

ORDINANCE 2024-0044

Adopted by the Sacramento City Council

November 19, 2024

An Ordinance Amending Various Sections of Chapter 5.150 of, Amending Section 8.04.110 of, Adding Chapter 8.133 to, and Deleting Chapter 9.08 of the Sacramento City Code, Relating to the Consumption of Cannabis and Cannabis Products

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

A. Section 5.150.020 of the Sacramento City Code is hereby amended as follows:

1. A definition for “cannabis consumption lounge” or “lounge” is hereby added to read as follows:

“Cannabis consumption lounge” or “lounge” means an area on any property, other than in a private residence or at an event held pursuant to section 5.150.360.C, where cannabis or cannabis products are consumed; or any private residence where cannabis or cannabis products are allowed to be consumed for commercial gain.

2. A definition for “cannabis consumption lounge operator” is hereby added to read as follows:

“Cannabis consumption lounge operator” means a storefront cannabis dispensary permittee who is authorized to operate a cannabis consumption lounge in accordance with this chapter.

3. A definition for “smoking” is hereby added to read as follows:

“Smoking” has the same meaning as in section 8.80.030.

4. A definition for “vaping” is hereby added to read as follows:

“Vaping” means to inhale vapor from a device that heats up and vaporizes a liquid or solid.

B. Except as amended by subsection A above, all provisions of section 5.150.020 remain unchanged and in full effect.

SECTION 2.

Section 5.150.130 of the Sacramento City Code is hereby amended to read as follows:

5.150.130 Site management.

Notwithstanding any other provision of this code, a cannabis business permittee shall—

- A. Prevent and eliminate nuisances on its site, including the unlawful consumption of cannabis or cannabis products;
- B. Maintain the exterior of the site, including any parking lots under the control of the permittee, free of litter, debris, and trash;
- C. Properly store and dispose of all waste generated on the site, including chemical and organic waste, in accordance with all applicable laws and regulations;
- D. Make cannabis and cannabis products unusable and unrecognizable before discarding them; and
- E. Remove all graffiti from the site and parking lots under the control of the permittee within 72 hours of its application.

SECTION 3.

Section 5.150.145 is hereby added to the Sacramento City Code to read as follows:

5.150.145 Consumption of cannabis in violation of the code.

- A. No cannabis business, its managers, or persons with an ownership interest, shall allow any person to smoke, ingest, or otherwise consume cannabis or cannabis products on its site, except as described in this chapter.
- B. No cannabis business, its managers, or persons with an ownership interest, shall permit, aid, abet, or conceal the smoking, ingesting, or other consumption of cannabis or cannabis products on its site in violation of this code.

SECTION 4.

Section 5.150.430 of the Sacramento City Code is hereby amended to read as follows:

5.150.430 Limit on cannabis consumption on site.

No storefront cannabis dispensary shall allow any person to smoke, ingest, or otherwise consume cannabis or cannabis products in any form on, or within 20 feet of, the site, except as described in this chapter.

SECTION 5.

- A. Subsection A of section 5.150.470 of the Sacramento City Code is hereby amended to read as follows:
 - A. Licensed Security Personnel. A dispensary must have adequate state-licensed security personnel to patrol the site and the area within 100 feet of the site to preserve the safety of persons and to protect the site from theft. All security personnel must possess a valid California Department of Consumer Affairs security guard license while on duty on the site.
- B. Except as amended by subsection A above, all provisions of section 5.150.470 remain unchanged and in full effect.

SECTION 6.

- A. Subsection A of section 5.150.480 of the Sacramento City Code is hereby amended to read as follows:
 - A. Each storefront cannabis dispensary that is not authorized to operate a cannabis consumption lounge must have a sign stating, "Smoking, ingesting, or consuming cannabis or cannabis products on this site or in a public place is prohibited."
- B. Except as amended by subsection A above, all provisions of section 5.150.480 remain unchanged and in full effect.

SECTION 7.

Section 5.150.510 of the Sacramento City Code is hereby amended to read as follows:

5.150.510 Alcoholic beverages and tobacco.

No storefront cannabis dispensary or manager shall cause or allow the sale, distribution, or consumption of alcoholic beverages, tobacco, or tobacco products on the site; hold or maintain a license from the State Division of Alcoholic Beverage Control for the sale of alcoholic beverages for the site; or operate a business on or adjacent to the site that sells alcoholic beverages, tobacco, or tobacco products. No person shall possess or store alcoholic beverages, tobacco, or tobacco products on the site.

SECTION 8.

Section 5.150.1200 of the Sacramento City Code is hereby amended to read as follows:

5.150.1200 Cannabis consumption prohibited.

No person shall smoke, ingest, or otherwise consume cannabis or cannabis products in any form on, or within 20 feet of, the cannabis distribution business site.

SECTION 9.

Article XI is hereby added to chapter 5.150 of the Sacramento City Code to read as follows:

Article XI. Cannabis Consumption Lounges

5.150.1360 Cannabis consumption lounge authorization required to operate.

- A. No person shall operate a cannabis consumption lounge without having a valid storefront cannabis dispensary permit with a condition that authorizes the operation of a lounge in accordance with this article.
- B. A storefront cannabis dispensary permit may be authorized to allow the operation of a cannabis consumption lounge with one of the following types of conditions:
 - 1. Type 1 condition (non-smoking consumption). A type 1 condition on a valid storefront cannabis dispensary permit authorizes a storefront cannabis dispensary permittee to allow persons to consume cannabis and cannabis products, other than by smoking or vaping, in a cannabis consumption lounge on the site, subject to the provisions of this chapter.
 - 2. Type 2 condition (all consumption). A type 2 condition on a valid storefront cannabis dispensary permit authorizes storefront cannabis dispensary permittee to allow persons to consume cannabis and cannabis products, including by smoking or vaping, in a cannabis consumption lounge on the site, subject to the provisions of this chapter.

5.150.1370 Cannabis consumption lounge fees.

- A. The following fees are established and imposed pursuant to the provisions of this section:
 - 1. Cannabis consumption lounge program fee;

2. Type 1 condition fee; and
 3. Type 2 condition fee.
- B. When applying for a new or renewal of a cannabis consumption lounge condition pursuant to this chapter, the applicant shall submit the cannabis consumption lounge program fee, plus the applicable fee for the condition that the applicant is seeking to obtain.
- C. The city council shall establish by resolution the amounts of the fees specified in subsection A, and any related penalties.
- D. The fees established and imposed in this section are separate and in addition to any storefront cannabis dispensary permit fees that apply pursuant to section 5.150.340.

5.150.1380 Cannabis consumption lounge premise restrictions -- generally.

All cannabis consumption lounges must comply with the following:

- A. Size. A cannabis consumption lounge must be no larger than 1,500 square feet or 50% of the total floor area of the storefront cannabis dispensary site, whichever is smaller.
- B. Not visible to the public. The interior of the cannabis consumption lounge must not be visible from the public right-of-way, non-age-restricted areas, the unsecured areas surrounding the buildings on the site, or the site's main entrance and lobby.
- C. Partitioned. A cannabis consumption lounge must be separated from all other areas of the storefront dispensary by solid walls and doors. The wall may include glass to provide visibility between the dispensary and the lounge.

5.150.1390 Cannabis consumption lounge premise restrictions – type 2.

A type 2 cannabis consumption lounge must comply with the following:

- A. Enclosed. The lounge must be indoors and fully enclosed.
- B. Soundproofed. The lounge must be adequately soundproofed so that the interior noise does not violate chapter 8.68 (Noise Control).

- C. Negative pressure. The lounge must be designed to have negative pressure to limit, to the extent possible, leakage of smoke and particulate matter into the non-smoking areas of the site.
- D. HVAC. The lounge must have an HVAC system that does not recirculate air and that has a high rate of air exchange.
- E. Odor prevention. The lounge must have an odor-absorbing ventilation and exhaust system that prevents the odor generated from inside of the lounge from being detected outside of the site or within any other area located within the same building as the lounge.

5.150.1400 Cannabis consumption lounge authorization to operate must be displayed.

A cannabis consumption lounge operator shall display a valid storefront cannabis dispensary permit with a condition that authorizes the operation of a lounge in a conspicuous place inside of the lounge so that all persons inside of the lounge may readily see it.

5.150.1410 Cannabis consumption lounge – type 1 signage.

A cannabis consumption lounge operator authorized to operate a type 1 cannabis consumption lounge shall display at each entrance of the lounge a sign that states, “Cannabis consumption, except smoking and vaping, is allowed inside of this lounge. No person under 21 years of age shall be in the lounge.” The sign must be in a conspicuous place so that all persons entering the lounge may readily see it. The sign must be clearly legible and not less than 8 inches by 10 inches in size.

5.150.1420 Cannabis consumption lounge – type 2 signage.

A cannabis consumption lounge operator authorized to operate a type 2 cannabis consumption lounge shall display at each entrance of the lounge a sign that states, “Cannabis consumption, including smoking and vaping, is allowed inside of this lounge. No person under 21 years of age shall be in the lounge.” The sign must be in a conspicuous place so that all persons entering the lounge may readily see it. The sign must be clearly legible and not less than 8 inches by 10 inches in size.

5.150.1430 Cannabis consumption lounge – health warnings.

A cannabis consumption lounge operator shall display signs designated by the city that address the health impacts of the consumption of cannabis. The signs must be displayed

at the entrance to the lounge in a conspicuous place so that all persons may readily see it.

5.150.1440 Cannabis consumption lounge – parking area signage.

A cannabis consumption lounge operator shall display in all on- and off-site parking areas of the lounge, a sign that states, “Please be respectful of neighboring residents and businesses by leaving the area quietly;” and, where applicable, a sign that states “Notice: A permit may be required to park within the adjacent neighborhoods.” The sign must be in a conspicuous place so that all persons entering and exiting the parking areas may readily see it. The sign must be clearly legible and not less than 8 inches by 10 inches in size.

5.150.1450 Cannabis consumption lounge – waste containers.

Cannabis consumption lounge operators shall include properly maintained solid waste, organic waste, and recycling containers in sufficient numbers and locations to service the needs of the lounge.

5.150.1460 Cannabis consumption lounge operating hours.

No cannabis consumption lounge operator shall operate a lounge between 11:00 p.m. and 7:00 a.m. The city manager may impose more restrictive hours as a condition on the permit.

5.150.1470 Cannabis consumption lounge age restriction.

- A. No person under 21 years of age shall enter or remain in a cannabis consumption lounge.
- B. No cannabis consumption lounge operator shall allow any violation of this section.

5.150.1480 Cannabis consumption lounge personnel requirements.

- A. Operator age limit. No person under 21 years of age shall operate a cannabis consumption lounge in any capacity, including as a manager, employee, contractor, or volunteer.
- B. Education and training. The cannabis consumption lounge operator shall educate their managers, employees, and volunteers about the various types of cannabis and cannabis products allowed in the consumption lounge, including the potency, absorption time, and effects; and shall train their managers, employees, and volunteers to likewise educate customers on their purchases. The cannabis

consumption lounge operator shall also train their employees to recognize signs of impairment in their customers.

- C. Community-relations employee. The cannabis consumption lounge operator shall designate an employee as their onsite community-relations contact; provide their name and phone number by certified mail to all neighboring properties within 100 feet of the site; and advise them to notify the community-relations contact if there are operational problems with the lounge that impact the neighborhood. The cannabis consumption lounge operator shall also provide the name and phone number of the onsite community-relations contact to the Sacramento Police Department.
- D. Manager. The cannabis consumption lounge operator's manager shall be in the lounge whenever there is a customer in the lounge.

5.150.1490 Consumption of cannabis and cannabis products on site.

- A. Consumption in lounge only. No person shall consume cannabis or cannabis products on a storefront cannabis dispensary site in any area other than the cannabis consumption lounge.
- B. No cannabis consumption lounge operator shall allow any person to consume in the lounge any cannabis or cannabis product that was not purchased from the associated dispensary.

5.150.1500 Cannabis consumption lounge – prepackaged food and beverages.

- A. No cannabis consumption lounge operator shall sell or provide for free any cannabis or cannabis products inside the lounge.
- B. No cannabis consumption lounge operator may sell or provide for free any food or beverages in the lounge, unless it is prepackaged and does not contain cannabis or alcohol.
- C. No cannabis consumption lounge operator shall store, display, contaminate, or commingle any prepackaged food or beverage with any cannabis or cannabis product on the site.

5.150.1510 Cannabis consumption lounge – customer conduct.

- A. Closing announcement. One hour before the closing time of the lounge and at the closing time, the cannabis consumption lounge operator or their manager shall

announce the closing time of the lounge and request that customers respect the residents of the adjacent neighbors by being quiet when leaving.

- B. Retail limit. No cannabis consumption lounge operator or its manager, employee, or volunteer shall provide cannabis or cannabis products to obviously impaired customers.
- C. Car services. A cannabis consumption lounge operator shall provide written information on ridesharing and ride-hailing car services for their customers.
- D. Entry and exit of the lounge. A cannabis consumption lounge operator or its manager, employee, or volunteer shall escort customers in and out of the lounge.

5.150.1520 Repeal of article.

This article remains in effect until January 1, 2030, and on that date this article is repealed and all permit conditions that authorize the operation of a cannabis consumption lounge are void.

SECTION 10.

- A. Subsection O of section 8.04.110 of the Sacramento City Code is hereby amended to read as follows:
 - O. Any condition in violation of section 5.150.1360.A (cannabis consumption lounge authorization), chapter 8.132 (cultivation of cannabis), or chapter 8.133 (places where cannabis consumption is prohibited); and
- B. Except as amended by subsection A above, all provisions of section 8.04.110 remain unchanged and in full effect.

SECTION 11.

Chapter 8.133 is hereby added to the Sacramento City Code to read as follows:

Chapter 8.133 PLACES WHERE CONSUMPTION OF CANNABIS IS PROHIBITED

8.133.010 Findings and purposes.

While recognizing a person's right to obtain and consume cannabis and cannabis products, the city council believes that consumption should be restricted from certain places. Consuming cannabis and cannabis products in those places is a nuisance and presents a real and imminent threat to the public health, safety, and welfare.

Specifically, the open and public consumption of cannabis or cannabis products increases the public's exposure of secondhand smoke, similar to tobacco. In or near schools and playgrounds, consumption increases the exposure of cannabis use to developing youths.

In addition, consumption within nonresidential buildings that are not regulated to safely manage such activity exposes the public to some of the public safety and welfare concerns of unpermitted cannabis businesses and illegal cultivation of cannabis. These buildings often have fire and safety hazards created by either the lack of ventilation or unpermitted installation of air-filtration systems to conceal the odor of both cannabis flower and smoked cannabis. These buildings also often lack the security protocols necessary for the possession or storage of cannabis in large quantities, thereby substantially increasing the chance that violent criminal activity will occur.

Accordingly, the purpose of this chapter is to prohibit the open and public consumption of cannabis or cannabis products in or near schools, playgrounds, and unregulated nonresidential buildings except buildings or facilities as prescribed in chapter 5.150, including events in accordance with section 5.150.360.C.

8.133.020 Definitions.

The following definitions apply in this chapter:

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

"Cannabis business" has the same meaning as in section 5.150.010.

"Cannabis product" has the same meaning as in California Business and Professions Code section 26001, subdivision (k).

"Commercial cannabis activity" has the same meaning as in California Business and Professions Code section 26001, subdivision (m).

"Consumption" means the act of smoking, vaping, or ingesting.

"Smoking" has the same meaning as in section 8.80.030.

8.133.030 Consumption of cannabis and cannabis products prohibited in nonresidential buildings.

- A. No person shall consume cannabis or cannabis products in any nonresidential building or facility, or any nonresidential portion of a building or facility, except as

part of a commercial cannabis activity of a permitted cannabis business pursuant to chapter 5.150.

- B. No person shall aid or abet the consumption of cannabis or cannabis products in violation of subsection A.

8.133.040 Violation—Penalty.

- A. In addition to any other remedy allowed by law, any person who violates a provision of this chapter is subject to criminal sanctions, civil actions, and administrative penalties.
- B. Civil penalties for violations of this chapter.
 - 1. Any person who violates a provision of this chapter is liable for civil penalties of not less than \$250 or more than \$25,000 for each day the violation continues, except as provided in subsection B.2.
 - 2. Any person who violates section 8.133.030.B is liable for civil penalties of an aggregate amount calculated at \$1,000 per occurrence.
- C. Any person who violates any provision of this chapter is guilty of a misdemeanor, punishable by a fine not to exceed \$1,000, imprisonment in the county jail for a term not to exceed six months, or both.
- D. Administrative penalties for a violation of a provision of this chapter are governed by chapter 1.28, except for the following:
 - 1. The amount of the administrative penalty is an aggregate amount calculated at \$1,000 per day that the violation exists; and
 - 2. The amount of the appeal fee is set by city council resolution.
- E. All remedies prescribed under this chapter are cumulative and the election of one or more remedies does not bar the city from the pursuit of any other remedy to enforce this chapter.

SECTION 12.

Chapter 9.08 of the Sacramento City Code is hereby deleted.


Adopted by the City of Sacramento City Council on November 19, 2024, by the following vote:

Ayes: Members Jennings, Kaplan, Maple, Valenzuela, and Mayor Steinberg

Noes: Members Guerra, Talamantes, Thao, and Vang

Abstain: None

Absent: None

Attest:  11/27/2024

Wendy Klock-Johnson, Assistant 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.

Passed for Publication: Not applicable.

Published: Published in full pursuant to Sacramento City Charter, § 32(d).

Effective: December 19, 2024