

Title:

Medical Cannabis Restriction and Limitation Initiative.

Summary:

The Medical Cannabis Restriction and Limitation Initiative ("proposed Ordinance") seeks to delete the City of Santa Ana's prohibition of medical marijuana dispensaries, including collectives and cooperatives, as defined by the City, contained in Chapters 18 (Health and Safety) and 41 (Zoning) of the Santa Ana Municipal Code, and replace it with a ministerial administrative registration process, zoning restrictions, and a business tax requirement for medical cannabis collectives and cooperatives ("cooperatives and collectives"), as defined by the proposed Ordinance. The law's stated intentions include, but are not limited to, fulfilling the purposes of State law regarding medical marijuana, including the Compassionate Use Act and the Medical Marijuana Program Act ("MMP"), providing additional revenue for the City, and imposing further limitations on collectives and cooperatives beyond those imposed under the MMP.

Specifically, with regard to zoning restrictions, the proposed Ordinance: (1) Prohibits collectives and cooperatives in all zones except the C1, C4, C5, M1, P & C-SM zones; (2) Prohibits collectives and cooperatives in all residential zones; and (3) Prohibits collectives and cooperatives within 600 feet of public and private schools, K-12th grade.

The proposed Ordinance also requires all collectives and cooperatives to apply for and obtain a Notice of Completed Registration ("Notice"), which is issued by the City's Director of Planning ("Director"), and is required of all collectives and cooperatives that meet specified requirements and want to continue to operate within the City. The proposed Ordinance's registration process is a ministerial duty upon the Director, where collectives or cooperatives submit an application within specified timelines and pay the required fees. They are subsequently issued a Notice and, within thirty (30) days of that, a Certificate of Occupancy for operation.

In addition, the proposed Ordinance establishes a formula for the number of collectives and cooperatives that shall be registered with the City. The proposed Ordinance provides that at least one cannabis collective or cooperative per 15,000 residents, as determined by the last Federal Census or as determined by the latest population estimate by the Department of Finance of the State of California, whichever is higher, and in no case less than 22, shall be registered by the Director if there are that many eligible applicants. Once operating, the cannabis collective or cooperative is required to meet operating standards, which includes but is not limited to, adequate security (i.e., lighting and alarm requirements), prohibition on possessing or maintaining a license from the State Department of Alcohol Beverage Control, signage and all requirements set out by the 2008 Attorney General Guidelines for the Security and Non-diversion of Marijuana Grown for Medical Use.

Finally, the proposed Ordinance makes a "cannabis business," as defined, a classification "F", which requires those entities to pay business taxes in the amount of \$20.00 for each \$1,000.00 of gross receipts. A cannabis business is defined to include medical cannabis transfers by collectives or cooperatives. This tax is prospective only.