



**COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING AND BUILDING
STAFF REPORT**

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PLANNING COMMISSION

MEETING DATE June 25, 2020	CONTACT/PHONE Kip Morais (805) 781-5136 kmorais@co.slo.ca.us	APPLICANT County of San Luis Obispo	FILE NO. LRP2019-00005 LRP2019-00006
SUBJECT Hearing to consider a request by the County of San Luis Obispo for an amendment to the Land Use Ordinance and Coastal Zone Land Use Ordinance, Title 22 and Title 23 of the County Code (LRP2019-00005. LRP2019-00006) as applicable to Cannabis Activities. The proposed amendments include enhanced enforcement violations, increased distance buffers from sensitive receptors, revisions to water offset requirements, disallowing re-permitting if an operation ceases or code violations occur, requiring fully enclosed ventilation systems, and revising standards for ancillary nursery to be encompassed in overall cannabis cultivation area.			
RECOMMENDED ACTION 1. Recommend the Board of Supervisors adopt the Notice of Exemption from CEQA; 2. Recommend the Board of Supervisors adopt amendments to Title 22 (Land Use Ordinance) of the County Code; and 3. Recommend the Board of Supervisors adopt amendments to Title 23 (Coastal Zone Land Use Ordinance) of the County Code.			
ENVIRONMENTAL DETERMINATION Also to be considered is the Environmental Determination that the project is exempt from CEQA, pursuant to Section 26055(h) of the California Business and Professions Code. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062.			
LAND USE CATEGORY All	COMBINING DESIGNATION Not Applicable	ASSESSOR PARCEL NUMBER Not Applicable	SUPERVISOR DISTRICT(S) All
PLANNING AREA STANDARDS: Not Applicable			
EXISTING USES: Not Applicable			
SURROUNDING LAND USE CATEGORIES AND USES: Not Applicable			
OTHER AGENCY / ADVISORY GROUP INVOLVEMENT: The proposed amendments were referred to: County Counsel, Cannabis Code Enforcement, Sheriff's Office, and Department of Agriculture/Weights and Measures			
TOPOGRAPHY: Not Applicable		VEGETATION: Not Applicable	
PROPOSED SERVICES: Not Applicable		AUTHORIZED FOR PROCESSING DATE: March 26, 2019	
<p align="center">ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE DEPARTMENT OF PLANNING & BUILDING AT: COUNTY GOVERNMENT CENTER γ SAN LUIS OBISPO γ CALIFORNIA 93408 γ (805) 781-5600 γ FAX: (805) 781-1242</p>			

PROJECT SUMMARY

On November 27, 2017, the Board of Supervisors (Board) adopted cannabis land use regulations. On June 19, 2018 during a cannabis program update, the Board directed staff to prepare amendments to the cannabis ordinance in two phases. Phase I amendments were adopted by the Board on December 10, 2019 and the Inland Land Use Ordinance (Title 22) amendments took effect January 11, 2019. The amendments to the Local Coastal Program (LCP), which included both amendments to the Land Use Plan (LUP) and Coastal Zone Land Use Ordinance (Title 23) were also approved by the board and forwarded to the California Coastal Commission (CCC) for consideration. On April 10, 2019, the California Coastal Commission approved the amendments with minor modifications. On June 4, 2019, the Board of Supervisors adopted the Phase II Cannabis Activities Ordinance Amendments. These amendments included further defining cannabis canopy, increasing flexibility for fencing and screening standards and additional clean up items.

On March 26, 2019, during a cannabis program update, the Board directed staff to prepare Phase III cannabis ordinance amendments. Phase III direction from the Board included eight specific items:

1. Establish enforcement related remedies for cannabis violations, including options and scenarios related to a “3-strike” policy
2. Increase buffer distance from schools and other sensitive receptors,
3. Evaluate and analyze options to prohibit outdoor cultivation
4. Disallow the payment of water offset fees over the Paso Robles Groundwater Basin
5. Disallow re-permitting if an operation ceases or violation occurs (no “revolving door”)
6. Require enclosed ventilation systems on indoor grows
7. Evaluate and analyze drying in hoop houses, and
8. Revise standards for ancillary nurseries to be encompassed in the overall cannabis cultivation area.

This staff report provides proposed Phase III Ordinance Amendments (Phase III) to the County’s Cannabis ordinance. Detailed discussion of each of the eight Board directed items can be found below. In addition, many clean-up items were included as part of the Phase III ordinance amendments. A summary of all the proposed amendments including the eight Board directed items and clean-up items is shown in the following table.

Table 1: Summary of Proposed Amendments

		Attachment 1
Applicability	Cross reference hemp ordinance	Page 2
Requirements for All Cannabis Activities	Modifications to Application Requirements	Pages 4 - 5
	Modifications to Previous Violations and Security	Page 6
	Modifications to Compliance, State License Required, Pesticides, and Monitoring Program	Pages 7 - 8

Cannabis Cultivation	Modifications to Limit on the number of cannabis cultivation sites	Page 9
	Modifications to Ancillary activities	Page 10
	Modifications to Land use permit required	Page 11
	Modifications to Application Requirements	Page 12
	Modifications to Cultivation Standards	Pages 13 - 14
	Modifications to Setbacks and Air Quality	Page 15
	Modifications to Water Requirements	Page 16
	Modifications to Screening and Fencing	Page 17 to 18
	Modifications to Nuisance Odors, Pesticides, and Outdoor Lighting	Pages 18 and 19
	Modifications to Required Findings	Page 20
Cannabis Nurseries	Modifications to Application requirements	Page 21
	Modifications to Location Standards	Page 22
	Modifications to Setbacks	Page 22 and 23
	Modifications to Water Requirements	Page 24
	Modifications to Fencing and Screening	Page 25
	Modifications to Nuisance Odor	Pages 25 and 26
	Modifications to Outdoor Lighting	Page 26
Cannabis Processing Facilities	Modifications to Application Requirements	Page 28
	Modifications to Setbacks	Page 29
	Modifications to Nuisance odor	Page 30
Cannabis manufacturing	Modifications to Limitations on type of manufacturing allowed on AG land	Page 31
	Modifications to Setbacks and Nuisance odors	Page 33
Cannabis Testing Facilities	Modifications to Setbacks	Page 36

Cannabis Dispensaries	Modifications to Application requirements	Page 38
	Modifications to Setbacks	Page 39
Cannabis Distribution Facilities	Modifications to Setbacks	Page 41
Cannabis Transport Facilities Standards	Modifications to Setbacks	Page 43
Grounds for Revocation	Modifications to Grounds for Revocation	Page 45
Enforcement	Modifications to Enforcement	Page 47 - 49
	New Section: Liability for Abatements Costs and/or Administrative Fines; Interest	Pages 52 - 55

Attachments ____ and ____, which show the actual ordinance changes, are presented in redline/strikeout where ~~deleted language appears like this~~ and new language appears like this.

DISCUSSION

1. Enhanced enforcement violations

Consistent with the Board direction at a cannabis program update on March 26, 2019, staff is recommending modifications to Section 22.40.040.C. and Section 22.40.110.J. The Board directed staff to explore options for a “three strikes and you’re out” policy and enforcing administrative fines via liens on property. Staff is proposing language where three or more violations would result in the site being ineligible to apply for a land use permit for a period of five (5) years from the date of the last verified violation. Section 22.40.040.C. has been modified to read as follows:

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. Any site proposing cannabis activities which has had three (3) or more verified violations of County ordinance or other laws relating to cannabis within the last twenty-four (24) months shall be ineligible to apply for land use permit approval for any cannabis activity for a period of five (5) years from the date of the last verified violation.

This section is reinforced in the Section 22.40.110. Grounds for Revocation, where subsection J. was added reading:

Without modifying or limiting the grounds for revocation set forth above, land use permit approval shall be deemed automatically revoked for five (5) years upon a finding that the

site has had three (3) or more verified violations of County ordinance or other laws relating to cannabis within the last twenty-four (24) months.

These sections use site rather than applicant, because of the potential for applicants to rearrange their entity structure, making it difficult to regulate. Site is also the most appropriate to regulate through the Land Use Ordinance, and the most straightforward to enforce. The revocation period of five-years was chosen, because that is the period of time for which a cultivation land use permit is valid. A perpetual revocation period was discussed, but staff is not recommending this as Counsel has provided input that a perpetual revocation period could be more difficult to enforce. Revocation hearings would be conducted by the Cannabis Hearing Officer (CHO). If three violations were confirmed the CHO would revoke the land use permit.

Staff is also proposing to add a section titled Liability for Abatement Costs and/or Administrative Fines; Interest in Section 22.40.130 Enforcement. This section establishes procedures for lien hearings and foreclosure proceedings as a way to re-coup abatement costs/ and or administrative fines that have not been paid within thirty days of service of notice of final determination.

2. Increase location and setback standards from schools and other receptors/uses

The Board provided direction to staff to increase the distance from cannabis cultivation to schools and other receptors and also to include a setback distance from single family residences under separate ownership. Staff looked at buffers from schools from other counties. Of the five other Counties examined: Nevada, Santa Barbara, Monterey, Humboldt, and Santa Cruz, all of them had buffers for schools between 600 and 750 feet, which is less than our current setback distance of 1,000 feet. Staff also looked at the average distance between proposed and approved cannabis grows in the districts that have the majority of grows (1, 4, and 5). It was found that, with the exception of Carrizo Plain, District 4 had the lowest average distance between cannabis grows (approved or proposed), with an average distance of approximately 1,400 feet. This number was rounded up to the 1,500-foot buffer that staff is recommending between cultivation sites. For consistency, staff is recommending increasing the location and setback standards for cannabis cultivation to 1,500 feet. Staff also analyzed the average distance in feet from existing grows to other receptors. This analysis is shown in the below table:

Table 2: Average Distance from Existing Grows to Sensitive Receptors

Receptor	Avg Distance in Feet
Preschools and Daycare Centers	94,982
Elementary Schools	24,902
Junior High/Middle Schools	101,886
High Schools	99,326
Parks	77,566
Libraries	99,322
Playgrounds	99,703
Alcohol and Drug Rehab Facilities (CHHS Licensed)	114,472

This shows the average distance from established cannabis grows to receptors far exceeds the proposed location standards increase from 1,000 to 1,500 feet. In addition to increasing location standards, staff is similarly recommending cultivation be setback 1,500 feet from existing offsite residences of separate ownership.

Another issue raised by the Board was limiting the over-concentration of cannabis cultivation. As previously mentioned, the highest concentration of existing cannabis cultivation operations and applications was found to be in Districts 1, 4, and 5. With the exception of the Carrizo Plain, which is somewhat of an outlier, the closest average proximity between grow sites occurred in District 4 with an average of approximately 1,400 feet. To establish setbacks between cannabis cultivation areas, this number was rounded up to 1,500 feet. Sections 22.40.050.D.1.b and 22.40.060.E.1.b. have been amended to include a 1,500-foot buffer between cannabis cultivation and nursery sites. Distances would be measured from the closest property line of the existing cultivation site to the closest property line containing the proposed cultivation site.

3. Disallowing outdoor cannabis cultivation grows

The Board also directed staff to evaluate and analyze options to disallow outdoor cultivation and analyze who would be affected if such an action were taken. Staff analyzed how many acres and applications would be affected by different implementations of an outdoor ban depending on how they were applied. In the current public hearing draft, staff is recommending adding subsection R (Application of Ordinance Amendments) to Section 22.40.040 (Requirements for All Cannabis Activities). The language in subsection R clarifies that new standards contained in the ordinance would apply to applications approved on or after the effective date of amendment and all later renewals. If this same approach were applied to banning outdoor cannabis cultivation, it would affect all outdoor application approved on or after the effective date, and renewal of all outdoor applications. At the time the analysis was conducted this has the potential to affect 123 applications and approximately 230 acres of outdoor cultivation (approved and under review), either at initial consideration if not yet approved or upon renewal if already approved. Approved applications (at the time of this analysis) that would be affected upon renewal total 12 outdoor cannabis applications and approximately 23 acres of outdoor cultivation. This number will increase as new applications are approved. For ordinance amendments, like banning outdoor cultivation or increasing setback requirements, which may materially impact current approved or pending applications, staff requests input from the Planning Commission about whether those specific modifications should apply to current pending projects and to future renewals of approved project, as would be the default, or if certain projects should be allowed to continue operating under previous requirements and under what conditions.

The results of banning outdoor grows raises the potential for environmental impacts by causing a shift in acreage to indoor cultivation in light of economic factors which may support a large amount of indoor cannabis cultivation. This shift could result in an increase in both electricity demand and GHG emissions. Based on the California Energy Commission Report prepared by Itron, Inc, (March 2006), a generic commercial building utilizes 21.25 kWh/sf annually (13.63 kWh from electricity and 7.62 kWh from natural gas). Information from the County of Santa Barbara assumes that indoor cannabis cultivation uses 200 kWh/sf annually and that mixed light (greenhouse) cannabis cultivation uses 110 kWh/sf annually (primarily from electricity). Energy use (electricity and natural gas) in excess of 20% of the energy use of a generic commercial building is generally considered inefficient and wasteful. In addition, indoor and mixed-light cannabis cultivation operations draw a higher energy demand in the evening and night, due to

the use of grow lighting. This energy is likely to be from a GHG emitting source, as the utility providers have little battery storage available to store the solar power that is generated in excess during the day. Using both the CalEEMOD and EPA GHG calculators, it is possible to determine GHG emissions from a “typical” amount of indoor or mixed light cultivation:

Table 1: GHG Emissions for Indoor and Mixed Light Cultivation

Table 3: GHG Emissions for Indoor and Mixed Light Cultivation

Use	Floor Area Sq.Ft.	Demand for Electricity kWh		GHG Emissions MT/Year CO ₂ e	
		Per Square Foot	Per Year	CalEEMOD	EPA
Indoor	22,000	200	4,400,000	2,570 (.117 per sf)	3,111 (.141 per sf)
Mixed-Light	22,000	110	2,420,000	1,285 (.058 per sf)	1,711 (.077 per sf)

CalEEMOD’s calculation of less GHG emissions using the same annual electricity demand is likely because California requires more electricity to be generated from sustainable sources. In both scenarios however, the SLOAPCD 1,150 MTCO₂e Bright Line threshold for GHG will be exceeded by many projects. Currently these increases are being offset by mitigation measures on a project specific basis. If outdoor cultivation were banned and growers shifted their acreage to indoor cultivation, those numbers could potentially increase significantly, depending in part on whether acreage allowances for indoor are modified and whether energy use is restricted or renewable energy requirements imposed by county ordinance.

Prohibiting outdoor cultivation would require a significant overhaul to the ordinance and could result in impacts not only to existing growers and applicants in the pipeline, but also raises concerns about the potential for cumulative environmental impacts in terms of energy and greenhouse gas emissions that would need to be addressed as part of the cannabis ordinance or project by project. There are potential benefits associated with eliminating outdoor grows as well. Eliminating outdoor grows can reduce odor impacts, either through reduction of overall acreage in the case that indoor acreage is not increased, or with an increase in indoor acreage where enclosed ventilation systems are required for indoor grows (see #6 below). Eliminating outdoor grows also has the potential to reduce visual impacts depending on whether indoor grow acreage is increased.

Should the Planning Commission wish suggest to the Board to establish an outdoor cultivation prohibition or limitation, the following are some options for your discussion.

- Prohibit outdoor cultivation and continue to allow indoor as established by the existing ordinance
- Prohibit outdoor cultivation but allow for an increased amount of indoor cultivation
- Reduce the amount of allowed outdoor cultivation (currently 3 acers) to a lesser amount and still allow indoor cultivation per the existing ordinance

Reduce the amount of allowed outdoor cultivation (currently 3 acers) to a lesser amount and allow for more square footage indoor cultivation square footage

Any changes suggested to the Board will be carried forward for their consideration. Staff will first need Board direction as to the specific nature of any changes related to outdoor cultivation. If

that direction is provided, staff will then return to the Planning Commission with proposed amendments for consideration.

4. Disallowing payment of fees in lieu of water offsets

The Board directed staff to disallow payment of in lieu fees instead of offsetting water use directly for cannabis cultivation and nurseries. This issue has been raised particularly with regards to the Paso Robles Groundwater Basin, where some applicants were initially allowed to pay in lieu fees to offset water use through Planning Area Standards in Section 22.94.025, Paso Robles Groundwater Basin. Fees from these programs were then used to fund “cash for grass” turf removal and plumbing retrofit programs over the basin. This is no longer the case. The concern was that the payment of in lieu fees to support Water Neutral New Development programs (especially over the Paso Robles Groundwater Basin) were not resulting in the required verifiable offsets at the 1:1 and 2:1 ratios over Level of Severity III basins and the Paso Robles Groundwater Basin Area of Severe Decline respectively. These offset programs were originally designed for development projects and it has become clear they are not suitable for cannabis. Currently all cannabis cultivation and nursery water offsets are being conditioned on a project specific basis. Staff has proposed the following revisions to Section 22.40.050.D.5.a and Section 22.40.060.E.5.c:

Cannabis nursery 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~~ Professional Geologist, Certified Engineering Geologist, or Certified Hydrogeologist 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. 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, prior to establishment of the use or receipt of Business License Clearance pursuant to 22.62.020, through an approved project specific or participation in 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, that has been subject to environmental review, expressly provides water offsets for cannabis activities, and results in a verifiable reduction of water demand equal to, or exceeding, the required water demand offset for the life of the project. For clarification and not limitation, Planning Area Standards under Article 9 of land use ordinance which apply water offset requirements on development for non-agricultural purposes, including but not limited to Section 22.94.025, do not apply to or supersede the offset requirements under this subsection for cannabis cultivation, nursery or processing uses.

These revisions provide two distinct routes through which a cannabis cultivation or nursery operation may offset their water use. The first is through an approved project specific offset. This is how all cannabis projects are currently being handled. These offsets are conditioned on a case by case basis through the discretionary permitting process. The second option allows for cannabis projects to offset through a County approved water conservation program that expressly provides water offsets for cannabis activities, and results in a verifiable reduction of water demand equal to, or exceeding, the required water demand offset for the life of the project. Such a

cannabis specific program does not currently exist. This language is designed to leave the option open for the future development of a cannabis specific water conservation program over Level of Severity III impacted groundwater basins should the Department receive such direction. Revisions to these sections also specify that payment into water offset requirements for development for non-agricultural purposes will not apply for cannabis cultivation and nursery offsets through planning area standards, which meets the Board's intent of disallowing payment of in-lieu fees that do not result in verifiable water demand offsets.

5. No re-permitting if an operation ceases or violations occur

The Board also directed staff to draft language to limit the total number of applications to 141. This was framed as “no revolving door”, or that if an application is denied or drops out, that application spot is closed. It is important to note that this would over time reduce the total number of cannabis operations in existence and potentially phase out cannabis activities all together over time. To meet this direction, staff modified the language in Section 22.40.050.A.2. to read as follows:

Limit on the number of cannabis cultivation sites. The total maximum number of applications accepted for processing for cannabis cultivation sites in the unincorporated portions of the County that cumulatively can be approved or accepted for processing shall be limited to 141. The revocation, expiration, rescission or termination of use permit approval, or the denial or withdrawal of an application accepted for processing, for cannabis cultivation on a site does not affect whether the above cap has been reached and whether any additional applications can be submitted. Once an application for a cannabis cultivation site has been accepted for processing or approved, the number of applications which can be accepted for processing for a cannabis cultivation site will be permanently reduced by one. In addition, the number of applications for cannabis cultivation which can be submitted at any one time shall be limited to 141, including permanent reduction for approved applications and applications accepted for processing regardless of whether those applications were subsequently withdrawn or approvals subsequently revoked. Renewal or modification of an approved land use permit does not qualify as a new application with regard to this limitation. Additional cultivation limitations shall be, ~~and~~ as follows:

This language limits the total number of Cannabis applications approved or accepted for processing to 141. “Accepted for processing” was chosen rather than applications submitted, because this eliminates incomplete applications taking up permit spaces. In addition, to meet the Board's direction, language was included that limits the number of applications submitted at any one time to 141 regardless of whether those applications are subsequently withdrawn or their approvals are revoked. This language does not, however, apply to renewals or modifications of approved applications, meaning if a cannabis operation comes in for renewal that renewal is not counted again toward the 141 total applications cap.

6. Enclosed Ventilation Systems on Indoor Grows

The Board directed staff to require enclosed filtration systems for indoor grow operations to address odor issues. Staff looked at how seven other counties handled filtration systems in their

ordinances. Humboldt County's ordinance incorporated more specific indoor ventilation system requirements which incorporated mechanical ventilation controls used in concert with carbon filtration defined ventilation. The words "in concert" are important because this allows for an exchange of air between the inside and outside but requires that the air be filtered before it leaves. This requirement is intended to address odors before they leave the indoor cultivation facility rather than neutralizing them afterwards through odor neutralizing sprays. Staff revised the performance standards under Section 22.40.050.D.8. Nuisance Odors to read as follows:

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 and ancillary processing, nursery, and distribution shall be equipped and/or maintained with sufficient ventilation controls, in concert with carbon filtration or other equivalent or superior method(s) of filtration, (e.g. carbon scrubbers) in a manner that results in the controlled exchange of air and to eliminate nuisance odor emissions from being detected outside of the structure offsite.

In addition, the performance standard has been tightened to eliminate nuisance odor emissions from being detected outside of the structure rather than simply offsite, and apply this performance standard to ancillary uses associated with indoor cultivation.

7. Drying cannabis in hoop structures

The Board directed staff to further evaluate and analyze allowing the use of hoop structures for drying cannabis products. According to the Building Department, drying is considered part of processing, which would be classified as an F occupancy and require a permitted building. The reason hoop houses are currently exempt from obtaining a building permit is because they are limited to crop protection; they are not intended to be used as a processing facility where employees would be present on a regular basis conducting work.

The California Building Code (CBC) contains the permitting requirements for hoop structures. Through adopted findings approved by the Building Standards Commission, Title 19 (SLO County Building and Construction Ordinance) exempts hoop structures and shade cloth structures from building permits when in compliance with Title 19 section 19.02.020 (f)(1)(j) and (k). When used in compliance with those Title 19 sections, hoop structures would be considered temporary in nature and would not be allowed to have electrical or plumbing. Greenhouses are required to be permitted and comply with the requirements of the CBC.

To allow for drying in hoop structures, the Board would need to give direction to amend Title 19 to require hoop structures to receive a building permit. This would have an impact on traditional agriculture, as they are not required to obtain permits for hoop houses for traditional crop production such as berries. These structures would need to comply with the provisions of the CBC regarding permanent foundations and membrane structures. The CBC would not allow electrical, mechanical, or plumbing (EM&P) within these structures. A greenhouse permit would be required if any EM&P is needed within the structure and would need to comply with Title 19, Table 903.1 for fire sprinklers. It is important to note this would change the permitting requirements for all hoop structures, not just ones for cannabis cultivation, so any change could also affect other agricultural crops. In addition, permitting hoop structures would create impacts at the Department's permit center, as each structure would require a separate building permit per the CBC. Currently the

Department does not have a fee for permitting hoops structures. It would be necessary to do a fee study as they currently do not fall within our adopted fee schedule. For these reasons, staff is not recommending amendments requiring permitting for hoop structures at this time.

8. Revising ancillary nursery standards

The Board directed staff to provide language for consideration revising the ancillary nursery standards so ancillary nursery square footage was included in the square footage of the overall cannabis cultivation area, rather than as an additional canopy area. This would ensure total canopy does not exceed 3 acres, whether immature or mature plants. To meet this direction, staff has modified Section 22.40.050.A.3 to read as follows:

Cannabis nursery. Up to 25% of the approved cannabis cultivation canopy, per Section 22.80.030, may be allocated for use as ancillary cannabis nursery canopy. 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. Any approved cannabis cultivation canopy solely allocated for use as an ancillary cannabis nursery canopy shall be subject to the location and setback standards set forth under Section 22.40.060.E.1 and 3.

Ancillary nurseries would be required to meet setbacks consistent with commercial nurseries.

ENVIRONMENTAL REVIEW / DETERMINATION

These amendments are exempt by statute from CEQA pursuant to Section 26055(h) of the California Business and Professions Code

REFERRALS

Staff sought comments from various departments regarding the amended cannabis ordinance, including County Counsel, Ag Commissioner, the Building Division, and the Sheriff's Office. Responses were received from County Counsel, the Ag Commissioner's Office, the Building Division and the Sheriff's Office. These comments were incorporated into the Public Hearing Draft.

ATTACHMENTS

The following attachments include all of the required documentation for amendments to the County Code to establish Industrial Hemp Cultivation. The proposed amendments are in legislative change format. Following the Planning Commission hearing on this item, the applicable draft resolution language will be prepared/ revised for the Board's review.

1. Findings
2. Title 22 Amendments (redline)
3. Title 23 Amendments (redline)

4. Notice of Exemption

Staff Report prepared by Kip Morais and reviewed by Brian Pedrotti and Airlin Singewald.