issued pursuant to

this chapter ceases operation for 90 consecutive days or longer;

3. The permittee, its owners, officers, directors, partners, agents, or other persons vested with the authority to manage or direct the affairs of the business has been convicted of an offense described in section 5.150.070.E; or
  4. Operation of the cannabis business is a threat to the public health, safety, or welfare.
- C. If the city manager immediately revokes the permit pursuant to subsection B of this section, written notice of the revocation shall be served on the cannabis business.
- D. Within 10 calendar days of the date of service of a notice issued pursuant to subsections A or B, the cannabis business may make a written request for an informal hearing with the city manager to reconsider the city manager's action. The city manager shall set a date for an informal hearing within 30 business days from the date the request is filed.
- E. Failure to properly file a written request for reconsideration as described in subsection D constitutes a waiver of all rights to a hearing and the city manager's decision is final. Failure to properly and timely file a written request for reconsideration also constitutes a failure to exhaust administrative remedies and is a bar to any judicial action pertaining to the city manager's decision.
- F. If the cannabis business properly files a request for reconsideration and fails to appear at the hearing, the request for reconsideration is abandoned, and the decision of the city manager is final and may not be further appealed. Failure to appear at the hearing constitutes a waiver of all rights to a hearing, a failure to exhaust administrative remedies, and is a bar to any judicial action pertaining to the city manager's decision.
- G. Written notice of the city manager's decision for reconsideration shall be served on the subject cannabis business within 10 business days of the informal hearing.
- H. The decision of the city manager under this section is subject to appeal in accordance with section 5.150.290.

#### **SECTION 10.**

Section 5.150.290 of the Sacramento City Code is amended to read as follows:

#### **5.150.290 Appeal of denial, suspension, revocation, and nonrenewal.**

- A. Except as otherwise provided in this chapter, any applicant or cannabis business aggrieved by the decision of the city manager in conditioning, denying, suspending, revoking, modifying, or not renewing a cannabis business permit may appeal the

decision by filing a written appeal, accompanied by a nonrefundable appeal fee, with the city manager's office within 20 calendar days of the personal service of or 25 calendar days of the mailed service of the decision from the city manager. The written appeal shall contain:

1. A brief statement in ordinary and concise language of the specific action protested, together with any material facts claimed to support the contentions of the appellant;
  2. A brief statement in ordinary and concise language of the relief sought, and the reasons why it is claimed the protested action should be reversed or otherwise set aside;
  3. An address at which the appellant agrees notice of any additional proceeding or an order relating to the decision on the permit may be received by first class mail; and
  4. The verification (by declaration under penalty of perjury) of the applicant or cannabis business as to the truth of the matters stated in the appeal.
- B. The appeal hearing shall be conducted by a hearing examiner appointed by the city council.
- C. Upon receipt of any appeal filed pursuant to this section, the city manager shall transmit the appeal to the secretary of the hearing examiner who shall calendar it for hearing no sooner than 20 days after the notice of appeal is filed.
- D. The hearing examiner shall provide written notice of the time and place of the hearing at least 15 days prior to the date of the hearing to each appellant by mailing a copy addressed to the appellant at the address shown on the appeal.
- E. Failure of any person to file a timely appeal in accordance with the provisions of this section shall constitute an irrevocable waiver of the right to an administrative hearing and the city manager's decision shall be final.
- F. Only those matters or issues specifically raised by the appellant in the appeal notice shall be considered in the hearing of the appeal.
- G. Any condition, denial, suspension, revocation, or nonrenewal of a cannabis business permit shall be stayed during the pendency of an appeal which is properly and timely filed pursuant to this section.

## **SECTION 11.**

Subsection C of Section 5.150.300 of the Sacramento City Code is amended to read as follows:

- C. The hearing examiner may, upon request of the appellant or upon request of the city, or upon his or her own motion, grant continuances from time to time for good cause shown.

**SECTION 12.**

Section 5.150.320 of the Sacramento City Code is amended to read as follows:

**5.150.320 Form and contents of decision.**

- A. If it is shown, by a preponderance of the evidence, that one or more grounds exist to condition, deny, suspend, revoke, modify, or not renew a cannabis business permit, the hearing examiner shall affirm the city manager's decision. The decision of the hearing examiner shall be issued within 30 days of the hearing, in writing and shall contain findings of fact and a determination of the issues presented
- B. The decision shall inform the appellant that the decision is final and that the time for judicial review is governed by California Code of Civil Procedure section 1094.6. Copies of the decision shall be delivered to the parties by first class mail to the address shown on the appeal. The decision is final when signed by the hearing examiner and served as provided in this section.

**SECTION 13.**

Section 5.150.400 of the Sacramento City Code is amended to read as follows:

**5.150.400 Storefront cannabis dispensary site restricted.**

- A. All entrances into a storefront cannabis dispensary's building shall be locked from the exterior at all times with entry controlled by dispensary personnel.
- B. A manager must be on the storefront cannabis dispensary site at all times that any other person, except for security guards, is on the site.
- C. Any person other than managers or staff shall be escorted by a manager at all times while in the storefront cannabis dispensary building.

**SECTION 14.**

- A. Section 5.150.470 of the Sacramento City Code is amended to read as follows:
  - 1. Subsection C is amended to read as follows:

C. Security Video Retention. The security surveillance cameras must record at all times (24 hours a day, seven days a week) and the recording must be maintained by the dispensary for a period of not less than 90 days. The recording shall be made available to the city upon request.

2. Subsection D is amended to read as follows:

D. Alarm System. A dispensary must have professionally and centrally-monitored fire, robbery, and burglar alarm systems that are maintained in good working condition. The alarm system must be monitored by a private security company that is required to respond to every alarm within 20 minutes.

B. Except as amended by subsection A above, all provisions of section 5.150.470 remain unchanged and in full effect.

#### **SECTION 15.**

Section 5.150.490 of the Sacramento City Code is deleted.

#### **SECTION 16.**

Section 5.150.520 of the Sacramento City Code is deleted.

#### **SECTION 17.**

A. Subsection E of section 5.150.525 of the Sacramento City Code is amended to read as follows:

E. A person delivering cannabis or cannabis products on behalf of a dispensary shall carry the following items:

1. A copy of the dispensary's current dispensary permit;
2. The person's government-issued identification; and
3. A copy of the delivery request as described in subsection C.1.

B. Except as amended by subsection A above, all provisions of section 5.150.525 remain unchanged and in full effect.

#### **SECTION 18.**

A. Subsection B.4 is added to section 5.150.530 of the Sacramento City Code to read as follows:

1. Class D, for a cannabis nursery with indoor cultivation.

B. Except as amended by subsection A above, all provisions of section 5.150.530 remain unchanged and in full effect.

#### **SECTION 19.**

Section 5.150.550 of the Sacramento City Code is deleted.

#### **SECTION 20.**

A. Section 5.150.580 of the Sacramento City Code is amended as follows:

1. Subsection B is amended to read as follows:

- B. Security video recording and retention. The security surveillance cameras must record at all times (24 hours a day, seven days a week) and the recording must be maintained for at least 90 days. The video recordings shall be made available to the city upon request.

2. Subsection C is amended to read as follows:

- C. Alarm system. Professionally and centrally-monitored fire, robbery, and burglar alarm systems must be installed and maintained in good working condition. The alarm system must include a private security company that is required to respond to every alarm within 20 minutes.

B. Except as amended by subsection A above, all provisions of section 5.150.580 remain unchanged and in full effect.

#### **SECTION 21.**

Section 5.150.610 of the Sacramento City Code is amended to read as follows:

##### **5.150.610 Cultivation site restricted.**

- A. No cannabis cultivation permittee shall open their cultivation site to the public.

- B. No cannabis cultivation permittee shall allow anyone on the cultivation site, except for managers, staff, and other persons with a bona fide business or regulatory purpose for being there, such as contractors, inspectors, and cannabis transporters.
- C. A manager must be on the cultivation site at all times that any other person, except for security guards, is on the site.
- D. Any person other than managers or staff who are on the cultivation site must sign in, wear a visitor badge, and be escorted on the site by a manager at all times.

**SECTION 22.**

Section 5.150.680 of the Sacramento City Code is deleted.

**SECTION 23.**

Section 5.150.710 of the Sacramento City Code is amended to read as follows:

**5.150.710 Cannabis testing laboratory site security.**

Each laboratory site security plan approved by the city manager must include the following:

- A. Security surveillance cameras. Security surveillance cameras and a video recording system must be installed to monitor all doors into the buildings on the laboratory site, the parking lot, loading areas, and all exterior sides of the property adjacent to the public rights of way. The cameras and recording system must be of adequate quality, color rendition, and resolution to allow the identification of any individual present on the laboratory site. The recording system must be capable of exporting the recorded video in standard MPEG formats to another common medium, such as a DVD or USB drive.
- B. Security video recording and retention. The security surveillance cameras must record at all times (24 hours a day, seven days a week) and the recording must be maintained for at least 90 days. The video recordings shall be made available to the city upon request.
- C. Alarm system. Professionally and centrally-monitored fire, robbery, and burglar alarm systems must be installed and maintained in good working condition. The alarm system must include a private security company that is required to respond to every alarm within 20 minutes.

**SECTION 24.**

Section 5.150.740 of the Sacramento City Code is amended to read as follows:

**5.150.740 Laboratory site restricted.**

- A. No cannabis testing laboratory permittee shall open their laboratory site to the public.
- B. No cannabis testing laboratory permittee shall allow anyone on the laboratory site, except for managers, staff, and other persons with a bona fide business or regulatory purpose for being there, such as contractors, inspectors, and cannabis transporters.
- C. A manager must be on the laboratory site at all times that any other person, except for security guards, is on the site.
- D. Any person other than managers or staff who are on the laboratory site must sign in, wear a visitor badge, and be escorted on the site by a manager at all times.

**SECTION 25.**

Section 5.150.810 of the Sacramento City Code is amended to read as follows.

**5.150.810 Sites of cannabis manufacturing businesses may be shared.**

A cannabis manufacturing business may share its site with other cannabis manufacturing businesses, subject to the applicable provisions of state law and this chapter.

**SECTION 26.**

Section 5.150.850 of the Sacramento City Code is amended to read as follows:

**5.150.850 Cannabis manufacturing site security.**

- A. Security surveillance cameras. Security surveillance cameras and a video recording system must be installed to monitor all doors into the buildings on the laboratory site, the parking lot, loading areas, and all exterior sides of the property adjacent to the public rights of way. The cameras and recording system must be of adequate quality, color rendition, and resolution to allow the identification of any individual present on the laboratory site. The recording system must be capable of exporting the recorded video in standard MPEG formats to another common medium, such as a DVD or USB drive.

- B. Security video recording and retention. The security surveillance cameras must be record at all times (24 hours a day, seven days a week) and the recording must be maintained for at least 90 days. The video recordings shall be made available to the city upon request.
- C. Alarm system. Professionally and centrally-monitored fire, robbery, and burglar alarm systems must be installed and maintained in good working condition. The alarm system must include a private security company that is required to respond to every alarm within 20 minutes.

**SECTION 27.**

Section 5.150.880 of the Sacramento City Code is amended to read as follows:

**5.150.880 Manufacturing site restricted.**

- A. No cannabis manufacturing permittee shall open their manufacturing site to the public.
- B. No cannabis manufacturing permittee shall allow anyone on the manufacturing site, except for managers, staff, and other persons with a bona fide business or regulatory purpose for being there, such as contractors, inspectors, and cannabis transporters.
- C. A manager must be on the manufacturing site at all times that any other person, except for security guards, is on the site.
- D. Any person other than managers or staff who are on the manufacturing site must sign in, wear a visitor badge, and be escorted on the site by a manager at all times.

**SECTION 28.**

- A. Section 5.150.970 of the Sacramento City Code is amended as follows:
  - 1. Subsection D is amended to read as follows:
    - D. Transport area. Each dispensary site must have an area designed for the secure transfer of cannabis or cannabis products between a vehicle and the restricted area.
  - 2. Subsection E is amended to read as follows:
    - E. Storage area. Each delivery-only cannabis dispensary permittee must have adequate storage space in a building for its cannabis or cannabis products. The storage areas must

not be shared with another deliver-only cannabis dispensary permittee, must be separated from the main entrance and lobby and must be secured by a lock accessible only to managers and staff of the delivery-only cannabis dispensary permittee.

B. Except as amended by subsection A above, all provisions of section 5.150.970 remain unchanged and in full effect.

## **SECTION 29.**

Section 5.150.980 of the Sacramento City Code is amended to read as follows:

### **5.150.980 Delivery-only cannabis dispensary site security.**

- A. Security surveillance cameras. Security surveillance cameras and a video recording system must be installed to monitor all doors into the buildings on the laboratory site, the parking lot, loading areas, and all exterior sides of the property adjacent to the public rights of way. The cameras and recording system must be of adequate quality, color rendition, and resolution to allow the identification of any individual present on the laboratory site. The recording system must be capable of exporting the recorded video in standard MPEG formats to another common medium, such as a DVD or USB drive.
- B. Security video recording and retention. The security surveillance cameras must record at all times (24 hours a day, seven days a week) and the recording must be maintained for at least 90 days. The video recordings shall be made available to the city upon request.
- C. Alarm system. Professionally and centrally-monitored fire, robbery, and burglar alarm systems must be installed and maintained in good working condition. The alarm system must include a private security company that is required to respond to every alarm within 20 minutes.

## **SECTION 30.**

Section 5.150.1010 of the Sacramento City Code is amended to read as follows:

### **5.150.1010 Delivery-only dispensary site restricted.**

- A. No delivery-only cannabis dispensary permittee shall open their dispensary site to the public.
- B. No delivery-only cannabis dispensary permittee shall allow anyone on the dispensary site, except for managers, staff, and other persons with a bona fide business or regulatory purpose for being there, such as contractors, inspectors, and cannabis transporters.

- C. A manager must be on the dispensary site at all times that any other person, except for security guards, is on the site.
- D. Any person other than managers or staff who are on the dispensary site must sign in, wear a visitor badge, and be escorted on the site by a manager at all times.

**SECTION 31.**

Section 5.150.1120 of the Sacramento City Code is deleted.

**SECTION 32.**

Section 5.150.1170 of the Sacramento City Code is amended to read as follows:

**5.150.1170 Distribution site restricted.**

- A. No cannabis distribution permittee shall open their distribution site to the public.
- B. No cannabis distribution permittee shall allow anyone on the distribution site, except for managers, staff, and other persons with a bona fide business or regulatory purpose for being there, such as contractors, inspectors, and distribution drivers.
- C. A manager must be on the distribution site at all times that any other person, except for security guards, is on the site.
- D. Any person other than managers or staff who are on the distribution site must sign in, wear a visitor badge, and be escorted on the site by a manager at all times.

**SECTION 33.**

A. Subsection B of section 5.150.1230 of the Sacramento City Code is amended to read as follows:

- B. A person transporting cannabis or cannabis products on behalf of a cannabis distribution business shall carry the following items:
  - 1. A copy of the distributor's current cannabis distribution business permit;
  - 2. The person's government-issued identification; and
  - 3. A copy of the shipping manifest as described in subsection A.1.

B. Except as amended by subsection A above, all provisions of section 5.150.1230 remain unchanged and in full effect.

Adopted by the City of Sacramento City Council on January 14, 2020, by the following vote:

Ayes: Members Ashby, Carr, Guerra, Hansen, Jennings, and Mayor Steinberg

Noes: None

Abstain: None

Absent: Members Harris, Schenirer, and Warren

Attest:  Digitally signed by Mindy Cuppy  
Date: 2020.02.07 11:05:04  
-08'00'

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Mindy Cuppy, City Clerk

*The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.*

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