RESOLUTION NO. 9743

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA CALLING AND GIVING NOTICE FOR THE HOLDING OF A PRIMARY MUNICIPAL ELECTION TO BE HELD ON MARCH 3, 2020 FOR THE OFFICE OF MAYOR AND FOR MEMBERS OF THE CITY COUNCIL IN DISTRICTS 1, 2, 4, AND 6, THE SUBMISSION OF AN INITIATIVE PETITION BALLOT MEASURE TO ALLOW OPERATION OF CANNABIS BUSINESSES THAT PREVIOUSLY OPERATED ILLEGALLY, IN VIOLATION OF THE PASADENA MUNICIPAL CODE; AND IF NECESSARY, THE CALLING AND GIVING NOTICE FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION ON NOVEMBER 3, 2020

BE IT RESOLVED by the City Council of the City of Pasadena as follows:

SECTION 1. Date of the Primary Municipal Election. A Primary Municipal Election is hereby called for the Office of Mayor of the City of Pasadena and for Members of the City Council in Districts 1, 2, 4, and 6 of the City of Pasadena as said districts have heretofore been established, each for the full term of four years. Said election shall be held Tuesday, March 3, 2020.

SECTION 2. Candidates to be Selected and Date of General Election. Pursuant to City Charter Section 1204, "Any person who, at the primary election, shall receive a majority of the total votes cast for candidates for said office [Mayor or Councilmember from a district] shall be elected to such office." In the event that no one candidate seeking an elected office receives a majority (50% plus 1) of the total votes cast for that office, Section 1204 states, "The two persons receiving the highest number of votes at the primary election for the candidates for office of Mayor or Councilmember from a district shall be the candidates for election and only their names shall be printed upon the ballot to be used in the general municipal election. If necessary, the General Municipal Election is hereby called for and to be held on November 3, 2020.

SECTION 3. Initiative Petition Ballot Measure. That the City Council does order an initiative measure submitted to the voters at the City's Primary Municipal Election on March 3, 2020, and the question shall be printed in substantially the following form:

An Initiative to Allow Operation of Cannabis Businesses That Previously Operated Illegally, In Violation of the Pasadena Municipal Code - Shall an ordinance be adopted to allow cannabis businesses that previously operated illegally to: operate without a permit required of legal cannabis businesses; sell cannabis near sensitive uses such as churches, parks, libraries, and residential zones; and increase the number of such businesses beyond the limits adopted by the voters until 2025?	**YES**	
	NO	

SECTION 4. Text of Initiative Petition Ballot Measure. The text of the initiative measure's ordinance is attached hereto as Exhibit "A", and incorporated herein by this reference.

SECTION 5. Vote Requirement for Passage. The vote requirement for passage of the initiative petition ballot measure shall be a majority of votes cast (50% plus 1) for the measure.

SECTION 6. Consolidation of Municipal Elections with Statewide Elections. That pursuant to the requirements of California Elections Code Section 10403, the Board of Supervisors is requested to consent and agree to the consolidation of the City's Primary Municipal Election with the Statewide Primary Election to be held on Tuesday, March 3, 2020, for the purpose of electing a Mayor and Members of the City Council in Districts 1, 2, 4, and 6, and submitting an initiative measure to the voters, and

if necessary, the General Municipal (Runoff) Election be consolidated with the Statewide General Election to be held on November 3, 2020; and to direct the Registrar-Recorder/County Clerk to perform all necessary functions, services, and tasks related to: the complete and successful conduct of said consolidated elections; the provision of all election materials and equipment; the hiring, training and supervision of election workers and other election personnel; the printing and distribution of ballot materials; the translation of ballot materials; the collection of submitted ballots; the tallying of votes; and canvassing and the certification of election results.

SECTION 7. Ballots. The ballots to be used for each election shall be in form and content as required by law.

SECTION 8. Vote Centers. The Vote Centers for the consolidated elections shall be open as required during the identified voting period, pursuant to Election Code Sections 4007 and 14404.

SECTION 9. Canvass of Election. The Los Angeles County Registrar-Recorder/County Clerk is authorized to canvass and certify the election returns for both consolidated elections. Pursuant to Pasadena City Charter Section 1207, the City Clerk shall submit a Canvass of Election to the City Council on the fifth Monday after each election.

SECTION 10. Particulars. In all particulars not recited in this resolution, said elections shall be noticed and held and all publications made as provided by law for holding municipal elections.

SECTION 11. Payment of Election Expenses. That the City of Pasadena recognizes that additional costs will be incurred by the County by reason of these

consolidated elections and agrees to reimburse the County for election related costs resulting from said consolidations. The City Director of Finance is authorized and directed to pay out of the General Fund of the City a sum equal to those costs upon the completion of the services and upon presentation to the City of a bill.

SECTION 12. The City Clerk is hereby directed to file certified copies of this resolution with the Los Angeles County Board of Supervisors and the Los Angeles County Registrar-Recorder/County Clerk.

SECTION 13. Notice of the time and place of holding the election is given, and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

Adopted at the regular meeting of the City Council on the 28th day of October, 2019, by the following vote:

AYES: Councilmembers Gordo, Madison, Masuda, McAustin, Wilson, Vice Mayor Hampton, Mayor Tornek

NOES: None

ABSENT: Councilmember Kennedy

ABSTAIN: None

Mark Jomsky
City Clerk, CMC

APPROVED AS TO FORM:

Theresa Fuentes
Assistant City Attorney

mj\data\election2020\reso calling

EXHIBIT A

People's Initiative to Preserve the Existing Operation of Non-Offending Commercial Cannabis Businesses

BE IT ORDAINED by the People of the City of Pasadena as follows:

Section 1. Title.

This measure shall be known and may be referred to as the "People's Initiative to Preserve the Existing Operation of Non-Offending Commercial Cannabis Businesses."

Section 2. Findings and Declarations.

WHEREAS, the voters of the City of Pasadena passed Ordinance 7326 on June 5, 2018 to address unlicensed cannabis businesses which caused adverse secondary effects and created burdens on neighboring businesses and residential neighborhoods, and

WHEREAS, other commercial cannabis businesses operated without criminal conviction, did not cause adverse secondary effects resulting in a criminal conviction in calendar year 2018, and did not create burdens on neighboring businesses and residential neighborhoods resulting in a criminal conviction in calendar year 2018 ("non-offending commercial cannabis businesses"), and

WHEREAS, said non-offending commercial cannabis businesses operated on property zoned as "commercial" or "industrial" (including CO, CL, CG, CD, and IG), which may have been adjacent to property zoned "residential," and

WHEREAS, said non-offending commercial cannabis businesses operated without criminal conviction and did not cause adverse secondary effects or create burdens on neighboring businesses and residential neighborhoods which resulted in a criminal conviction, and

WHEREAS, Pasadena Municipal Code ("PMC") §17.50.066(D)(5) would preclude non-offending commercial cannabis businesses from operating legally at their present location if the non-offending commercial cannabis businesses is located in a commercial or industrial zone (CO, CL, CG, CD or IG zoning designation) which is adjacent to a residential zone, and

WHEREAS, the City lacks sufficient available business locations to allow non-offending commercial cannabis businesses to comply with the location criteria of PMC §17.50.066(D)(5), and

WHEREAS, existing non-offending commercial cannabis businesses which operated without criminal conviction during calendar year 2018 should be allowed to continue to operate in their present locations, provided that they comply with PMC Chapter 5.28 (Cannabis Business Tax), and

WHEREAS, the voters of the City of Pasadena wish to permit said non-offending commercial cannabis businesses to continue to operate in their present location;

NOW, THEREFORE, the People of the City of Pasadena do hereby amend the Pasadena Municipal Code as follows:

Section 3. Amendments to the Pasadena Municipal Code.

(New language is indicated by underlining, and deleted language is indicated by ~~strikethrough.~~)

1) Section 5.78.010 of the Pasadena Municipal Code is hereby amended to read as follows:

A. It is the purpose and intent of this chapter to implement the provisions of the Medicinal and Adult Use Cannabis Regulation and Safety Act (hereinafter "MAUCRSA") to accommodate the needs of medically ill persons that require treatment with medicinal cannabis as recommended by their health care provider, and to provide access to adult-use cannabis for persons over the age of 21 as authorized by the Control, Regulate and Tax Adult Use of Marijuana Act passed by California voters in 2016 (now the MAUCRSA), while imposing sensible regulations on the use of land to protect the city's residents, neighborhoods, and businesses from disproportionately negative secondary impacts that generally arise from such uses. As such, it is the purpose and intent of this chapter to regulate the cultivation, processing, manufacturing, testing, sale, delivery, distribution, and transportation of medicinal and adult-use cannabis and cannabis products in a responsible manner to protect the health, safety, and welfare of the residents of the City of Pasadena and to enforce rules and regulations consistent with state law. It is the further purpose and intent of this chapter to require all cannabis operators to obtain and renew annually a permit to operate within the City of Pasadena, except insofar as non-offending commercial cannabis businesses may temporarily continue operation without undergoing these new permitting procedures. Nothing in this chapter is intended to authorize the possession, use, or provision of cannabis for purposes that violate state or federal law. The provisions of this chapter are in addition to any other permits, licenses, and approvals which may be required to conduct business in the city, and are in addition to any permits, licenses, and approvals required under state, local, or other law.

B. This Chapter may only be amended to further its purposes, by ordinance passed in accordance with the Pasadena City Charter and Pasadena Municipal Code, or by the electors of the City of Pasadena.

2) Section 5.78.050 of the Pasadena Municipal Code is hereby amended to read as follows:

. . .

L. "Commercial cannabis business" means any business or operation which engages in medicinal or adult-use commercial cannabis activity, including:
(1) Those businesses or operations which have received a Commercial cannabis permit; and
(2) "Non-offending commercial cannabis businesses," which shall be defined as a commercial cannabis business which operated in calendar year 2018, and did not suffer a criminal conviction in calendar year 2018.

. . .

TT. "Retailer" means a commercial cannabis business where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment (whether fixed or mobile) that delivers, pursuant to express authorization, cannabis and cannabis products as part of a retail sale, and:
1. W~~w~~here the operator holds a valid commercial cannabis business permit from the City of Pasadena authorizing the operation of a retailer, and a valid state license as required by state law to operate a retailer~~.~~; or
2. Where the operator qualifies as a non-offending commercial cannabis business.

3) Section 5.78.060 of the Pasadena Municipal Code is hereby amended to read as follows:

A. Permitting Requirements for New Commercial Cannabis Businesses. Except as provided in subdivision (B), n~~N~~o person may begin to operate a new commercial cannabis business or begin new engagment~~-e~~ in commercial cannabis activity within the City of Pasadena including cultivation, processing, manufacturing, testing, sale, delivery, distribution, or transportation of cannabis or a cannabis product unless the person (1) has a valid commercial cannabis permit from the City of Pasadena; (2) has any and all valid state or local permits; and (3) is currently in compliance with all applicable state and local laws and regulations pertaining to the commercial cannabis business and the commercial cannabis activity, including holding the necessary state licenses to engage in commercial cannabis activity.

B. Permitting Requirements for Non-Offending Commercial Cannabis

Businesses. Non-offending commercial cannabis businesses may continue engaging in commercial cannabis activity within the City of Pasadena without a commercial cannabis permit from the City of Pasadena until December 31, 2024. Non-offending commercial cannabis businesses operating without a permit pursuant to this subdivision shall not be deemed, ordered discontinued, modified, or removed as, a public nuisance pursuant to the Pasadena Municipal Code based solely on their engagement in commercial cannabis activities permitted by this Chapter. Owners of non-offending commercial cannabis businesses operating without a permit pursuant to this subdivision may apply for a commercial cannabis permit from the City of Pasadena at any time. After December 31, 2024, all commercial cannabis businesses may operate only after such businesses apply for and receive a commercial cannabis permit pursuant to this Chapter.

4) Section 5.78.100 of the Pasadena Municipal Code is hereby amended to read as follows:

A person is prohibited from holding or maintaining a commercial cannabis permit in the City of Pasadena if any of the following apply:

A. The applicant has been denied a permit or state license to engage in commercial cannabis activity, or has had a permit or state license to engage in commercial cannabis activity suspended and not reinstated, or revoked, by any city, county, city and county, or any other state cannabis licensing authority;

B. The applicant was notified that they were conducting commercial cannabis activity in non-compliance with this chapter or other City of Pasadena ordinances, codes, and requirements, did not qualify as a non-offending commercial cannabis business, and ~~they~~ failed to discontinue operating in a timely manner;

C. Evidence that the applicant failed to pay federal, state, or local taxes and/or fees when notified by the appropriate agencies.~~;~~

~~D. As of December 14, 2017, applicant was conducting commercial cannabis activity in the City of Pasadena in violation of local and state law.~~

~~E. No person shall be issued a commercial cannabis permit to operate who enters into an agreement to lease, sublease, or any other agreement regardless if it is verbally or in writing related to any terms of use of the premises from a property owner, commercial broker, or any third party who has violated Section 5.78.100 unless that property is leased at fair market value and such lease, sublease, or agreement does not have any terms or conditions for the commercial cannabis permittee to pay the property owner, commercial broker, or any third party a percentage of cannabis related gross receipts, royalties, or equity, or other unreasonable compensation as determined by the city. In addition, all leases, subleases, or other agreements must be based on a monthly rate.~~

5) Section 5.78.140 of the Pasadena Municipal Code is hereby amended to read as follows:

To the fullest extent permitted by law, the City of Pasadena shall not assume any liability whatsoever with respect to having issued a commercial cannabis permit pursuant to this chapter or otherwise approving the operation of any commercial cannabis business. As a condition to the operation of any commercial cannabis business, a commercial cannabis business shall, within three months of such operation under this Chapter: ~~approval of any commercial cannabis permit, the applicant shall be required to meet all of the following prior to receiving the commercial cannabis permit~~:

A. Execute an agreement, in a form approved by the city attorney, agreeing to indemnify, defend (at applicant's sole cost and expense), and hold the City of Pasadena, and its officers, officials, employees, representatives, and agents, harmless, from any and all claims, losses, damages, injuries, or liabilities which arise out of, or which are in any way related to, the city's issuance of the commercial cannabis permit, the city's decision to approve the operation of the commercial cannabis business or activity, the process used by the city in making its decision, or the alleged violation of any federal, state or local laws by the commercial cannabis business or any of its officers, employees or agents.

B. Maintain insurance at coverage limits, and with conditions thereon determined necessary and appropriate from time to time by the city manager, to provide coverage for the obligations required by this section.

C. Reimburse the City of Pasadena for all reasonable costs and expenses, including, but not limited to, reasonable legal fees and costs, which the City of Pasadena may be required to pay as a result of any legal challenge related to the city's action on the applicant's commercial cannabis permit, or related to the city's action on a commercial cannabis activity. The City of Pasadena may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve any of the obligations imposed hereunder.

6) Section 5.78.160(A) of the Pasadena Municipal Code is hereby amended to read as follows:

A. A ~~permitted~~ commercial cannabis business shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the commercial cannabis business. Except as may otherwise be determined by the city manager or his/her designee, these security measures shall include, but shall not be limited to, all of the following:

1. Preventing individuals from remaining on the premises of the commercial cannabis business if they are not engaging in an activity directly related to the ~~permitted~~ operations of the commercial cannabis business.

2. Establishing limited access areas accessible only to authorized commercial cannabis business personnel.

3. Except for live growing plants which are being cultivated at a cultivation site, all cannabis and cannabis products shall be stored in a secured and locked room, safe, display case, or vault. All cannabis and cannabis products, including live plants that are being cultivated, shall be kept in a manner as to prevent diversion, theft, and loss.

4. Installing 24-hour security surveillance cameras of at least HD-quality to monitor all entrances and exits to and from the premises, all interior spaces within the commercial cannabis business which are open and accessible to the public, all interior spaces where cannabis, cash or currency, is being stored for any period of time on a regular basis and all interior spaces where diversion of cannabis could reasonably occur. The commercial cannabis business shall be responsible for ensuring that the security surveillance camera's footage is available upon demand by the city. Video recordings shall be maintained for a minimum of ninety (90) days, and shall be made available to the city manager or his/her designee upon request. video shall be of sufficient quality for effective prosecution of any crime found to have occurred on the site of the commercial cannabis business.

5. Sensors shall be installed to detect entry and exit from all secure areas. 6. Panic buttons shall be installed in all commercial cannabis businesses.

7. Businesses shall have a professionally installed, maintained, and monitored alarm system.

8. Any bars installed on the windows or the doors of the commercial cannabis business shall be installed only on the interior of the building.

9. Security personnel shall be on-site 24 hours a day unless alternative security is authorized by the city manager or his/her designee. Security personnel must be licensed by the State of California Bureau of Security and Investigative Services personnel and shall be subject to the prior review and approval of the city manager or his/her designee, with such approval not to be unreasonably withheld.

10. Each commercial cannabis business shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.

7) Section 5.78.170(B) of thePasadena Municipal Code is hereby

amended to read as follows:

B. No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of any commercial cannabis business premises ~~issued a commercial cannabis permit~~, or on any of the vehicles owned or used as part of the commercial cannabis business. No outdoor storage of cannabis or cannabis products is permitted at any time.

8) Section 5.78.180 of the Pasadena Municipal Code is hereby amended to read as follows:

A. No person may operate any commercial cannabis business in the city, without timely paying in full all fees and charges required for the operation of the commercial cannabis business. Fees and charges associated with the operation of a commercial cannabis business shall be established by resolution of the city council which may be amended from time to time.

B. All commercial cannabis businesses authorized to operate under this chapter shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees required under federal, state and local law. Each commercial cannabis business shall cooperate with city with respect to any reasonable request to audit the commercial cannabis business' books and records for the purpose of verifying compliance with this section, including, but not limited to, a verification of the amount of taxes required to be paid during any period.

C. Neither the City of Pasadena tax administrator nor any other Pasadena City official shall prevent or deny a non-offending commercial cannabis business from registering for or tendering or paying applicable City cannabis taxes, and no non-offending commercial cannabis business shall be deemed in violation of the Pasadena Municipal Code for operating as a non-offending commercial cannabis business.

9) Section 5.78.200 of the Pasadena Municipal Code is hereby amended to read as follows:

A. Each commercial cannabis business shall provide the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the commercial cannabis business can be provided. Each commercial cannabis business shall also provide the above information to all businesses and residences located within one hundred (100) feet of the commercial cannabis business.

B. During the first year of operation pursuant to this chapter, the owner, manager, and community relations representative from each commercial cannabis business ~~holding a permit issued pursuant to this chapter~~ shall attend meetings with the city

manager or his/her designee, and other interested parties as deemed appropriate by the city manager or his/her designee, to discuss costs, benefits, and other community issues arising as a result of implementation of this chapter. After the first year of operation, the owner, manager, and community relations representative from each such commercial cannabis business shall meet with the city manager or his/her designee when and as requested by the city manager or his/her designee.

C. Commercial cannabis businesses ~~to which a permit is issued pursuant to this chapter~~ shall actively participate in a city led public outreach and educational program for youth organizations and educational institutions that outlines the risks of youth use of and addiction to cannabis, and that identifies resources available to youth related to drugs and drug addiction.

6) Section 17.50.066(D) of the Pasadena Municipal Code is hereby amended to read as follows:

D. Retailer.

1. Commercial Cannabis Permit Required. Except as provided for non-offending commercial cannabis businesses in Pasadena Municipal Code Section 5.78.060(B), a~~A~~ cannabis retailer must obtain and maintain at all times a valid commercial cannabis permit as required by Chapter 5.78.

2. Use Permit Required. A use permit is required to establish or begin operation~~-e~~ as a cannabis retailer. Notwithstanding any provision of the Pasadena Municipal Code to the contrary, a use permit shall not be required for continued operation as a non-offending commercial cannabis business until January 1, 2025.

3. Limitation on the Number of New Retailers.

a. No more than six (6) ~~retailers may operate within the City of Pasadena at any one time and no more than six (6)~~ permits shall be issued by the City of Pasadena for new retailers to operate within the City of Pasadena; and

b. No more than one (1) permit shall be issued by the City of Pasadena for new retailers to operate~~retailer may operate~~ within a city council district at any one time.

c. For the purposes of this section, "new retailer" shall include only commercial cannabis businesses which receive permits to operate after calendar year 2018 pursuant to Pasadena Municipal Code Chapter 5.78, and shall not include non-offending commercial cannabis businesses.

4. The maximum square footage of a retail use shall be 15,000 square feet.

5. Location Requirements. Except as provided in subdivision (g), c~~C~~annabis retailers shall be qualified to receive permit~~sted~~ pursuant to Pasadena Municipal Code Chapter 5.78 in only the CO, CL, CG, CD, and IG zoning districts and shall be subject to the following requirements:

a. No retailer shall be established or located within 1,000 feet, measured from the nearest property lines of each of the affected parcels, of any other cannabis retailer or cultivation site, or within 500 feet of any testing laboratory;

b. No retailer shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any existing residential zone;

c. No retailer shall be established or located within a mixed-use development project containing a residential use component;

d. No retailer shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any childcare center, in-home (family day care home), youth-oriented facility, church or faith congregation, or substance abuse center;

e. No retailer shall be established or located within 600 feet, measured from the nearest property lines of each of the affected parcels, of any park, library, or K-12 school;

f. Retailers shall be required to comply with all zoning, land use, and development regulations applicable to the underlying zoning district in which they are permitted to establish and operate as set forth in the Pasadena Municipal Code.

g. These permitting location requirements are applicable only to permits issued to new commercial cannabis businesses after calendar year 2018 pursuant to Pasadena Municipal Code Chapter 5.78, and do not affect pre-existing non-offending commercial cannabis businesses. Pre-existing non-offending commercial cannabis businesses must nevertheless comply with the state of California's laws regarding a cannabis retailer's distance from schools, places of worship, residential properties, and any other properties of sensitive uses.

6. Operating Requirements. In addition to those operating requirements specifically set forth in Section 5.78.170, the following operating requirements shall apply to all cannabis retailers operating in the City of Pasadena:

a. Hours of Operation. Retailers may be open for access to the public only between the hours of 7:00 a.m. and 10:00 p.m., Monday through Sunday.

b. For medicinal cannabis, the retailer shall verify the age and all necessary documentation of each customer to ensure the customer is not under the age of eighteen (18) years and that the potential customer has a valid physician's recommendation. For adult-use cannabis, the retailer shall verify the age of each customer to ensure the customer is not under the age of twenty-one (21) years.

c. Entrances into the retailer shall be locked at all times with entry strictly controlled. A "buzz-in" electronic/mechanical entry system shall be utilized to limit access and entry to the retailer to separate it from the reception/lobby area.

d. Notwithstanding the requirements of Section 15.78.160, uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities.

e. Retailers may have only that quantity of cannabis and cannabis products reasonably anticipated to meet the daily demand readily available for sale on-site in the retail sales area of the retail facility.

f. All restroom facilities shall remain locked and under the control of management.

7. Delivery Services. Permitted in association with retailer. Delivery of cannabis shall be permitted pursuant to this section. A delivery service may operate only as a part of and in conjunction with a retailer permitted pursuant to state law and pursuant to this section. Delivery of cannabis from a retailer permitted pursuant to this section can only be made in a city or county that does not expressly prohibit it by ordinance.

8. Conditions of Approval. The planning commission may address development and operational standards through conditions on the use permit as it determines to be necessary or appropriate for the use permit under consideration; provided, that conditions shall not conflict with the provisions of Section 5.78.170 and Section 17.50.066(D)(5) relating to

operating requirements of cannabis retailers, and shall be subordinate to conditions placed on the commercial cannabis permit issued under Chapter 5.78.

9. Parking. Off-street parking shall be provided as required for retail stores under Chapter 17.46.

10. Discontinuance. If a cannabis retailer authorized by a use permit approved under this section is discontinued for a continuous period of 12 months, the use permit expires for discontinuance of use and thereafter is void.

Section 4. Municipal Affair.

The People of the City of Pasadena hereby declare that the operation and regulation of local cannabis business within the City of Pasadena separately and together constitute municipal affairs, as delegated by MAUCRSA. The People of the City of Pasadena hereby further declare their desire for this measure to coexist with any similar local marijuana business initiatives, laws and regulations adopted at the city, county or state levels. This initiative, and the provisions herein, shall be read to be consistent with any statewide regulation of commercial cannabis activity now operative or that is duly promulgated in the future.

Section 5. Later Amendments.

Each and every part of this initiative may only be amended to further its purposes, by ordinance passed in accordance with the Pasadena City Charter and Pasadena Municipal Code, or by the electors of the City of Pasadena.

Section 6. Special or Regular Election.

The People of the City of Pasadena hereby expressly request that, if not adopted by the City Council, this initiative be submitted to the voters of the City of Pasadena at a special or regular election at the earliest time allowable by law.

Section 7. Severability.

Should any provision of this initiative, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable, or otherwise void, voidable, or invalid, that determination shall have no effect on any other provision, or the application of this initiative to any other person or circumstance and, to that end, the provisions hereof are severable. By approving this initiative, the voters express their intent that each section and subsection would have been adopted irrespective of whether any one or more

section or subsection are found to be invalid or unconstitutional, and that each section and subsection is therefore explicitly severable, part-by-part, phrase-by-phrase, and word-by-word, and that if any portion is determined by a court of competent jurisdiction to be unlawful, unenforceable, or otherwise void, voidable, or invalid, that the least amount of language be severed from the initiative.

Section 8. Competing Initiatives/Measures

This measure is intended to be comprehensive. It is the intent of the People of the City of Pasadena that, in the event this measure and one or more measures relating to the operation of commercial cannabis businesses, the provisions of the other measure or measures shall be deemed in conflict with this measure. In the event that this measure receives a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety, and all provisions of the other measure or measures shall be null and void. If this measure is approved by a majority of the voters but does not receive a greater number of affirmative votes than any other measure or measures appearing on the same ballot regarding the operation of commercial cannabis businesses, then this measure shall take effect to the extent not in conflict with said other measure or measures.

Section 9. Effective Date.

If approved by a majority of the City of Pasadena's voters voting on this initiative, this initiative shall be considered adopted upon the date that the vote is certified, and shall go become effective and operative ten days following that date.

Section 10. Liberal Construction.

This measure is an exercise of the initiative power of the People of the Pasadena to provide for the continued operation of non-offending commercial cannabis businesses, and shall be liberally construed to effectuate that purpose.

Section 11. Legal Defense.

The People of the City of Pasadena desire that this measure, if approved by a simple majority of voters, and thereafter challenged in court, be defended by the City of Pasadena. The People of the City of Pasadena, by approving this measure by a simple majority of voters, hereby declare that the proponent(s) of this Act have a direct and personal stake in defending this measure from constitutional or statutory challenges to the measure's validity or implementation. In the event the City of Pasadena fails to defend this measure, or the City of Pasadena fails to appeal an adverse judgment against the constitutionality, statutory permissibility or implementation of this Measure, in whole or in part, in any court of law, the measure's proponent(s) shall be entitled

to assert his, her or their direct personal stake by defending the Measure's validity and implementation in any court of law and shall be empowered by the People through this measure to act as agents of the People of the City of Pasadena, and City of Pasadena shall indemnify the proponent(s) for only reasonable expenses and other losses incurred by the proponent(s), as agent(s), in defending the validity and/or implementation of the challenged measure. The rate of indemnification shall be no more than the amount it would cost the City of Pasadena to perform the defense itself.