

July 26, 2017

Barbara Engleson, City Clerk
City of Carlsbad
1200 Carlsbad Village Drive
Carlsbad, CA 92008

Re: Initiative Measure to be Submitted to Voters

Dear City Clerk,

Please find enclosed an Initiative Measure, Notice of Intent to Circulate Petition, Certification Regarding Use of Signatures. Please transmit the measure to the City Attorney for Title and Summary pursuant to Elections Code section 9203. I am the proponent of the measure and am the Executive Director of the Association of Cannabis Professionals.

Sincerely,

Dallin Young

1227 Gertrude Street

San Diego, CA 92110

A handwritten signature in black ink, appearing to be "Dallin Young", with a long horizontal stroke extending to the right.

Sapphire Blackwood

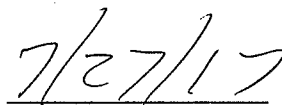
~~Sapphire S~~

A handwritten signature in blue ink, appearing to be "Sapphire Blackwood", with a long horizontal stroke extending to the right.

The Association of Cannabis Professionals and I, Dallin Young, as proponent of the initiative titled, "AN ORDINANCE BY THE PEOPLE OF THE CITY OF CARLSBAD, CALIFORNIA TO AMEND THE MARIJUANA REGULATIONS IN THE CARLSBAD MUNICIPAL CODE" do authorize Sapphire Blackwood and/or Andrea Reyes to file the initiative petition with the City of Carlsbad and authorize them to communicate with the City of Carlsbad regarding this initiative on my behalf.

A handwritten signature in black ink, appearing to be 'Dallin Young', written over a horizontal line.

Signature

A handwritten date '7/27/17' in black ink, written over a horizontal line.

Date

NOTICE OF INTENT TO CIRCULATE PETITION

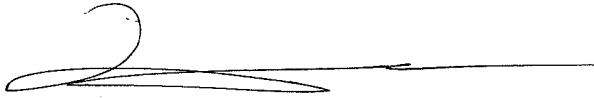
Notice is hereby given by the persons whose names appear hereon of their intention to circulate a petition within the City of Carlsbad for the purpose of amending marijuana regulations in the Carlsbad Municipal Code.

A statement of the reasons of the proposed action as contemplated in the petition is as follows:

To clarify and refine medical marijuana regulations in the City of Carlsbad.

To strengthen patient rights' and safeguard patient privacy.

Signature:

A handwritten signature in black ink, appearing to be 'Dallin Young', written over a horizontal line.

Name (Printed): Dallin Young – Association of Cannabis Professionals

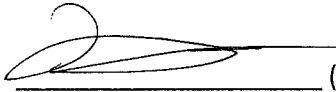
Date: July 26, 2017

Address: 1227 Gertrude Street

City: San Diego State: CA Zip: 92110

CERTIFICATION REGARDING USE OF SIGNATURES

The association of Cannabis Professionals and I, Dallin Young, 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 purpose 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.

A handwritten signature in black ink, appearing to be 'Dallin Young', written over a horizontal line.

(Signature of Proponent)

Dated this 26 day of July, 2017

CANNABIS ACTIVITY ZONING ORDINANCE
OF CARLSBAD

WHEREAS, in 1996 the voters of the State of California, including voters in the City of Carlsbad, passed Proposition 215, the Compassionate Use Act, that allows the use of cannabis for medical purposes when recommended by a physician and excludes from criminal prosecution the patient and the primary caregiver, as defined; and

WHEREAS, in 2003, the State of California enacted Senate Bill 420, the Medical Marijuana Program Act (MMPA), which established requirements for the issuance of voluntary identification cards; provided a defense to criminal charges related to the cultivation, possession, sale, or storage of medical cannabis; prohibited the distribution of cannabis for profit; exempted from prosecution qualified patients and designated primary caregivers who associate to collectively or cooperatively cultivate cannabis for medical purposes; required the Attorney General to issue guidelines for the security and non-diversion of medical cannabis; and allowed cities to adopt and enforce laws consistent with the MMPA; and

WHEREAS, in 2015, the State of California enacted Senate Bill 643, Assembly Bill 266, and Assembly Bill 243, comprising the Medical Cannabis Regulation and Safety Act and establishing a comprehensive regulatory framework for the production, transportation, and sale of medical cannabis; and

WHEREAS, in 2016 the voters of the State of California, including voters in the City of Carlsbad, passed Proposition 64, the Adult Use of Marijuana Act, allowing for the adult the use of cannabis and further clarifying state regulatory requirements; and

WHEREAS, under federal law, the possession, transfer, or sale of cannabis remains a criminal act; and

WHEREAS, all powers not delegated by the United States Constitution to the United States nor prohibited by it to the states are reserved to the states or the people, pursuant to the Tenth Amendment of the United States Constitution; and

WHEREAS, in the State of California, zoning is a local matter exercised by the cities pursuant to the police powers set forth in Article XI, Section 7 of the California Constitution; and

WHEREAS, the voters of Carlsbad now desire that the City of Carlsbad exercise its police powers to provide for the zoning of Retailers, cultivation, manufacturing, and distribution in such a manner as to limit the impact on the City generally and residential neighborhoods in particular; NOW, THEREFORE,

BE IT ORDAINED, by a vote of the people of the City of Carlsbad as follows:

Section 1. Definitions

“*Cannabis Concentrate*” means cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product’s potency, as defined by Section 26001 of the California Business and Professions Code

“*Cultivation*” as defined by Section 26001 of the California Business and Professions Code.

“*Cultivation License Type*” is defined to mean a California state commercial cannabis license classification for cultivation in California Business and Professions Code section 26050, subdivision (a).

“*Cultivation Site*” as defined by Section 26001 of the California Business and Professions Code.

“*Cultivator*” is the organization or entity holding the Conditional Use Permit for *cultivation* activity at a location authorized by the City.

“*Cannabis Products*” as defined by Section 11018.1 of the California Health and Safety Code.

“*Day Care Center*” as defined by Section 1596.76 of the California Health and Safety Code, properly licensed and zoned in the City of Carlsbad, and actively operating, providing childcare to children under the age of 18.

“*Delivery*” as defined by Section 26001 of the California Business and Professions Code.

“*Delivery Retailer*” a *Retailer* operating without customer access to the *premise*, providing exclusively off-*premise delivery* to customer locations.

“*Delivery Site*” the physical premise occupied by a *Delivery Retailer*.

“*Distributor*” is the organization or entity engaging in consumer or wholesale distribution of cannabis in compliance with the regulations for a State Cannabis License Type 11 (Distributor), defined in California Business and Professions Code section 26050, subdivision (a)(19)

“*Distribution Site*” is defined to mean a physical *premise* where cannabis and *cannabis products* are distributed by a *distributor* or *delivery*.

“*Edible Cannabis Product*” means cannabis product that is intended to be used, in whole or in part, for human consumption, as defined by Section 26001 of the California Business and Professions Code.

“*Manufacturer*” means an entity operating as a “Manufacturer”, as defined by Section 26001 of the California Business and Professions Code, or an entity operating as a “Testing Laboratory”, as defined by Section 26001 of the California Business and Professions Code.

“*Manufacturing License Type*” is defined to mean a California state commercial cannabis license classification for manufacturing or testing in California Business and Professions Code section 26050, subdivision (a).

“*Manufacturing Site*” is defined to mean a physical *premise* where *Cannabis Products* are produced or tested by a *Manufacturer*.

“*Plant Canopy*” is the designated area at a *cultivation site* that will contain mature plants, defined as cannabis plants that are flowering. For nursery *cultivation*, *plant canopy* shall mean the designated area that will contain seeds, clones, and immature plants, defined as plants that are not flowering.

“*Playground*” means any outdoor *premises* or grounds, owned or operated by the City, that contains any play or athletic equipment primarily used, or primarily intended to be used by, any person less than eighteen (18) years old.

“*Premise*” is defined to mean the legal parcel(s) of land and the improvements on it, including building(s), store(s), shop(s), apartment(s), or other designated structure.

“*Primary Caregiver*” as defined in Section 11362.7 of the Health and Safety Code.

“*Qualified Patient*” as defined in Section 11362.7 of the Health and Safety Code.

“*Retailer*” is the organization or entity engaging in retail sale and delivery of cannabis or cannabis products to customers, in compliance with the regulations for a State Retail License Type 10 (Retail), as specified in the California Business and Professions Code section 26050, subdivision (a)(18).

“*Responsible Person*” is defined as the person who is responsible for the operation, management, direction, or policy of a cannabis *retailer*, *cultivator*, *manufacturer*, or *distributor*.

A “*Skilled and Trained Workforce*” is defined as a workforce that meets all of the following conditions:

- (1) All of the workers are either *skilled journeypersons* or apprentices registered in an apprenticeship program approved by the Chief of the Division of Apprenticeship Standards of the California Department of Industrial Relations;
- (2) At least 60% of the *skilled journeypersons* by each contractor employed to perform work on the project are graduates of an apprenticeship program for the applicable occupation that was either approved by the chief pursuant to Section 3075 of the Labor Code or located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the federal Secretary of Labor.
- (3) For an *apprenticeable occupation* in which no apprenticeship program had been approved by the Chief of the Division of Apprenticeship Standards of the California Department of Industrial Relations before January 1, 1995, up to one half of the graduation percentage requirements of (2) above may be satisfied by *skilled*

journeypersons who commenced working in the *apprenticeable occupation* before the approval of an apprenticeship program for that occupation in the county in which the project is located by the Chief of the Division of Apprenticeship Standards of the California Department of Industrial Relations.

An *apprenticeable occupation* means an occupation for which the Chief of the Division of Apprenticeship Standards of the California Department of Industrial Relations has approved an apprenticeship program pursuant to Section 3075 of the Labor Code before January 1, 2014.

Skilled journeyperson means a worker who either:

- (1) Graduated from an apprenticeship program for the applicable occupation that was approved by the chief pursuant to Section 3075 of the Labor Code or located outside California and approved for federal purposes pursuant to the apprenticeship regulations adopted by the federal Secretary of Labor; or
- (2) Has at least as many hours of on-the-job experience in an applicable occupation as would be required to graduate from an apprenticeship program for the applicable occupation that is approved by the Chief of the Division of Apprenticeship Standards of the California Department of Industrial Relations.

Sensitive Use is defined as a *day care center, playground, other retailer, or school*. For purposes of this section, school means any public or private institution of learning providing instruction in kindergarten or grades 1 to 12, inclusive, but does not include any school in which education is primarily conducted in private homes.

“*Testing Laboratory*” is the organization or entity engaging in consumer or wholesale distribution of cannabis in compliance with the regulations for a State Cannabis License Type 11 (Testing Laboratory), defined in California Business and Professions Code section 26050, subdivision (a).

Section 2. Retailers

Retailers shall be permitted, with a Conditional Use Permit, in the commercial districts General Neighborhood Commercial (C-2), Commercial Tourist (C-T) and Heavy Commercial (C-M) subject to the following restrictions and regulations.

- a) *Retailers* shall maintain a 1,000-foot separation from *sensitive uses*, as measured by a straight line from the closest property lines of the *premises* to the closest property line of the sensitive use. The measurement of distance between uses will take into account natural topographical barriers and constructed barriers such as freeways or flood control channels that would impede direct physical access between the uses. In such cases, the separation distance shall be measured as the most direct route around the barrier in a manner that establishes direct access.
- b) Consultations by medical professionals shall not be permitted at a *retailer*.
- c) A *Retailer* may engage in offsite *Delivery* from the *Retailer* to a customer. The offsite *Delivery* must be made by an authorized employee in an authorized vehicle owned, or leased, by the *Retailer*. Offsite *Deliveries* may only be made during the hours of operation. The *Retailer* must adhere to any state rules and regulations regarding *Delivery*.
- d) Lighting shall be provided to illuminate the interior of the *retailer*, facade, and the immediate surrounding area, including any accessory uses, parking lots, and adjoining sidewalks. Lighting shall be hooded or oriented so as to deflect light away from adjacent properties.
- e) Security shall be provided at the *retailer* which shall include operable cameras, alarms, and a security guard. The security guard shall be licensed by the State of California and be present on the *premises* during business hours.
- f) *Signs* shall be posted on the outside of the *retailer* and shall only contain the name of the business, limited to two colors.
- g) The name and emergency contact phone number of an operator or manager shall be posted in a location visible from outside of the *retailer* in character size at least two inches in height.
- h) The *retailer* shall operate only between the hours of 7:00 a.m. and 9:00 p.m., seven days a week.
- i) Applicants for Conditional Use Permit for a *retailer* must provide written proof that the building owner and management condone a *retailer* on the *premise*.
- j) A Conditional Use Permit for a *retailer* shall expire no later than five (5) years from the date

of issuance.

- k) The City shall charge a reasonable application fee for a Conditional Use Permit for a *retailer* and a reasonable annual fee for regulating the *retailer*. Such fees shall be established by the City Development Services Department.
- l) A Conditional Use Permit for a *retailer* may be revoked or suspended due to legitimate loitering, smell, or noise complaints, upon City confirmation of the smell, noise, or loitering; non-compliance with the Conditional Use Permit following City confirmation of the non-compliance; or non-compliance with other applicable state or local regulation following City or state confirmation of the non-compliance. The licensee shall have a reasonable opportunity and time to cure the complaint or possible non-compliance as defined in this section before being subject to suspension, penalty, or revocation of the Conditional Use Permit.
- m) The *responsible person* of a *retailer* shall be subject to a background check. Any person who has been convicted of a felony may not operate, manage, control, or own a *retailer*.
- n) The applicant must fulfill any additional standard criteria and standard requirements typically associated with obtaining a Conditional Use Permit in the City. The City shall review all qualifying applications at a reasonable pace and level of review equivalent to other land use projects requiring a conditional use permit.
- o) Rules, regulations and local permitting requirements imposed on a *retailer* by the City shall conform to the State licensing requirements for a *retailer*, as set forth by the California Business and Professions Code, Division 10 and state rules and regulations implementing those laws.

Section 3. Commercial *Cultivation*

Commercial *Cultivation Sites* shall be permitted, with a Conditional Use Permit, in the industrial districts Industrial (M) and Planned Industrial (P-M) subject to the following restrictions and regulations.

- a) All *cultivation* must occur within the interior of a building using exclusively artificial lighting.
- b) A Conditional Use Permit applicant must specify for which *Cultivation License Type* the applicant will apply. Any *cultivation* must conform to the *plant canopy* and other limits set forth by the applicable *Cultivation License Type*.
- c) Plants may only be cultivated may occur only as permitted by state law and the state's track-and-trace system for cannabis.
- d) Records of *cultivation*, both internal and as part of the state's track-and-trace system, must be made available to City inspectors upon request.
- e) Security shall be provided at the commercial *cultivation site* which shall include operable cameras, alarms, and a security guard. The security guard shall be licensed by the State of California and be present on the *premise*.
- f) From a public right of way, there shall be no visual evidence of *cultivation* either within or outside the facility. Adverse impacts of *cultivation* shall be mitigated so that a "public nuisance" as defined by California Civil Code section 3480 does not exist, including but not limited to, adverse impacts of dust, glare, heat, noise, noxious gases, odor, or the use or storage of hazardous materials, processes, products or wastes. If an adverse impact occurs, a licensee shall have a reasonable opportunity and time to cure the complaint, adverse impact, or possible non-compliance as defined in this section before being subject to penalty, suspension, or revocation of the Conditional Use Permit.
- g) No external signage shall be allowed, other than the address of the premise.
- h) No public access or sales shall be allowed on the *premise*. Only directors, officers, managers, employees, agents, and contractors of the *cultivator* shall be present on the premises. Transporters and representatives of retailers, distributors, manufacturers, testing labs, and other cannabis businesses with a valid state license shall be allowed on the *premise* with prior notice and permission by the *cultivator* to conduct business as required and appropriate.
- i) The City encourages *cultivators* to operate in an environmentally sustainable manner. Preference will be given to applicant for Conditional Use Permits who show their

commitment to environmentally sustainable practices including building LEED certification and adoption of EPA WaterSense identified water saving technologies.

- j) To discourage theft and vandalism, the City will not publicly publish the exact addresses of *cultivation sites*. Other aggregate information regarding conditional use permits for *cultivation* including, but not limited to, number of permits issued, districts where said permits were issued, and the organizations to whom such permits were issued shall be available upon request.
- k) A Conditional Use Permit for a *cultivation site* shall expire no later than five (5) years from the date of issuance.
- l) The City shall charge a reasonable application fee for a Conditional Use Permit for a *cultivation site* and a reasonable annual fee for regulating the *cultivation site*. Such fees shall be established by the City Development Services Department.
- m) A Conditional Use Permit issued to a *cultivator* for a *cultivation site* may be revoked or suspended due to legitimate loitering, smell, or noise complaints, upon City confirmation of the smell, noise, or loitering; non-compliance with the Conditional Use Permit following City confirmation of the non-compliance; or non-compliance with other applicable state or local regulation following City or state confirmation of the non-compliance. The licensee shall have a reasonable opportunity and time to cure the complaint or possible non-compliance as defined in this section before being subject to suspension, penalty, or revocation of the Conditional Use Permit.
- n) The *responsible person* of a *cultivator* shall be subject to a background check. Any person who has been convicted of a felony may not operate, manage, control, or own a *cultivator*.
- o) The applicant must fulfill any additional standard criteria and standard requirements typically associated with obtaining a Conditional Use Permit in the City. The City shall review all qualifying applications at a reasonable pace and level of review equivalent to other land use projects requiring a conditional use permit.
- p) Rules, regulations and local permitting requirements imposed on a *cultivator* and their affiliated *cultivation site* by the City shall conform to the State licensing requirements for a *cultivator* as set forth by the California Business and Professions Code, Division 10.

Section 4. Manufacturing

Manufacturing Sites shall be permitted, with a Conditional Use Permit, in the industrial districts Industrial (M) and Planned Industrial (P-M) subject to the following restrictions and regulations.

- a) Extraction of *cannabis concentrates* with butane or other flammable gases is prohibited.
- b) A Conditional Use Permit applicant for manufacturing must specify for which *Manufacturing License Type* the applicant will apply.
- c) All manufacturing must conform to rules and requirements set forth by the California Department of Public Health including those for testing, labeling and quality assurance.
- d) Security shall be provided at the *manufacturing site* which shall include operable cameras, alarms, and a security guard. The security guard shall be licensed by the State of California and be present on the *premise*.
- e) No external signage shall be allowed, other than the address of the *premise*.
- f) No public access or sales shall be allowed on the *premise*. Only directors, officers, managers, employees, agents, and contractors of the *manufacturer* shall be present on the premises. Transporters and representatives of *retailers, distributors, cultivators, testing laboratories*, and other cannabis businesses operating with a state license shall be allowed on the *premise* with prior notice and permission by the *manufacturer* to conduct business as required and appropriate.
- g) Any manufacturing site that produces *edible cannabis product* must have at least one owner, director, officer, manager, or employee that has passed a state-approved food safety certification exam.
- h) Any manufacturing site that produces *edible cannabis products* that require baking or refrigeration must be also be a California-licensed commercial kitchen or in a cottage kitchen with a class B permit.
- i) To discourage theft and vandalism, the City will not publicly publish the exact addresses of *manufacturing sites*. Other aggregate information regarding conditional use permits for *manufacturing* including, but not limited to, number of permits issued, districts where said permits were issued, and the organizations to whom such permits were issued shall be available upon request.
- j) A Conditional Use Permit issued to a *manufacturer* for a *manufacturing site* shall expire no later than five (5) years from the date of issuance.
- k) The City shall charge a reasonable application fee for a Conditional Use Permit for a

manufacturing site and a reasonable annual fee for regulating the *manufacturing site*. Such fees shall be established by the City Development Services department.

- l) A Conditional Use Permit issued to a *manufacturer* for a *manufacturing site* may be revoked or suspended due to legitimate loitering, smell, or noise complaints, upon City confirmation of the smell, noise, or loitering; non-compliance with the Conditional Use Permit following City confirmation of the non-compliance; or non-compliance with other applicable state or local regulation following City or state confirmation of the non-compliance. The licensee shall have a reasonable opportunity and time to cure the complaint or possible non-compliance as defined in this section before being subject to suspension, penalty, or revocation of the Conditional Use Permit.
- m) The *responsible person* of a *manufacturer* shall be subject to a background check. Any person who has been convicted of a felony may not operate, manage, control, or own a *manufacturer*.
- n) The applicant must fulfill any additional standard criteria and standard requirements typically associated with obtaining a Conditional Use Permit in the City. The City shall review all qualifying applications at a reasonable pace and level of review equivalent to other land use projects requiring a conditional use permit.
- o) Rules, regulations and local permitting requirements imposed on a *Manufacturer* and its associated *Manufacturing Site* by the City shall conform to the State licensing requirements for *Manufacturers* or *Testing Laboratories*, as applicable, as set forth by the California Business and Professions Code, Division 10.

Section 5. Distribution

Distribution Sites shall be permitted, with a Conditional Use Permit, in the industrial districts Industrial (M), Planned Industrial (P-M) and Planned Industrial/Office (P-M/O) subject to the following restrictions and regulations.

- a) Security shall be provided at the *distribution site* which shall include operable cameras, alarms, and a security guard. The security guard shall be licensed by the State of California and be present on the *premise*.
- b) No external signage shall be allowed, other than the address of the *premise*.
- c) No public access or sales shall be allowed on the *premise*. Only directors, officers, managers, employees, agents, and contractors of the *distributor* shall be present on the premises. Transporters and representatives of retailers, other *distributors*, *cultivators*, *manufacturers*, *testing laboratories*, and other cannabis licensees shall be allowed on the *premise* with prior notice to and permission by the *distributor* to conduct business as required and appropriate.
- d) To discourage theft and vandalism, the City will not publicly publish the exact addresses of *distribution sites*. Other aggregate information regarding conditional use permits for *distribution* including, but not limited to, number of permits issued, districts where said permits were issued, and the organizations to whom such permits were issued shall be available upon request.
- e) A Conditional Use Permit for a *distribution site* shall expire no later than five (5) years from the date of issuance.
- f) The City shall charge a reasonable application fee for a Conditional Use Permit for a *distribution site* and a reasonable annual fee for regulating the *distribution site*. Such fees shall be established by the City Development Services Department.
- g) A Conditional Use Permit to a *distributor* for a *distribution site* may be revoked or suspended due to legitimate loitering, smell, traffic, illegal parking, or noise complaints, upon City confirmation of the smell, noise, traffic, illegal parking, or loitering; non-compliance with the Conditional Use Permit following City confirmation of the non-compliance; or non-compliance with other applicable state or local regulation following City or state confirmation of the non-compliance. The licensee shall have a reasonable opportunity and time to cure the complaint or possible non-compliance as defined in this section before being subject to suspension, penalty, or revocation of the Conditional Use Permit.

- h) The *responsible person* of a *distributor* shall be subject to a background check. Any person who has been convicted of a felony may not operate, manage, control, or own a *distributor*.
- i) The applicant must fulfill any additional standard criteria and standard requirements typically associated with obtaining a Conditional Use Permit in the City. The City shall review all qualifying applications at a reasonable pace and level of review equivalent to other land use projects requiring a conditional use permit.
- j) Rules, regulations and local permitting requirements imposed on a *distributor* and their affiliated *Distribution Site* by the City shall conform to the State licensing requirements for *Distributors*, as set forth by the California Business and Professions Code, Division 10.

