

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE LAND USE ORDINANCE – TITLE 22 OF THE COUNTY CODE, RELATING TO CANNABIS ACTIVITIES

Proposed changes and modifications: Phase II amendments are shown in **red**, and additional clean-up items identified following release of the Public Hearing Draft AND revisions as adopted by the Planning Commission on 5/23/19 are shown in **purple**, consistent with underline/~~strikeout~~.

SECTION 1. Section 22.80.030 – Definitions of Land Uses, and Specialized Terms and Phrases of the San Luis Obispo County Code is hereby amended to read as follows (for the definitions listed below only; **definitions not listed are not amended by this section**):

Cannabis Cultivation Area. “Cannabis Cultivation Area” means the designated area(s) that will contain Cannabis Canopy plus additional area(s) for worker access and canopy spacing not to exceed twenty five percent (25%) of the approved Cannabis Canopy. More than one Cannabis Cultivation Area may be designated on a site, but each Cannabis Cultivation Area shall be inclusive of walkways and be separated by a non-temporary physical and readily identifiable boundary, which includes, but is not limited to: interior walls, hedgerows, fencing, fire access roads or other non-temporary natural or artificial physical demarcations that allow for easy and reliable identification by the County. Cannabis Cultivation Area(s) shall be identified in the site plan with sufficient particularity to enable ready determination of the bounds of the Cannabis Cultivation Area(s). If mature plants are being cultivated using a shelving system, the surface area of each level, plus additional area(s) for worker access and canopy spacing not to exceed twenty five percent (25%) of the approved Cannabis Canopy, shall be included in the total cultivation area calculation.

Cannabis Hoop Structure. A plastic or fabric covered hoop structure that is temporary in nature, not more than 12 feet in height and does not have vertical sides exceeding five feet six inches (5’-6”) in height. They shall not have permanent anchors or foundation, so they can be readily removable. In addition, cannabis hoop structures shall not include any of the following:

- trusses
- wood construction, or
- plumbing (does not include irrigation of the cannabis crop), mechanical, or electrical systems.

Cannabis hoop structures in residential land use categories shall not exceed 120 cumulative square-feet of floor area. Cannabis hoop structures in all other land use categories shall not exceed 300 linear feet per structure. For the purposes of this Chapter,

cannabis cultivation or cannabis nurseries within hoop structures are considered outdoor cultivation or outdoor nurseries. For the purposes of obtaining licenses, cannabis cultivation or cannabis nurseries within a hoop house can be considered ~~indoor~~outdoor or mixed-light cannabis cultivation or cannabis nurseries.

Cannabis Manufacturing. “Manufacturing” or “Manufactured” means extraction, infusion, and packaging and labeling, including processing, preparing, holding and storing of cannabis products. Manufacturing also includes processing, preparing, holding, or storing of components and ingredients.

Cannabis Nursery Canopy. “Cannabis Nursery Canopy” means the designated area(s) at a site that will contain immature plants at any point in time. Cannabis Nursery Canopy shall be calculated in square feet and measured using clearly identifiable boundaries of all area(s) that will contain immature plants at any point in time, including all of the space(s) within the boundaries. Cannabis Nursery Canopy may be noncontiguous but each unique area included in the total canopy calculation shall be separated by an identifiable boundary which include, but are not limited to: interior walls, shelves, greenhouse walls, hoop house walls, garden benches, hedgerows, fencing, garden beds, or garden plots. If immature plants are being cultivated using a shelving system, the surface area of each level shall be included in the total canopy calculation.

Cannabis Processing. “Process,” “Processing,” and “Processes” means all activities associated with drying, curing, grading, trimming, rolling, storing, packaging, and labeling of nonmanufactured cannabis products. Drying may be considered a part of cultivation if the cannabis was grown and harvested on site and the cannabis flower remains attached to a significant portions of the cannabis plant, such as stems and leaves, during drying within the approved cultivation area. The drying of cannabis is not allowed within unpermitted structures, such as cannabis hoop structures.

Extraction. “Extraction” means a process by which cannabinoids are separated from cannabis plant material through chemical or physical means.

Infusion. “Infusion” means a process by which cannabis, cannabinoids, or cannabis concentrates are directly incorporated into a product formulation to produce a cannabis product.

SECTION 2. Section 22.80.030 – Definitions of Land Uses, and Specialized Terms and Phrases of the San Luis Obispo County Code is hereby amended to repeal the following (for the definitions listed below only; **definitions not listed are not amended by this section**)

~~**Cannabis Manufacturing (Volatile).** The processing, production, preparation, propagation, holding, storing, packaging, labeling, or compounding of cannabis or cannabis products either directly or indirectly or by extraction and/or infusion methods, or independently by means of chemical synthesis or by a combination of extraction and/or infusion and chemical synthesis, using volatile organic compounds, at a fixed location, that packages or repackages cannabis or cannabis products, or labels or relabels its containers, and requires a Type 7 state manufacturing license. Cannabis manufacturing also includes any processing, preparing, holding, or storing of components and ingredients.~~

~~**Cannabis Manufacturing (Non-volatile).** The processing, production, preparation, propagation, holding, storing, packaging, labeling, or compounding of cannabis or cannabis products either directly or indirectly or by extraction and/or infusion methods, or independently by means of chemical synthesis or by a combination of extraction and/or infusion and chemical synthesis, using non volatile organic or inorganic compounds (see "Cannabis Manufacturing (Volatile)"), at a fixed location, that packages or repackages cannabis or cannabis products, or labels or relabels its containers, and requires a Type 6, Type N, Type P, or Type S state manufacturing license. Cannabis manufacturing also includes any processing, preparing, holding, or storing of components and ingredients.~~

SECTION 3. Chapter 22.40 of the San Luis Obispo County Code is hereby amended to read as follows:

Chapter 22.40 – Cannabis Activities

Sections:

- 22.40.010 – Purpose
- 22.40.020 – Applicability
- 22.40.030 – Exemptions from Land Use Permit Requirements
- 22.40.040 – Requirements for All Cannabis Activities
- 22.40.050 – Cannabis Cultivation
- 22.40.060 – Cannabis Nurseries
- 22.40.065 – Cannabis Processing Facilities
- 22.40.070 – Cannabis Manufacturing
- 22.40.080 – Cannabis Testing Facilities
- 22.40.090 – Cannabis Dispensaries
- 22.40.100 – Cannabis Distribution
- 22.40.105 – Cannabis Transport Facilities
- 22.40.110 – Grounds for Revocation
- 22.40.120 – Procedure for Revocation
- 22.40.130 – Enforcement

22.40.010 – Purpose of Chapter

The purpose of this Chapter is to protect the public health, safety, and welfare, enact strong and effective regulatory and enforcement controls in compliance with State law and federal enforcement guidelines, protect neighborhood character, and minimize potential for negative impacts on people, communities, and the environment in the unincorporated areas of San Luis Obispo County by establishing minimum land use requirements for cannabis activities. Cannabis activity, as defined in Chapter 22.80 of Title 22, includes the cultivation, possession, manufacturing, processing, storing, laboratory testing, labeling, transporting, distribution, delivery, or sale of cannabis or a cannabis product. Therefore, this Chapter recognizes that cannabis activities require land use controls due to the unique federal and State legal constraints on cannabis activity, and the potential environmental and social impacts associated with cannabis activity. These standards cannot be waived or modified through Conditional Use Permit approval, except as specifically noted.

22.40.020 – Applicability

California Business and Professions Code Section 26067 specifies: “For the purposes of this division [Division 10], cannabis is an agricultural product.” However, the identification of cannabis as an agricultural product does not extend to other areas of the law. For example, cannabis is not an agricultural commodity with respect to local “right to farm” ordinances. Additionally, cannabis cultivation has never been considered “crop production and grazing” (a land use type) as that term is defined in the San Luis Obispo County General Plan or Titles 22 and 23, and is therefore not exempt from land use permitting requirements.

Except as provided in Section 22.40.030 of this Chapter, cannabis activities shall not be allowed in the unincorporated areas of San Luis Obispo County without first securing all permits, licenses, or other entitlements required by County ordinance and State law and regulation.

For the purposes of this Chapter, cannabis does not include “industrial hemp” as that term is defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the Health and Safety Code, as they may be amended. Persons claiming plants do not fall under this Chapter bear the burden of presenting evidence demonstrating the plants are industrial hemp, and not cannabis, including but not limited to providing THC testing, germplasm, cultivar, strain and/or clone information, as well as evidence the operation is in compliance with state law. Any violation of state law related to industrial hemp shall be considered a violation of this Chapter and subject to the enforcement procedures and provisions set forth under Sections 1.05.080, 22.40.130, and 22.74.150.

For the purposes of this Chapter, “site” means any lot or parcel of land or contiguous combination thereof, under the same ownership.

22.40.030 - Exemptions from Land Use Permit Requirements

The provisions of this Section are applicable in all land use categories. In all cases, activities that are exempt under this Section shall be accessory to a legally established and permitted residential use. Any development utilized for activities that are exempt under this Section shall be legally established and permitted, and shall meet all other requirements of the County Code and all State regulations and provisions as they may be amended for personal and commercial cannabis activities. Any exempt cannabis activity carried on under this Section shall comply with all other applicable provisions of this Title and the following standards:

- A. All exempt activities shall be conducted indoors in a legally established structure.
- B. All exempt grows shall comply with the following minimum standards in Section 22.40.050:
 - 1. Odor control requirements pursuant to Subsection D.8
 - 2. Pesticide management requirements pursuant to Subsection D.9
- C. **Cannabis cultivation for personal use.** Possession or storage of cannabis, or cultivation of cannabis for personal use, where indoor cultivation does not exceed one hundred (100) square feet of total canopy area of cannabis and does not exceed six (6) plants, including both mature (flowering) and immature plants per dwelling unit, is exempt from the land use permit requirements contained in this Chapter. Cultivation of cannabis by an individual shall be located indoors in a legally established dwelling or accessory structure that is fully enclosed and secured. Outdoor cultivation is not permitted under this exemption, and is thereby subject to the permit requirements of Sections 22.40.040 and 22.40.050.

Under this exemption, the individual that, possesses, stores, or cultivates cannabis shall do so exclusively for his or her personal use, and shall not provide, donate, sell, or distribute cannabis to any other person, except as otherwise allowed by State law. Use of this exemption is limited to one per dwelling unit.

- D. **Cannabis cultivation by a primary caregiver.** Possession or storage of medical cannabis, or cultivation of up to one hundred (100) square feet of total canopy area of medical cannabis by a primary caregiver within the meaning of Section 11362.7 of the California Health and Safety Code, on behalf of qualified patients, with not more than six (6) plants total, including both mature (flowering) and immature plants, per site, is exempt from the land use permit requirements contained in this Chapter, provided the primary caregiver does not receive remuneration for these activities except for compensation in full compliance with subdivision (c) of Section 11362.765 of the California Health and Safety Code. Cultivation of medical cannabis by a primary caregiver shall be located indoors in a legally established dwelling or accessory structure that is fully enclosed and secured; outdoor cultivation is not permitted under this exemption, and is thereby subject to the permit requirements of Sections 22.40.040 and 22.40.050. Primary caregivers shall provide appropriate documentation to enforcement personnel demonstrating that they are the primary caregiver for a qualified patient.

Primary caregivers, while exempt from the requirements contained in this Chapter, are required to obtain Business License authorization pursuant to Title 6 of the County Code to remain in compliance with this Section.

22.40.040 - Requirements for All Cannabis Activities

The application for a land use permit and for amendments thereto, shall be processed in accordance with Chapter 22.60. Notwithstanding the foregoing, and in addition to all other remedies available under this Title, the procedures for revocation of a land use permit granted under this Chapter shall be as set forth in Sections 22.40.110 and 22.40.120 of this Chapter. The following requirements apply to all cannabis activities not otherwise exempted by this Chapter.

A. Application requirements.

1. Site plan, floor plans, and a general description of the nature, square-footage, and type of cannabis activity(ies) being requested shall be submitted with the land use permit application.
2. Evidence documenting that the site has legal access to a public road.
3. All cannabis activities shall include an operations plan including at a minimum, the following information:
 - a. On-site security measures both physical and operational and, if applicable, security measures for the delivery of cannabis associated with the commercial cannabis business;
 - b. Odor management plan;
 - c. Size, height, colors, and design of any proposed signage at the site;
 - d. Parking plan consistent with Chapter 22.18;
 - e. Proof of ownership or lease agreement with landowner's consent;
 - f. Employee safety and training plan;
 - g. A statement on neighborhood compatibility and a plan for addressing potential compatibility issues;
 - h. Waste management plan; and
 - i. Vicinity map showing at least one-thousand (1,000) feet of surrounding

Exhibit LRP2018-00006

area and the distances to the following uses: any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility. Distance shall be measured from the nearest point of the property line of the site that contains the cultivation to the nearest point of the property line of the enumerated use using a direct straight line measurement.

- B. Vertical integration.** Any land use permit proposing more than one cannabis activity on one site shall be subject to Conditional Use Permit approval. This requirement does not apply to activities which qualify as ancillary to another cannabis activity in accordance with this Chapter~~the following activities when ancillary to cannabis cultivation: cannabis transport, a cannabis nursery, or cannabis processing.~~
- C. Previous violations.** Any site proposing cannabis activities where there have been verified violations of a County ordinance or other laws relating to cannabis within the last twenty-four (24) months shall require a Conditional Use Permit approval.
- D. Security.** Security measures sufficient to restrict access to only those intended and to deter trespass and theft of cannabis or cannabis products shall be provided and maintained. Security measures shall include, but are not limited to, the following:
1. Prevent individuals from loitering on the premises if they are not engaging in activity expressly related to the operations of the facility;
 2. Store all cannabis in a secured and locked structure or behind a secured and locked fence, and all cannabis products in a secured and locked safe room, safe, or vault, and in a manner as to prevent diversion, theft, and loss.
- E. Site posting.** The owner shall post on site all required land use permit approvals and all required County and State permits and licenses required to operate. Such posting shall be in a central location, visible to the patrons, at the operating site, and in all vehicles that deliver or transport cannabis.
- F. Records.** The owner and all permittees of all cannabis activities requiring land use permit approval shall maintain clear and adequate records and documentation demonstrating that all cannabis or cannabis products have been obtained from and are provided to other permitted and licensed cannabis operations. The County shall have the right to examine, monitor, and audit such records and documentation, which shall be made available to the County upon request.
- G. Compliance.** The owner and all permittees of all cannabis activities requiring land use permit approval shall conduct cannabis activities in compliance with all required County permits, State licenses, County ordinance, and State law and regulation. The owner shall be responsible for the payment of all required fees and taxes.
- H. Inspection.** All land use permits and permitted cannabis activity sites are subject to review and inspection from law enforcement or any agents of the State or County charged

with enforcement of this Chapter.

I. Operation. No person shall operate a commercial cannabis business under a commercial cannabis land use permit issued pursuant to this Chapter at any place or location, or in any manner other than that identified on the permit.

J. State license required. One or more of the State cannabis license types set forth in California Business and Professions Code shall be maintained in good status by the Permittee in order for a land use permit issued under this Section to remain valid.

A valid license from the State issued pursuant to California Business and Professions Code Section 26000 et seq. shall be required in order for a land use permit issued pursuant to this Chapter to be considered valid. In the event that the State is not yet issuing licenses and/or a State license has not yet been issued, but only during calendar year 2018, proof of application for a State licenses may be deemed sufficient for the County to issue a local land use permit. Within six (6) months of application at the State, a license must be presented to the County, or all commercial cannabis permits and licenses will be revoked for the applicant. If a State license is denied, the County shall revoke the land use permit and/or Business License.

K. Pesticides. Approved cannabis cultivation operations employing the use of pesticides shall also obtain the appropriate pesticide use permitting from the Department of Agriculture / Weights and Measures.

L. Water quality. Cannabis cultivation shall operate pursuant to a permit from the Central Coast Regional Water Quality Control Board (CCRWQCB). Until the permitting process is in place, all cannabis cultivators shall adhere to the environmental measures outlined by CCRWQCB.

M. Location. All cannabis activities are prohibited on sites that are surrounded by federal land or on property where the only access to a site is through federal land.

N. Solid waste and recycling. Cannabis activities (regardless of the site's location) shall provide solid waste and recycling collection consistent with Sections 22.10.050.B and C.

O. Monitoring program. All land use permits for cannabis activities shall require the applicant's participation in a County-run monitoring program. The monitoring program shall be funded by applicants and will be used to conduct site visits and inspections of all commercial cannabis sites to verify compliance with this chapter and conditions of approval for the land use permits. The program fees shall be collected yearly by the Department of Planning and Building at the time of Business License renewal. Sites with inspection reports that indicate failure to comply with the standards of this Chapter are subject to permit revocation pursuant to Section 22.40.120 and/or Business License non-renewal.

P. Public notice.

1. **Prior to application submittal.** The applicant shall submit evidence that the

neighboring property owners and the applicable advisory group were notified of the request prior to the submission of the land use permit to the county. This notice shall be provided by the applicant sending a letter using the form provided by the Department of Planning and Building. The letter shall be mailed or delivered at least 10 days prior to application submittal to the applicable advisory group and to all owners of real property as shown on the latest equalized assessment roll within 1,000 feet of the subject site.

2. **Public hearing notice.** Public notice shall be provided to owners of property within a minimum of 1,000 feet of the exterior boundaries of the proposed site and to all property owners fronting any local roads that serve the facility back to an arterial or collector, instead of in the manner normally required for public hearings by Section 22.70.060. Public notice may be required to be provided to properties greater than 1,000 feet away for certain applications at the discretion of the Director of Planning and Building.

Q. Use of a Residence. Except for those activities considered exempt pursuant to Section 22.40.030, no structure or portion thereof used for residential purposes, including vacation rentals, shall be used for Cannabis Activities.

22.40.050 - Cannabis Cultivation

A. Limitation on use. Except as provided in Section 22.40.030, cannabis cultivation may only be permitted in the Agriculture (AG), Rural Lands (RL), Residential Rural (RR), and Industrial (IND) land use categories with a land use permit in each case and as may further be restricted by this Title.

1. **Limit on cultivation type allowed.** Outdoor cannabis cultivation shall be prohibited in the Industrial (IND) and Residential Rural (RR) land use categories.
2. **Limit on the number of cannabis cultivation sites.** The maximum number of cannabis cultivation sites in the unincorporated portions of the County shall be limited to 141, and as follows:
 - a. **Indoor cultivation.** Any site, as defined by this Chapter, in the AG, IND, RL, or RR land use category may receive land use permit approval for indoor cannabis cultivation with a maximum of 22,000 square feet of cannabis canopy and shall occur entirely within the designated and approved cannabis cultivation area(s).
 - b. **Outdoor cultivation.** Any site, as defined by this Chapter, in the AG or RL land use category may receive land use permit approval for outdoor cannabis cultivation, including any cannabis cultivation within a cannabis hoop structure, which shall occur entirely within the designated and approved cannabis cultivation area(s), as follows:

Exhibit LRP2018-00006

Within the Agriculture (AG) land use category on sites between 10 and 25 acres in area, the maximum area of outdoor cannabis canopy is two (2) acres.

Within the Agriculture (AG) land use category on sites greater than 25 acres in area, the maximum area of outdoor cannabis canopy is three (3) acres.

Sites within the Rural Lands (RL) land use category shall be limited to a maximum area of outdoor cannabis canopy of one acre.

3. **Ancillary activities.** Cannabis cultivation operations may include the following ancillary activities:

a. **Cannabis nursery.** A separate cannabis nursery for on-site use may be established, provided the nursery canopy does not exceed 25% of the area approved for cannabis cultivation. The immature plants, seeds or clones shall not be sold or transported off site.

b. **Cannabis processing.** Cannabis grown on site may be processed in an on-site, non-residential structure. This does not include cannabis manufacturing, which would otherwise require Conditional Use Permit approval when done in conjunction with cannabis cultivation. **Drying is allowed within a greenhouse, provided it occurs within (and does not exceed 25% of) the approved cultivation area for indoor cannabis cultivation. The drying of cannabis is not allowed within unpermitted structures, such as cannabis hoop structures.**

c. **Cannabis transport.** Cannabis grown or processed on site may be transported to certain license types, as specified by State law. ~~This does not include transport to end users or for retail sale (cannabis dispensary) or transport of nursery products (cannabis nursery), which would otherwise require Conditional Use Permit approval when done in conjunction with cannabis cultivation. Only~~ cannabis not grown on site or cannabis products shall not be transported under this provision ~~grown on site or cannabis manufactured with cannabis grown on site shall be transported under this provision.~~ The transport operation shall be conducted from a non-residential structure.

B. **Land use permit required.** A Minor Use Permit is required for all cannabis cultivation, unless a Conditional Use Permit is required by another Section of this Title.

1. **Limit on land use permit applications.** Prior to January 1, 2019, applications for land use permits for cannabis cultivation operations shall be limited to operators previously registered with the County under Ordinance No. 3334, as a cooperative or collective. This limitation does not preclude an applicant from applying for a land use permit on a site other than the site identified on a previous registry, provided a consent of landowner form is submitted with the application.

2. **Land use permit expiration.** All land use permits issued for cannabis cultivation shall expire in five years from the approval date. Within a twelve (12) month period prior to expiration, the applicant may request the land use permit be renewed for an additional five-year period. Any request for renewal shall be in writing to the Department prior to the expiration date of the land use permit, and shall be submitted in conjunction with the appropriate land use permit application. The request for renewal shall be processed with the same level of permit for the original entitlement. If a request for renewal is not granted the land use permit shall be deemed expired.

3. **Relocation of a permitted cannabis cultivation operation.** When a site owner and cultivation permittee elect to vacate a cannabis cultivation operation that is operating pursuant to an approved land use permit and relocate the operation to a new site, a new application, discretionary land use permit, and CEQA compliance action shall be required, but such applicants shall not be subject to otherwise-required permit allocation procedures and limitations, as specified in subsection B.1. All such applicants shall comply with the following:
 - a. Obtain all necessary permits for the new site, including but not limited to, a new land use permit pursuant to this Chapter.
 - b. The applicant shall submit, with their land use permit application for the new site, written notification from the landowner of the current site that the landowner agrees to vacate the approved cannabis cultivation operation.
 - c. On or before the effective date for the land use permit on the new site (15 days after its approval, or upon final action, if the approval is appealed), the cannabis operation on the previous site shall be vacated.
 - d. The applicant is responsible for complying with the requirements of the State and the County Tax Collector as applicable to any State license or County-issued Business License for the new site.

- C. **Application requirements.** In addition to any specific requirements in this Section, land use permit applications shall comply with the requirements of Chapter 22.60 and Section 22.40.040.
 1. A detailed water management plan including the proposed water supply, proposed conservation measures, and any water offset requirements.
 2. Information regarding stormwater control and wastewater discharge.
 3. A list of all pesticides, fertilizers, and any other hazardous materials that are expected to be used in the cultivation process.
 4. A storage and hazard response plan for all pesticides, fertilizers, and any other

hazardous materials kept on the cultivator's site.

5. For indoor cultivation, all power sources proposed to be used.
6. Prior to January 1, 2019, the applicant shall submit proof that the applicant has previously registered with the County under Ordinance No. 3334, as a cooperative or collective.
7. A description of any proposed ancillary activities, pursuant to Section 22.40.050(A)(3). The site plan shall identify any proposed structures associated with ancillary activities.

D. Cultivation standards.

1. **Location.** Cannabis cultivation shall not be located within one thousand (1,000) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility. Distance shall be measured from the nearest point of the property line of the site that contains the cannabis cultivation to the nearest point of the property line of the enumerated use using a direct straight-line measurement. A new adjacent use does not affect the continuation of an existing use that was permitted and legally established under the standards of this Section. This location standard may be modified through Minor Use Permit approval to reduce the distance to six hundred (600) feet. This location standard may be modified to reduce the distance below 600 feet from any library, park, playground, recreation center, licensed drug or alcohol recovery facility, or licensed sober living facility through Conditional Use Permit approval, provided the Commission first makes the findings specified in Section 22.40.050(E)(2).

2. **Minimum site area.**

a. **Outdoor cultivation.** Outdoor cannabis cultivation is limited to sites that meet the minimum site area by land use category listed below:

Agriculture (AG)	10 acres
Industrial (IND)	Not allowed
Residential Rural (RR)	Not allowed
Rural Lands (RL)	50 acres

b. **Indoor cultivation.** Indoor cannabis cultivation is limited to sites that meet the minimum site area by land use category listed below:

Agriculture (AG)	10 acres
Industrial (IND)	No minimum
Residential Rural (RR)	20 acres
Rural Lands (RL)	50 acres

3. Setbacks.

- a. Indoor cannabis cultivation shall be within a fully enclosed building that has been setback as set forth in Section 22.30.310.
- b. Outdoor cannabis cultivation shall be setback a minimum of 300 feet from the property lines of the site or public right-of-way, whichever is closer.
- c. Indoor cannabis cultivation shall be setback 100 feet from any existing offsite residence, swimming pool, patio, or other living area of separate ownership. A new adjacent use does not affect the continuation of an existing use that was legally established under the standards of this Section.
- d. All ~~outdoor~~ cannabis cultivation shall be setback at least 50 feet from the upland extent of riparian vegetation of any watercourse, and 100 feet from any wetland.
- e. Setbacks may be modified through Minor Use Permit approval, except for setbacks required by the California Building Code, or for the resource setbacks identified in subsection d above.

4. Air quality. Cannabis cultivation sites located on an unpaved road shall provide, at a minimum, the following, in order to mitigate the air pollution (i.e. dust) effects created by the use.

- a. A mitigation plan for continuing dust control from the property frontage to the nearest County-maintained road. The plan may be modified to adjust for changed conditions or to improve the effectiveness of the dust reducing technology. The plan and all modifications to the plan are subject to review and approval by the Review Authority.
- b. Evidence of road maintenance provided by the County, State, special district, homeowners association or other organized maintenance, such as a road maintenance agreement.
- c. An agreement, to support and not protest: the formation of an assessment district or; the creation of another funding mechanism. The consenting person(s) retains all due process rights as to any term or condition that was unknown at the time of application approval. The consenting person(s) may contest the specific proportionality rate or other term or condition of the assessment or funding mechanism.

5. Water.

- a. Cannabis cultivation sites that require a land use permit and are in a groundwater basin at Level of Severity III pursuant to the last Biennial Resource Management System report shall provide an estimate of water

demand prepared by a licensed professional engineer or other expert on water demand, as approved by the Director of Planning and Building, and a detailed description of how the new water demand will be offset. All water demand within a groundwater basin at Level of Severity III shall offset at a minimum 1:1 ratio, unless a greater offset is required through land use permit approval. All water demand within an identified Area of Severe Decline shall offset at a minimum 2:1 ratio, unless a greater offset is required through land use permit approval. Offset clearance shall be obtained through a County-approved water conservation program for the respective groundwater basin, prior to the establishment of the use or receipt of Business License Clearance pursuant to Section 22.62.020.

- b. Irrigation water supplies for cannabis cultivation shall not include water transported by vehicle from off-site sources.

- 6. **Screening and Fencing.** Cannabis plants shall not be easily visible from offsite. All cannabis cultivation activities shall occur within a secure fence at least six (6) feet in height that fully encloses the cultivation area(s) and prevents easy access to the cultivation areas (~~both~~ indoor and/or outdoor). The fence must include a lockable gate(s) that is locked at all times, except for during times of active ingress/egress.

The required fencing and screening are subject to the following standards ~~instead of in~~ addition to Section 22.10.080:

- a. Fencing shall be constructed of durable materials for security purposes. This requirement may be waived or modified as specified below where the proposed landscape features such as terrain and vegetation provide the functional equivalent of fencing for security.
- b. Fencing materials shall be solid, or screening material, including existing landscape features such as terrain and vegetation, shall achieve a permanent opacity necessary to screen cannabis plants that are easily visible from off-site views.
- c. Solid fencing shall be located outside of setback areas.
- d. Where necessary, fencing shall be designed to allow for the movement of wildlife.
- e. ~~Confirm~~ Fencing and screening shall conform with the fencing and screening standards contained Articles 9 or 10, specific plans, or design plans.
- f. **Substitution for indoor cultivation.** Where the proposed structures are designed to provide the functional equivalent of fencing for security, and opacity for screening, fencing around indoor cultivation structures may be waived or modified as specified below.

This section may be waived or modified through Minor Use Permit or Conditional Use Permit approval, provided the review authority first finds that specifically identified characteristics of the site or site vicinity would make the required fencing or screening unnecessary or ineffective, and, if applicable, would enhance neighborhood compatibility and minimize impacts to viewsheds.

7. **Renewable energy.** All sites engaging in artificial light or mixed-light indoor cannabis cultivation shall comply with State regulations regarding energy requirements.
8. **Nuisance Odors.** All cannabis cultivation shall be sited and/or operated in a manner that prevents cannabis nuisance odors from being detected offsite. All structures utilized for indoor cannabis cultivation shall be equipped and/or maintained with sufficient ventilation controls (e.g. carbon scrubbers) to eliminate nuisance odor emissions from being detected offsite.
9. **Pesticides.** Pesticides and fertilizers shall be properly labeled, stored, and applied to avoid and prevent contamination through erosion, leakage, or inadvertent damage from rodents, pests, or wildlife.
10. **Outdoor Lighting.** Outdoor lighting shall be used for the purpose of illumination only and is subject to the provisions of Sections 22.10.060(B) through (F). Outdoor lighting shall not be located within the canopy area, used for photosynthesis, mixed-light processes, other purposes intended to manipulate cannabis plant growth, or in conjunction with cannabis hoop or shade cloth structures, whether attached or not to a cannabis hoop or shade cloth structure. Temporary lighting, whether powered by a portable generator or permitted electrical service, is prohibited. Where necessary, outdoor lighting shall be designed to minimize impacts to wildlife.

E. Required findings. In addition to the mandatory findings required by Section 22.62.060.C.4, the Review Authority shall make the following additional findings in order to approve a land use permit under this subsection:

1. The cannabis cultivation, as proposed, will comply with all the requirements of State and County for the cultivation of cannabis, including dual licensure and participation in an authorized track-and-trace program;
2. The cannabis cultivation will not be located within one thousand (1,000) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility;

OR

(For location modifications only.) Specific conditions of the site and/or vicinity make the required one thousand (1,000) foot location standard unnecessary or

Exhibit LRP2018-00006

ineffective. The cannabis cultivation will not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility;

OR

(For location modifications only.) Specific conditions of the site and/or vicinity make the required six hundred (600) foot location standard from libraries, parks, playgrounds, recreation centers, licensed drug or alcohol recovery facilities, or licensed sober living facilities unnecessary or ineffective.

3. The cannabis cultivation includes adequate measures that minimize use of water for cannabis cultivation at the site;
4. The cannabis cultivation includes adequate quality control measures to ensure cannabis cultivated at the site meets State regulatory standards;
5. The cannabis cultivation includes adequate measures that address enforcement priorities for cannabis activities including restricting access to minors, and ensuring that cannabis and cannabis products are not supplied to unlicensed or unpermitted persons within the State and not distributed out of state.
6. *(For cultivation sites with verified cannabis-related violations within the last twenty-four (24) months.)* The proposed project or use will not contribute to repeat violation on the site. The subject site is in compliance with all laws, rules, and regulations pertaining to land uses, building and construction, health and safety, and any other applicable provisions of this Title, and such violation processing fees have been paid.
7. *(For setback modifications only.)* Specific conditions of the site and/or vicinity make the required setback unnecessary or ineffective. Modification of the setback will not allow nuisance odor emissions from being detected offsite.
8. *(For fencing and screening modifications only.)* Specific conditions of the site and/or vicinity make the required fencing or screening unnecessary or ineffective, and, if applicable, would enhance neighborhood compatibility and minimize impacts to viewsheds.

22.40.060 - Cannabis Nurseries

- A.** **Limitation on use.** Cannabis nurseries shall be limited to the Agriculture (AG), Rural Lands (RL), Residential Rural (RR), and Industrial (IND) land use categories. Cannabis nurseries in the Industrial and Residential Rural land use categories shall be limited to indoor propagation only.

B. Ancillary Activity. Cannabis nursery operations may include the following ancillary activity:

1. Cannabis transport. Immature plants and seeds grown on site may be transported to certain license types, as specified by State law. Cannabis nursery plants (immature and/or seeds) not grown on site shall not be transported under this provision. The transport operation shall be conducted from a non-residential structure.

C. **Land use permit required.**

1. **Minor Use Permit.** A Minor Use Permit is required for all cannabis nurseries, unless a Conditional Use Permit is required by another Section of this Title.
2. **Conditional Use Permit.** A Conditional Use Permit is required for cannabis nurseries 75,000 square-feet or greater in the Residential Rural land use category.

D. **Application requirements.** In addition to any specific requirements in this Section, land use permit applications shall comply with the requirements of Chapter 22.60 and Section 22.40.040.

1. A detailed water management plan including the proposed water supply proposed conservation measures, and any water offset requirements.
2. Information regarding stormwater control and wastewater discharge.
3. A list of all pesticides, fertilizers, and any other hazardous materials used in the nursery process.
4. A storage and hazard response plan for all pesticides, fertilizers, and any other hazardous materials kept on the nursery's site.
5. For indoor and mixed-light nurseries, all power sources proposed to be used.

E. **Nursery standards.**

1. **Location.** Cannabis nurseries shall not be located within one thousand (1,000) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility. Distance shall be measured from the nearest point of the property line of the site that contains the cannabis nursery to the nearest point of the property line of the enumerated use using a direct straight-line measurement. A new adjacent use does not affect the continuation of an existing use that was permitted and legally established under the standards of this Section. This location standard may be modified through Minor Use Permit approval to reduce the distance to six hundred (600) feet. This location standard may be modified to reduce the distance below 600 feet from any library, park, playground, recreation center, licensed drug or alcohol recovery facility, or

licensed sober living facility through Conditional Use Permit approval, provided the Commission first makes the findings specified in Section 22.40.060(E)(2).

2. **Minimum site area.** No minimum site area is required in the Agriculture, Rural Lands, and Industrial land use categories. Cannabis nurseries in the Residential Rural land use category shall be located on sites that are a minimum of 5 acres in area.
3. **Setbacks.**
 - a. Cannabis nurseries shall be setback as set forth in Section 22.30.310.
 - b. All cannabis nurseries shall be setback 100 feet from any existing offsite residence, swimming pool, patio, or other living area of separate ownership. A new adjacent use does not affect the continuation of an existing use that was legally established under the standards of this Section.
 - c. All ~~outdoor~~ cannabis nurseries shall be setback at least 50 feet from the upland extent of riparian vegetation of any watercourse, and 100 feet from any wetland.
 - d. Setbacks may be modified through Minor Use Permit approval, except for setbacks required by the California Building Code, or for the resource setbacks identified in subsection c above.
4. **Air quality.** Nurseries located on an unpaved road shall provide, at a minimum, the following, in order to mitigate the air pollution (i.e. dust) effects created by the use.
 - a. A mitigation plan for continuing dust control from the property frontage to the nearest County-maintained road. The plan may be modified to adjust for changed conditions or to improve the effectiveness of the dust reducing technology. The plan and all modifications to the plan are subject to review and approval by the Review Authority.
 - b. Evidence of road maintenance provided by the County, State, special district, homeowners association or other organized maintenance, such as a road maintenance agreement.
 - c. An agreement, to support and not protest: the formation of an assessment district or; the creation of another funding mechanism. The consenting person(s) retains all due process rights as to any term or condition that was unknown at the time of application approval. The consenting person(s) may contest the specific proportionality rate or other term or condition of the assessment or funding mechanism.
5. **Water.**

- a. Cannabis nursery sites that require a land use permit and are located in a groundwater basin at Level of Severity III pursuant to the last Biennial Resource Management System report shall provide an estimate of water demand prepared by a licensed professional engineer or other expert on water demand, as approved by the Director of Planning and Building, and a detailed description of how the new water demand will be offset. All water demand within a groundwater basin at Level of Severity III shall offset at a minimum 1:1 ratio, unless a greater offset is required through land use permit approval. All water demand within an identified Area of Severe Decline shall offset at a minimum 2:1 ratio, unless a greater offset is required through land use permit approval. Offset clearance shall be obtained through a County-approved water conservation program for the respective groundwater basin, prior to the establishment of the use or receipt of Business License Clearance pursuant to Section 22.62.020.
- b. Irrigation water supplies for cannabis nurseries shall not include water transported by vehicle from off-site sources.

- 6. Screening and Fencing.** Cannabis plants shall not be easily visible from offsite. All outdoor cannabis nursery activities shall occur within a secure fence at least six (6) feet in height that fully encloses the nursery area(s) and prevents easy access to the cultivation areas (~~both indoor and/or~~ outdoor). The fence must include a lockable gate(s) that is locked at all times, except for during times of active ingress/egress.

The required fencing and screening are subject to the following standards ~~instead of in addition to~~ Section 22.10.080:

- a. Fencing shall be constructed out of durable materials for security purposes.
- b. Fencing materials shall be solid, or screening material, including existing landscape features such as terrain and vegetation, shall achieve a permanent opacity necessary to screen cannabis plants that are easily visible from off-site views.
- c. Solid fencing shall be located outside of setback areas.
- d. Where necessary, fencing shall be designed to allow for the movement of wildlife.
- e. ~~Conform~~ Fencing and screening shall conform with the fencing and screening standards contained Articles 9 or 10, specific plans, or design plans.
- f. Substitution for indoor cultivation. Where the proposed structures are designed to provide the functional equivalent of fencing for security, and

opacity for screening, fencing around indoor cultivation structures may be waived or modified as specified below.

This section may be waived or modified through Minor Use Permit or Conditional Use Permit approval, provided the review authority first finds that specifically identified characteristics of the site or site vicinity would make the required fencing or screening unnecessary or ineffective, and, if applicable, would enhance neighborhood compatibility and minimize impacts to viewsheds.

7. **Renewable energy.** All sites engaging in artificial light or mixed-light indoor cannabis nursery cultivation shall comply with State regulations regarding energy requirements.
8. **Nuisance Odors.** All cannabis nurseries shall be sited and/or operated in a manner that prevents cannabis nuisance odors from being detected offsite. All structures utilized for indoor cannabis nursery cultivation shall be equipped and/or maintained with sufficient ventilation controls (e.g. carbon scrubbers) to eliminate nuisance odor emissions from being detected offsite.
9. **Pesticides.** Pesticides and fertilizers shall be properly labeled, stored, and applied to avoid and prevent contamination through erosion, leakage, or inadvertent damage from rodents, pests, or wildlife.
10. **Outdoor Lighting.** Outdoor lighting shall be used for the purpose of illumination only and is subject to the provisions of Sections 22.10.060(B) through (F). Outdoor lighting shall not be located within the canopy area, used for photosynthesis, mixed-light processes, other purposes intended to manipulate cannabis plant growth, or in conjunction with cannabis hoop or shade cloth structures, whether attached or not to a cannabis hoop or shade cloth structure. Temporary lighting, whether powered by a portable generator or permitted electrical service, is prohibited. Where necessary, outdoor lighting shall be designed to minimize impacts to wildlife.

F. Required findings. In addition to the mandatory findings required by Section 22.62.060.C.4, the Review Authority shall make the following additional findings in order to approve a land use permit under this subsection:

1. The cannabis nursery, as proposed, will comply with all the requirements of State and County for the propagation of cannabis, including dual licensure and participation in an authorized track and trace program;
2. The cannabis nursery will not be located within one thousand (1,000) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility;

OR

Exhibit LRP2018-00006

(For location modifications only.) Specific conditions of the site and/or vicinity make the required one thousand (1,000) foot location standard unnecessary or ineffective. The cannabis nursery will not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility;

OR

(For location modifications only.) Specific conditions of the site and/or vicinity make the required six hundred (600) foot location standard from [libraries, parks, playgrounds, recreation centers, licensed drug or alcohol recovery facilities, or licensed sober living facilities] unnecessary or ineffective.

3. The cannabis nursery includes adequate measures that minimize use of water for cannabis propagation at the site;
4. The cannabis nursery includes adequate quality control measures to ensure cannabis cultivated at the site meets State regulatory standards;
5. The cannabis nursery includes adequate measures that address enforcement priorities for cannabis activities including restricting access to minors, and ensuring that cannabis and cannabis products are not supplied to unlicensed or unpermitted persons within the State and not distributed out of state.
6. *(For nursery sites with verified cannabis-related violations within the last twenty-four (24) months.)* The proposed project or use will not contribute to repeat violation on the site. The subject site is in compliance with all laws, rules, and regulations pertaining to land uses, building and construction, health and safety, and any other applicable provisions of this Title, and such violation processing fees have been paid.
7. *(For setback modifications only.)* Specific conditions of the site and/or vicinity make the required setback unnecessary or ineffective. Modification of the setback will not allow nuisance odor emissions from being detected offsite.
8. *(For fencing and screening modifications only.)* Specific conditions of the site and/or vicinity make the required fencing or screening unnecessary or ineffective, and, if applicable, would enhance neighborhood compatibility and minimize impacts to viewsheds.

22.40.065 - Cannabis Processing Facilities

- A. **Limitation on use.** Cannabis processing facilities may be permitted in the Commercial Service (CS), Industrial (IND), Agriculture (AG), Rural Lands (RL) land use categories, subject to a land use permit as required below. Cannabis processing in the AG or RL land

use categories may be vertically integrated with cannabis cultivation only. This section does not apply to cannabis processing that is ancillary to an approved cannabis cultivation site (the processing of cannabis grown on site only), which is otherwise subject to Section 22.40.050.

B. Land use permit required. Cannabis processing facilities shall require Minor Use Permit approval unless a Conditional Use Permit is required by another Section of this Title.

C. Application requirements. In addition to any specific requirements in this Section, land use permit applications shall comply with the requirements of Chapter 22.60 and Section 22.40.040.

1. Storage and handling protocol plan.
2. A security plan that includes lighting, security video cameras, alarm systems and secure area for cannabis storage. The security plan shall include a requirement that there be at least 30 (thirty) business days of surveillance video (that captures both inside and outside images) stored on an ongoing basis. The video system for the security cameras must be located in a locked, tamper-proof compartment.
3. Employee safety and training equipment plan, plus Materials Safety Data Sheet requirements, if any.

D. Processing facilities standards.

1. Location.

- a. Cannabis processing facilities shall not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility. Distance shall be measured from the structure that contains the cannabis processing facility to the property line of the enumerated use using a direct straight-line measurement. This location standard may be modified to reduce the distance below 600 feet from any library, park, playground, recreation center, licensed drug or alcohol recovery facility, or licensed sober living facility through Conditional Use Permit approval, provided the Commission first makes the findings specified in Section 22.40.065(E)(4).
- b. Cannabis processing facilities shall not be located in a Flood Hazard Zone, Sensitive Resource Area, or High Fire Hazard Severity Zone.
- c. **Limit on agricultural land.** Cannabis processing facilities shall not be located on prime agricultural soils or on land under Williamson Act contract.
- d. **Access in the AG or RL land use category.** Cannabis processing facilities shall be located on and take access from a publicly maintained,

paved, and through (non-dead-end) road.

2. **Rural character design criteria.** Cannabis processing facilities located outside of an Urban or Village Reserve Line (URL or VRL), shall be sited and designed (including, but not limited to, structures, pavement, fencing, signs, and exterior lighting) to be compatible with the rural character of the site and surrounding area. Factors to be considered include:

- Avoiding the removal of native oak trees or other significant landscape
- Minimizing grading
- Minimizing negative effect on the night sky
- **Agrarian** Architectural style
- Offsite views of structures and screening.

3. **Setbacks.** Setbacks are required as set forth in Section 22.10.140, and structures and impervious surfaces shall be setback at least 50 feet from the upland extent of riparian vegetation of any watercourse, and 100 feet from any wetland.

4. **Nuisance Odor.** All cannabis processing shall be sited and /or operated in a manner that prevents cannabis nuisance odors from being detected offsite. All structures utilized for processing shall be equipped and/or maintained with sufficient ventilation controls (e.g. carbon scrubbers) to eliminate nuisance odor emissions from being detected offsite.

- E. **Required findings.** In addition to the mandatory findings required by Section 22.62.060.C.4, the Review Authority shall make the following additional findings in order to approve a land use permit under this subsection:

1. The cannabis processing facility, as proposed, will comply with all the requirements of State and County for the processing of cannabis, including dual licensure and participation in an authorized track and trace program;
2. The cannabis processing facility includes adequate quality control measures to ensure cannabis processed at the site meets State regulatory standards;
3. The cannabis processing facility includes adequate measures that address enforcement priorities for cannabis activities including restricting access to minors and ensuring that cannabis is obtained from and supplied only to other permitted licensed sources within the State and not distributed out of State.
4. The cannabis processing facility will not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility;

OR

Exhibit LRP2018-00006

(For location modifications only.) Specific conditions of the site and/or vicinity make the required six hundred (600) foot location standard from [libraries, parks, playgrounds, recreation centers, licensed drug or alcohol recovery facilities, or licensed sober living facilities] unnecessary or ineffective.

5. *(For processing sites with verified cannabis-related violations within the last twenty-four (24) months.)* The proposed project or use will not contribute to repeat violation on the site. The subject site is in compliance with all laws, rules, and regulations pertaining to land uses, building and construction, health and safety, and any other applicable provisions of this Title, and such violation processing fees have been paid.

22.40.070 - Cannabis Manufacturing

- A. **Limitation on use.** Non-volatile cannabis manufacturing facilities may be permitted in the Commercial Service (CS), Industrial (IND), and Agriculture (AG) land use categories subject to a land use permit, as required below. Cannabis manufacturing facilities involving volatile processes or substances (requiring a Type 7 volatile manufacturing State license) are prohibited. Cannabis manufacturing facilities in the Commercial Service land use category are limited to those sites within an Urban Reserve Line (URL) only. Cannabis manufacturing facilities in the Agriculture land use category are limited to the processing of the raw cannabis materials grown on site.

1. Limitations on type of manufacturing allowed on AG land.

- a. Manufacturing of cannabis not grown on site is prohibited.

1. Extraction shall be limited to the processing of raw cannabis materials grown on site.
2. Infusion is prohibited.
3. ~~Infusion shall be limited to 10,000 square feet of the cannabis canopy cultivated on site.~~

- b. ~~Chemical Products Manufacturing is prohibited, except for the infusion of cannabis into a cannabis product.~~

- c. ~~Food and Beverage Products manufacturing of cannabis products is allowed and is not limited to raw materials (non-cannabis) grown on site.~~

2. Limit on the size of manufacturing facilities on AG land. Cannabis manufacturing facilities (including all product and storage areas) within the AG land use category shall be limited to a maximum gross floor area of 2,500 square feet.

3. Ancillary Activity. Cannabis manufacturing operations may include the following ancillary activity:

- a. Cannabis transport. Only cannabis products manufactured on site may be transported to certain license types, as specified by State law. The transport operation shall be conducted from a non-residential structure.

B. Land use permit required.

1. **Minor Use Permit.** Non-volatile manufacturing facilities of less than 40,000 square feet shall require Minor Use Permit approval unless a Conditional Use Permit is required by another Section of this Title.
2. **Conditional Use Permit.** Non-volatile manufacturing facilities of 40,000 square feet or more shall require Conditional Use Permit approval.

C. Application requirements. In addition to any specific requirements in this Section, land use permit applications shall comply with the requirements of Chapter 22.60 and Section 22.40.040.

1. A complete description of all products used in the manufacturing process including the cannabis supply chain, liquids, solvents, agents, and processes.
2. Storage protocol and hazard response plan.
3. A security plan that includes lighting, security video cameras, alarm systems and secure area for cannabis storage. The security plan shall include a requirement that there be at least 30 (thirty) business days of surveillance video (that captures both inside and outside images) stored on an ongoing basis. The video system for the security cameras must be located in a locked, tamper-proof compartment.
4. Employee safety and training equipment plan, plus Materials Safety Data Sheet requirements, if any.

D. Manufacturing standards.

1. **Location.** Cannabis manufacturing shall not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility. Distance shall be measured from the structure that contains the cannabis ~~processing~~manufacturing facility to the property line of the enumerated use using a direct straight-line measurement. This location standard may be modified to reduce the distance below 600 feet from any library, park, playground, recreation center, licensed drug or alcohol recovery facility, or licensed sober living facility through Conditional Use Permit approval, provided the Commission first makes the findings specified in Section 22.40.070(E)(5).

- a. Limit on AG land. Cannabis manufacturing facilities shall not be located in a Flood Hazard Zone, or Sensitive Resource Area, ~~or~~

High Fire Hazard Severity Zone.

- b. Limit on AG land. Cannabis manufacturing facilities shall not be located on prime agricultural soils or on land under Williamson Act contract (does not apply to extraction of raw cannabis materials grown on site).
2. Rural character design criteria. Cannabis manufacturing facilities located outside of an Urban or Village Reserve Line (URL or VRL), shall be sited and designed (including, but not limited to, structures, pavement, fencing, signs, and exterior lighting) to be compatible with the rural character of the site and surrounding area. Factors to be considered include:
 - Avoiding the removal of native oak trees or other significant landscape
 - Minimizing grading
 - Minimizing negative effect on the night sky
 - Agrarian Architectural style
 - Offsite views of structures and screening.
3. **Setbacks.** Setbacks are required as set forth in Section 22.10.140, and structures and impervious surfaces shall be setback at least 50 feet from the upland extent of riparian vegetation of any watercourse, and 100 feet from any wetland.
4. **Nuisance odors.** All cannabis manufacturing shall be sited and/or operated in a manner that prevents cannabis nuisance odors from being detected offsite. All structures utilized for indoor cannabis manufacturing shall be equipped and/or maintained with sufficient ventilation controls (e.g. carbon scrubbers) to eliminate nuisance odor emissions from being detected offsite.
5. **Limitation on the manufacturing of cannabis edible products.** The manufacturing of cannabis edible products, as defined by this Title, that are in the shape of animals, people, insects, or fruit is prohibited.
6. The system used to manufacture shall comply with applicable Building Codes, Fire Codes, Engineering Codes and Cal-OSHA standards, California Building Code, California Electrical Code, California Mechanical Code, California Occupational Health and Safety Regulations, California Plumbing Code, California Energy Code, California Existing Building Code, California Green Building Standards Code, California Fire Code, California Health and Safety Code, National Fire Protection Association Standards, San Luis Obispo County Code and any fire and life safety requirements established by the Board or their designee.
7. The applicant shall have a registered professional engineer or a Certified Industrial Hygienist provide a statement to certify that the proposed manufacturing facility will comply with complies with the referenced codes and standards and will not pose a significant threat pursuant to Section E of this Ordinance.

E. Required findings. In addition to the mandatory findings required by Section 22.62.060.C.4, the Review Authority shall make the following additional findings in order to approve a land use permit under this subsection:

1. The cannabis manufacturing facility, as proposed, will comply with all the requirements of State and County for the manufacturing of cannabis, including dual licensure and participation in an authorized track and trace program;
2. The cannabis manufacturing facility does not pose a significant threat to the public or to neighboring uses from explosion or from release of harmful gases, liquids, or substances;
3. The cannabis manufacturing facility includes adequate quality control measures to ensure cannabis manufactured at the site meets industry standards and includes a documented employee safety training program, a Materials Data Safety Sheet (MSDS), and meets all requirements in the Health and Safety Code Section 11362.775, and as it may be amended;
4. The cannabis manufacturing facility includes adequate measures that address enforcement priorities for cannabis activities including restricting access to minors and ensuring that cannabis and cannabis products are obtained from and supplied only to other permitted licensed sources within the State and not distributed out of State.
5. The cannabis manufacturing facility will not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility;

OR

(For location modifications only.) Specific conditions of the site and/or vicinity make the required six hundred (600) foot location standard from [libraries, parks, playgrounds, recreation centers, licensed drug or alcohol recovery facilities, or licensed sober living facilities] unnecessary or ineffective.

6. *(For manufacturing sites with verified cannabis-related violations within the last twenty-four (24) months.)* The proposed project or use will not contribute to repeat violation on the site. The subject site is in compliance with all laws, rules, and regulations pertaining to land uses, building and construction, health and safety, and any other applicable provisions of this Title, and such violation processing fees have been paid.
7. *(For manufacturing on AG land) The cannabis manufacturing facility, as proposed, shall be clearly incidental and related to the primary operation of the cannabis cultivation in use and size and will not significantly alter or change the character of the cultivation operation occurring on the site.*

22.40.080 - Cannabis Testing Facilities

- A. Limitation on use.** Cannabis testing facilities may be permitted in the Commercial Service (CS) and Industrial (IND) land use categories subject to a land use permit. Cannabis testing facilities in the Commercial Service land use category are limited to those sites within an Urban Reserve Line (URL) only.
- B. Land use permit required.** Cannabis testing facilities of less than 20,000 square-feet shall require Minor Use Permit approval. Cannabis testing facilities of 20,000 square-feet or greater shall require Conditional Use Permit approval.
- C. Application requirements.** In addition to any specific requirements in this Section, land use permit applications shall comply with the requirements of Chapter 22.60, Section 22.40.040, and include an operations plan detailing how cannabis will be received, secured, tested, and destroyed upon completion.
- D. Cannabis testing facilities standards.**
- 1. Location.** Cannabis testing facilities shall not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility. Distance shall be measured from the structure that contains the dispensary testing facility to the property line of the enumerated use using a direct straight-line measurement. This location standard may be modified to reduce the distance below 600 feet from any library, park, playground, recreation center, licensed drug or alcohol recovery facility, or licensed sober living facility through Conditional Use Permit approval, provided the Commission first makes the findings specified in Section 22.40.080(E)(6).
 - 2. Setbacks.** Setbacks are required as set forth in Section 22.10.140, and structures and impervious surfaces shall be setback at least 50 feet from the upland extent of riparian vegetation of any watercourse, and 100 feet from any wetland.
- E. Required findings.** In addition to the mandatory findings required by Section 22.62.060.C.4, the Review Authority shall make the following additional findings in order to approve a land use permit under this subsection:
- 1.** The cannabis testing facility, as proposed, will comply with all the requirements of State and County for the testing of cannabis, including dual licensure and participation in an authorized track and trace program;
 - 2.** The owners, permittees, operators, and employees of the cannabis testing facility will not be associated with any other form of commercial cannabis activity;
 - 3.** The cannabis testing facility is accredited by an appropriate accrediting agency as

approved by the State and further described in Health and Safety Code Section 5238 and as it may be amended;

4. The cannabis testing facility operating plan demonstrates proper protocols and procedures for statistically valid sampling methods and accurate certification of cannabis and cannabis products for potency, purity, pesticide residual levels, mold, and other contaminants according to adopted industry standards.
5. The cannabis testing facility includes adequate measures that address enforcement priorities for cannabis activities including restricting access to minors and ensuring that cannabis and cannabis products are obtained from and supplied only to other permitted licensed sources within the State and not distributed out of State.
6. The cannabis testing facility will not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility;

OR

(For location modifications only.) Specific conditions of the site and/or vicinity make the required six hundred (600) foot location standard from [libraries, parks, playgrounds, recreation centers, licensed drug or alcohol recovery facilities, or licensed sober living facilities] unnecessary or ineffective;

7. *(For testing sites with verified cannabis-related violations within the last twenty-four (24) months.)* The proposed project or use will not contribute to repeat violation on the site. The subject site is in compliance with all laws, rules, and regulations pertaining to land uses, building and construction, health and safety, and any other applicable provisions of this Title, and such violation processing fees have been paid.

22.40.090 - Cannabis Dispensaries

A. Limitation on use.

1. Cannabis dispensary structures shall not be open to the public for retail sales. Only dispensaries requiring a Non-Storefront Retailer State license are allowed. Dispensaries requiring a Type 10 Retailer State license are prohibited.
2. Cannabis dispensaries not operating within a permanent structure (mobile retailers) are prohibited.
3. Cannabis dispensaries (non-storefront retailers) may be permitted in the Agriculture (AG), Commercial Service (CS) within an Urban Reserve Line

Exhibit LRP2018-00006

(URL) only, Industrial (IND), Residential Rural (RR), and Rural Lands (RL) land use categories subject to a land use permit.

4. Cannabis dispensaries in the RR and RL land use categories are limited to the dispensing of cannabis that is grown on site.
5. Cannabis dispensaries in the AG land use category are limited to the dispensing of cannabis that is grown on site, or cannabis products manufactured with cannabis grown on site.

B. Land use permit required. All cannabis dispensaries shall require Minor Use Permit approval unless a Conditional Use Permit is required by another Section of this Title.

C. Application requirements. In addition to any specific requirements in this Section, land use permit applications shall comply with the requirements of Chapter 22.60 and Section 22.40.040.

1. A security plan that includes lighting, security video cameras, alarm systems and secure area for cannabis storage. The security plan shall include a requirement that there be at least 30 (thirty) business days of surveillance video (that captures both inside and outside images) stored on an ongoing basis, and the surveillance video shall have real-time access for the Sheriff's Office. The video system for the security cameras must be located in a locked, tamper-proof compartment.

D. Dispensary standards.

1. Location.

- a. Cannabis dispensaries with storefronts not open to the public (mobile deliveries) shall not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility. Distance shall be measured from the structure that contains the dispensary to the property line of the enumerated use using a direct straight-line measurement. This location standard may be modified to reduce the distance below 600 feet from any library, park, playground, recreation center, licensed drug or alcohol recovery facility, or licensed sober living facility through Conditional Use Permit approval, provided the Commission first makes the findings specified in Section 22.40.090(E)(2).
- b. A new adjacent use does not affect the continuation of an existing use that was permitted and legally established under the standards of this Section.

2. **Setbacks.** Setbacks are required as set forth in Section 22.10.140, and structures and impervious surfaces shall be setback at least 50 feet from the upland extent of riparian vegetation of any watercourse, and 100 feet from any wetland.

3. **Hours of operation.** Dispensaries may operate from 8:00 a.m. until 8:00 p.m. daily.
 4. **Non-storefront retailers.** Deliveries from a legally established and permitted cannabis dispensary, within a permanent structure are allowed under this Section.
 5. **Mobile retailers.** Mobile retailers are prohibited.
- E. Required findings.** In addition to the mandatory findings required by Section 22.62.060.C.4, the Review Authority shall make the following additional findings in order to approve a land use permit under this subsection:
1. The cannabis dispensary, as proposed, will comply with all the requirements of State and County for the dispensing of cannabis, including dual licensure and participation in an authorized track and trace program;
 2. The cannabis dispensary will not be open to the public (non-storefront retailers only) and will not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility;
- OR
- (For location modifications only.)* Specific conditions of the site and/or vicinity make the required six hundred (600) foot location standard from [libraries, parks, playgrounds, recreation centers, licensed drug or alcohol recovery facilities, or licensed sober living facilities] unnecessary or ineffective.
3. The cannabis dispensary includes adequate measures that address enforcement priorities for cannabis activities including restricting access to minors, and ensuring that cannabis and cannabis products are obtained from and supplied only to other permitted licensed sources within the State and not distributed out of State.
 4. *(For dispensary sites with verified cannabis-related violations within the last twenty-four (24) months.)* The proposed project or use will not contribute to repeat violation on the site. The subject site is in compliance with all laws, rules, and regulations pertaining to land uses, building and construction, health and safety, and any other applicable provisions of this Title, and such violation processing fees have been paid.

22.40.100 - Cannabis Distribution Facilities

- A. Limitation on use.** Cannabis distribution facilities may be permitted in the Commercial

Service (CS) and Industrial (IND) land use categories subject to a land use permit. Cannabis distribution facilities in the Commercial Service land use category are limited to those sites within an Urban Reserve Line (URL) only.

B. Land use permit required.

1. **Minor Use Permit.** Distribution facilities of less than 40,000 square feet shall require Minor Use Permit approval unless a Conditional Use Permit is required by another Section of this Title.
2. **Conditional Use Permit.** Distribution facilities of 40,000 square feet or more shall require Conditional Use Permit approval.

C. Application requirements. In addition to any specific requirements in this Section, land use permit applications shall comply with the requirements of Chapter 22.60 and Section 22.40.040.

1. An operations plan detailing how, and from where, cannabis and cannabis products will be received, how any storage and distribution operations will be secured to prevent theft and trespass, and to whom the product will be distributed.
2. Loading areas.
3. Storage and handling plans.

D. Cannabis distribution facilities standards.

1. **Location.** Cannabis distribution facilities shall not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility. Distance shall be measured from the structure that contains the ~~dispensary-distribution facility~~ to the property line of the enumerated use using a direct straight-line measurement. This location standard may be modified to reduce the distance below 600 feet from any library, park, playground, recreation center, licensed drug or alcohol recovery facility, or licensed sober living facility through Conditional Use Permit approval, provided the Commission first makes the findings specified in Section 22.40.100(E)(3).
2. **Setbacks.** Setbacks are required as set forth in Section 22.10.140, and structures and impervious surfaces shall be setback at least 50 feet from the upland extent of riparian vegetation of any watercourse, and 100 feet from any wetland.

E. Required findings. In addition to the mandatory findings required by Section 22.62.060.C.4, the Review Authority shall make the following additional findings in order to approve a land use permit under this subsection:

1. The cannabis distribution facility, as proposed, will comply with all the

requirements of State and County for the distribution of cannabis, including dual licensure and participation in an authorized track and trace program;

2. The cannabis distribution facility operating plan demonstrates proper protocols and procedures that address enforcement priorities for cannabis activities including restricting access to minors and ensuring that cannabis and cannabis products are obtained from and supplied only to other permitted licensed sources within the State and not distributed out of State.
3. The cannabis distribution will not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility;

OR

(For location modifications only.) Specific conditions of the site and/or vicinity make the required six hundred (600) foot location standard from [libraries, parks, playgrounds, recreation centers, licensed drug or alcohol recovery facilities, or licensed sober living facilities] unnecessary or ineffective.

4. *(For distribution sites with verified cannabis-related violations within the last twenty-four (24) months.)* The proposed project or use will not contribute to repeat violation on the site. The subject site is in compliance with all laws, rules, and regulations pertaining to land uses, building and construction, health and safety, and any other applicable provisions of this Title, and such violation processing fees have been paid.

22.40.105 - Cannabis Transport Facilities

- A. **Limitation on use.** Cannabis transport-only facilities may be permitted in the Agriculture (AG), Rural Lands (RL), Residential Rural (RR), Residential Suburban (RS), Residential Single Family (RSF), Office and Professional (OP), Commercial Retail (CR), Commercial Service (CS) and Industrial (IND) land use categories subject to a land use permit. This does not include transport to end users or for retail sale (cannabis dispensary) or transport of nursery products (cannabis nursery). This section does not apply to the transport of cannabis when ancillary to an approved cannabis cultivation, cannabis nursery, or cannabis manufacturing land use permit.
- B. **Land use permit required.**
 1. **Zoning Clearance.** Cannabis transport facilities shall require a zoning clearance and business licenses approval pursuant to Section 22.62.030, unless a Minor Use Permit is required per subsection 2, or a Conditional Use Permit is required by another Section of this Title.

2. **Minor Use Permit.** Minor Use Permit approval is required where site disturbance of one acre or greater is proposed, or where grading is proposed on slopes of 10 percent or greater.

C. **Application requirements.** In addition to any specific requirements in this Section, land use permit applications for cannabis transport facilities shall comply with the requirements of Chapter 22.60 and Section 22.40.040.

1. Statement of understanding of and compliance with State law as applicable to the safe handling and transport of cannabis and cannabis products, including track-and-trace system requirements.
2. A list of the licenses types for which transport will be provided.
3. **Waiver of content.** The Director may waive the application requirements of both Sections 22.60 and 22.40.040 provided the circumstances or conditions described in Section 22.60.040.E apply.

D. **Cannabis transport facilities standards.**

1. **Location.** Cannabis transport facilities shall not be located within six hundred (600) feet from any pre-school, elementary school, junior high school, high school, or youth center. Distance shall be measured from the structure that contains the dispensary transport facility to the property line of the enumerated use using a direct straight-line measurement.
2. **Setbacks.** Setbacks are required as set forth in Section 22.10.140, and structures and impervious surfaces shall be setback at least 50 feet from the upland extent of riparian vegetation of any watercourse, and 100 feet from any wetland.
3. **Parking in commercial and industrial land use categories (OP, CR, CS and IND).** Off street parking shall be provided pursuant to Section 22.18.020 for “Other Offices”. Commercial vehicles shall be stored in compliance with Section 22.30.040.B.
4. **Requirements in AG, RL, RR, RS, and RSF land use categories.** The following standards apply in the Agriculture (AG), Rural Lands (RL), Residential Rural (RR), Residential Suburban (RS), and Residential Single Family (RSF) land use categories:
 - a. **Principal Use.** Notwithstanding subsection 2 above, thereNotwithstanding Section 22.40.040.Q there shall be a principal residence on the site of the transport facility.
 - b. **Employees.** No other person other than members of the household residing on the premises may be working at the site.

