

**LRP2015-00009**

**AMENDMENTS TO TITLE 22 (NON-COASTAL ZONING) OF THE SAN LUIS OBISPO COUNTY CODE RELATING TO CANNABIS USES**

SECTION 1. Section 22.06.030.C, Table 2-2 – Allowable Land Uses and Permit Requirements, of the San Luis Obispo County Code is amended to read as follows:

**TABLE 2-2 - ALLOWABLE LAND USES AND PERMIT REQUIREMENTS**

Land Use <sup>(1) (2)</sup>	Permit Requirements By L.U.C. <sup>(3)</sup>						Specific Use Standards
	AG <sup>(8)</sup>	RL	RR	RS	RSF	RMF	
<b>Agriculture, Resource, and Open Space Uses</b>							
Ag Processing	A2	A2	CUP				22.30.070
Agricultural Accessory Structures	P	P	P	P			22.30.030,060
Animal Facilities - Specialized, except as follows	CUP	CUP	CUP	CUP			22.30.100
Animal hospitals & veterinary medical facilities	MUP	MUP	CUP				22.30.100
Beef and dairy feedlots	CUP	CUP					22.30.100
Fowl and poultry ranches	MUP	MUP	MUP	MUP			22.30.100
Hog ranches	CUP	CUP					22.30.100
Horse ranches and other equestrian facilities	MUP	MUP	MUP	MUP	CUP		22.30.100
Kennels (6)	A1	A1	A1	A1	A1	A1(7)	22.30.100
Zoos - Private, no display open to public	MUP	MUP	MUP				22.30.100
Zoos - Open to public							22.30.100
Animal Keeping	A2	A2	A2	A2	A2	A2	22.32.090
<u>Cannabis Cultivation</u>	<u>SP</u>	<u>SP</u>	<u>SP</u>				<u>22.40</u>
Crop Production and Grazing	A1	A1	A2	A2	A2	A2	22.30.200
Energy-generating facilities (9)	A2	A2	A2	A2	A2	A2	22.32
Fisheries and Game Preserves	A1	A1	A1				
Forestry	A1	A1	A1	A1			
Mines and quarries	A2	A2	A2				22.36
Nursery Specialties	A2	A2	A2	A2			22.30.310
Petroleum Extraction	A2	A2	A2	A2			22.34

**Key To Permit Requirements**

Symbol	Permit Requirement	Procedure is in Section:
A1	Allowable use, subject to the land use permit required by 22.08.030, Table 2-3	22.08.030
A2	Allowable use, subject to the land use permit required by the specific use standards.	22.30
P	Permitted use, Zoning Clearance required. (4)	22.62.030
SP	Permitted use, Site Plan Review required. (4)	22.62.040
MUP	Conditional use - Minor Use Permit required. (4)	22.62.050
CUP	Conditional use - Conditional Use Permit required. (4)	22.62.060
	Use not allowed. (See 22.06.030.C regarding uses not listed.)	22.06.030.C

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Land Use <sup>(1)(2)</sup>	Permit Requirements By L.U.C. <sup>(3)</sup>							Specific Use Standards
	OP	CR	CS	IND	OS	REC	PF	
<b>Agriculture, Resource, and Open Space Uses</b>								
Ag Processing			A2	A1				22.30.070
Agricultural Accessory Structures			P	P	SP(5)	P	P	22.30.030,060
Animal Facilities - Specialized, except as follows	CUP	CUP	CUP	CUP		CUP	CUP	22.30.100
Animal hospitals & veterinary medical facilities	A1	A1	A1	A1		MUP	A1	22.30.100
Beef and dairy feedlots				CUP				22.30.100
Fowl and poultry ranches	MUP			MUP			MUP	22.30.100
Hog ranches	MUP			MUP				22.30.100
Horse ranches and other equestrian facilities	MUP	MUP	MUP	MUP		MUP	MUP	22.30.100
Kennels (6)	A1	A1	A1	A1		A1(7)	A1	22.30.100
Zoos - Private, no display open to public	MUP	MUP	MUP	MUP		MUP	MUP	22.30.100
Zoos - Open to public						CUP	CUP	22.30.100
Animal Keeping		A2	A2	A2	A2	A2	A2	22.32.090
<u>Cannabis Cultivation</u>				<u>SP</u>				<u>22.40</u>
Crop Production and Grazing	A2	A2	A2	A2	A1	A1	A1	22.30.200
Energy-generating facilities (9)	A2	A2	A2	A2	A2	A2	A2	22.32
Fisheries and Game Preserves					SP(5)	A1		
Forestry					SP(5)	A1		
Mines and quarries					SP(5)	A1	A2	22.36
Nursery Specialties		A2	A2	A2				22.30.310
Petroleum Extraction			A2	A2	SP(5)	A2	A2	22.34

**NOTES (The following apply only to these two facing pages)**

- (1) See Article 8 for definitions of the listed land uses.
- (2) See Article 9 for any restrictions or special permit requirements for a listed use in a specific community or area.
- (3) L.U.C. means "land use category." See Section 22.04.020, Table 2-1, for a key to the land use category abbreviations.
- (4) Business License Clearance may also be required; see Section 22.62.020.
- (5) Use allowed on private land with Site Plan Review only when authorized by a recorded open space easement executed by the property owner and the County. Use allowed on public land subject to Conditional Use Permit approval.
- (6) Licensing of all kennels by the County Tax Collector is required by Section 9.04.120 of this Code.
- (7) Use limited to non-commercial kennels as defined by Section 9.04.110(t) of this Code.
- (8) Land uses on property under Williamson Act Contracts must adhere to the County's Rules of Procedure to Implement The California Land Conservation Act of 1965 (Table 2), individual Contracts, the provisions of the Williamson Act itself and any changes that may be made to it.
- (9) This use may not be allowable in every land use category. Refer to the standards in Chapter 22.32.

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Land Use <sup>(1) (2)</sup>	Permit Requirements By L.U.C. <sup>(3)</sup>						Specific Use Standards
	AG <sup>(12)</sup>	RL	RR	RS	RSF	RMF	
<b>Industry, Manufacturing &amp; Processing Uses</b>							
Apparel Products							
Cannabis Manufacturing (Non-volatile)	A1 (11)	A1 (11)					<a href="#">22.40</a>
Cannabis Transport and Distribution	A1 (11)	A1 (11)					<a href="#">22.40</a>
Chemical Product Manufacturing							22.30.160
Corrosive, Toxic, Explosive & Gaseous Product							22.30.160
Concrete, Gypsum & Plaster Products	SP(6)	SP(6)					
Electronics, Equipment & Appliances							
Food and Beverage Products	A1(11)	A1(11)					
Furniture & Fixture Products, Cabinet Shops							
Glass Products							
Lumber & Wood Products							
Machinery Manufacturing							
Metal Industries, Fabricated							
Metal Industries, Primary							
Motor Vehicles & Transportation Equipment							
Paper Products							
Paving Materials	SP(6)	SP(6)					
Petroleum Refining & Related Industries							22.32.050
Plastics and Rubber Products							
Printing and Publishing							
Recycling – Collection stations	SP	SP	SP	SP		SP	22.30.390
Recycling – Scrap & dismantling yards	CUP	CUP					22.30.380
Small Scale Manufacturing	MUP	MUP					22.30.550
Stone & Cut Stone Products	SP(6)	SP(6)					
Structural Clay & Pottery-Related Products	SP(6)	SP(6)					
Textile Products							
Warehousing, Wholesaling & Distribution	SP(10)	SP(10)				MUP(7)	22.30.640

**Key To Permit Requirements**

Symbol	Permit Requirement	Procedure is in Section:
A1	Allowable use, subject to the land use permit required by 22.08.030, Table 2-3	22.08.030
A2	Allowable use, subject to the land use permit required by the specific use standards.	22.30
P	Permitted use, Zoning Clearance required. (4)	22.62.030
SP	Permitted use, Site Plan Review required. (4)	22.62.040
MUP	Conditional use - Minor Use Permit required. (4)	22.62.050
CUP	Conditional use - Conditional Use Permit required. (4)	22.62.060
	Use not allowed. (See 22.06.030.C regarding uses not listed.)	22.06.030.C

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Land Use <sup>(1)(2)</sup>	Permit Requirements By L.U.C. <sup>(3)</sup>							Specific Use Standards
	OP	CR	CS	IND	OS	REC	PF	
<b>Industry, Manufacturing &amp; Processing Uses</b>								
Apparel Products			A1	A1				
<a href="#">Cannabis Manufacturing (Non-volatile)</a>			<a href="#">A1</a>	<a href="#">A1</a>				<a href="#">22.40</a>
<a href="#">Cannabis Transport and Distribution</a>			<a href="#">A2</a>	<a href="#">A2</a>				<a href="#">22.40</a>
Chemical Product Manufacturing				A2				22.30.160
Corrosive, Toxic, Explosive & Gaseous Product				CUP				
Concrete, Gypsum & Plaster Products			CUP	A1				
Electronics, Equipment & Appliances			A1	A1				
Food and Beverage Products		A1(8)	A1	A1				
Furniture & Fixture Products, Cabinet Shops			A1	A1				
Glass Products				A1				
Lumber & Wood Products				A1				
Machinery Manufacturing				A1				
Metal Industries, Fabricated			A1	A1				
Metal Industries, Primary				CUP				
Motor Vehicles & Transportation Equipment				CUP				
Paper Products				A1				
Paving Materials				A1				
Petroleum Refining & Related Industries				A2				22.32.050
Plastics and Rubber Products				CUP				
Printing and Publishing		A1(9)	A1	A1				
Recycling – Collection stations	SP	SP	SP	SP(5)	SP	SP	SP	22.30.390
Recycling – Scrap & dismantling yards			A2	A2			CUP	22.30.380
Small Scale Manufacturing		A1	A1	A1				22.30.550
Stone & Cut Stone Products			A1	A1				
Structural Clay & Pottery-Related Products				A1				
Textile Products				A1				
Warehousing, Wholesaling & Distribution			A1	A1			A1	22.30.640

**NOTES (The following apply only to these two facing pages)**

- (1) See Article 8 for definitions of the listed land uses.
- (2) See Article 9 for any restrictions or special permit requirements for a listed use in a specific community or area.
- (3) L.U.C. means "land use category." See Section 22.04.020, Table 2-1, for a key to the land use category abbreviations.
- (4) Business License Clearance may also be required; see Section 22.62.020.
- (5) Use allowed on private land with Site Plan Review only when authorized by a recorded open space easement executed by the property owner and the County. Use allowed on public land subject to Conditional Use Permit approval.
- (6) Allowable use limited to manufacturing operations for which the raw materials are extracted on-site.
- (7) Allowable use limited to personal storage ("mini-storage"), primarily serving residents in the same land use category.
- (8) Allowable use limited to bakeries, ice cream and candy shops, and other similar uses, where the majority of production is for on-site retail.
- (9) Allowable use limited to "quick printing" services and newspaper publishers.
- (10) Use limited to facilities that support approved agricultural production or processing on the same site.
- (11) Allowable use limited to the processing of raw materials grown on the site of the processing facility or on adjacent parcels.
- (12) Land uses on property under Williamson Act Contracts must adhere to the County's Rules of Procedure to Implement The California Land Conservation Act of 1965 (Table 2), individual Contracts, the provisions of the Williamson Act itself and any changes that may be made to it.

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Land Use <sup>(1)(2)</sup>	Permit Requirements By L.U.C. <sup>(3)</sup>						Specific Use Standards
	AG <sup>(9)</sup>	RL	RR	RS	RSF	RMF	
<b>Services</b>							
Auto & Vehicle Repair & Service							22.30.120
Banks & Financial Services							
Business Support Services							
<a href="#">Cannabis Testing Facility</a>							<a href="#">22.40</a>
Car was – Full Service							
Car wash – Self Service							
Cemeteries and Columbariums			CUP	CUP			22.30.150
Child Day Care – family Day Care Homes		A2	A2	A2	A2	A2	22.30.170
Child Day Care Centers		CUP	CUP	CUP	CUP	CUP	22.30.170
Construction Contractors							
Consumer Product Repair Services							22.30.190
Correctional Institutions		CUP					
Health Care Services							
Laundries & Dry Cleaning Plants							
Lodging – Bed & Breakfast Inns, 3 or fewer units	P	P	P	P		P	22.30.260
Lodging – Bed & Breakfast Inns, 4 or more units	MUP	MUP	MUP	MUP		MUP	22.30.260
Lodging – Emergency Shelters							22.30.265
Lodging – Homestays				P	P		22.30.270
Lodging – Hotels & Motels, 39 or fewer units							22.30.280
Lodging – Hotels & Motels, 40 or more units							22.30.280
Lodging – Hotels & Motels, condominium							22.30.290
Lodging – Recreation Vehicle Parks							22.30.300
<b>Offices</b>							
Offices – Temporary during construction	P	P	P	P	P	P	22.30.600
Offices – Temporary in advance of construction	MUP	MUP	MUP	MUP	MUP	MUP	22.30.600
Personal Services					CUP	CUP	22.30.350
Public Safety Facilities	CUP	CUP	CUP	CUP	CUP	CUP	
<b>Social Service Organizations</b>							
Storage – Accessory	A1	A2	A2	A2	A2	A2	22.30.040
Storage – Outdoor Storage Yards							22.30.560
Temporary Construction Yards (Off-Site)	MUP	MUP	MUP	MUP	MUP	MUP	22.30.620
Waste Disposal Sites	CUP	CUP					

**Key To Permit Requirements**

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SP	Permitted use, Site Plan Review required. (4)	22.62.040
MUP	Conditional use - Minor Use Permit required. (4)	22.62.050
CUP	Conditional use - Conditional Use Permit required. (4)	22.62.060
	Use not allowed. (See 22.06.030.C regarding uses not listed.)	22.06.030.C

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Land Use <sup>(1)(2)</sup>	Permit Requirements By L.U.C. <sup>(3)</sup>							Specific Use Standards
	OP	CR	CS	IND	OS	REC	PF	
<b>Services</b>								
Auto & Vehicle Repair & Service			A1	A1				22.30.120
Banks & Financial Services	A1	A1				SP		
Business Support Services			A1	A1				
<a href="#">Cannabis Testing Facility</a>			<a href="#">A1</a>	<a href="#">A1</a>				<a href="#">22.40</a>
Car wash – Full Service			A1	A1				
Car wash – Self Service			A2	A2				
Cemeteries and Columbariums							CUP	22.30.150
Child Day Care – family Day Care Homes	A2					A2		22.30.170
Child Day Care Centers	CUP					CUP		22.30.170
Construction Contractors			A1	A1				
Consumer Product Repair Services		A1	A1	A1				22.30.190
Correctional Institutions							CUP	
Health Care Services						MUP	A1	
Laundries & Dry Cleaning Plants			A1	A1				
Lodging – Bed & Breakfast Inns, 3 or fewer units	P	P	P			P		22.30.260
Lodging – Bed & Breakfast Inns, 4 or more units	MUP	MUP	MUP			MUP		22.30.260
Lodging – Emergency Shelters			A2	A2			A2	22.30.265
Lodging – Homestays								22.30.270
Lodging – Hotels & Motels, 39 or fewer units	MUP	MUP	MUP			CUP	MUP(6)	22.30.280
Lodging – Hotels & Motels, 40 or more units	CUP	CUP	CUP			CUP	CUP(6)	22.30.280
Lodging – Hotels & Motels, condominium	CUP	CUP	CUP			CUP		22.30.290
Lodging – Recreation Vehicle Parks		CUP(8)	CUP(8)			CUP(8)		22.30.300
Offices	A1	A1	A1	A1			A1	
Offices – Temporary during construction	P	P	P	P		P	P	22.30.600
Offices – Temporary in advance of construction	MUP	MUP	MUP	MUP		CUP	CUP	22.30.600
Personal Services	A1	A1	A1			MUP		22.30.350
Public Safety Facilities	MUP	MUP	MUP	MUP	SP(5)	MUP	MUP	
Social Service Organizations	A1	A1	A1	MUP			MUP	
Storage – Accessory	A2	A2	A2	A2	SP(5)	A2	A2	22.30.040
Storage – Outdoor Storage Yards			A1	A1		A1(7)	A1	22.30.560
Temporary Construction Yards (Off-Site)		SP	SP	SP		MUP	MUP	22.30.620
Waste Disposal Sites				CUP			CUP	

**NOTES (The following apply only to these two facing pages)**

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- (4) Business License Clearance may also be required; see Section 22.62.020.
- (5) Use allowed on private land with Site Plan Review only when authorized by a recorded open space easement executed by the property owner and the County. Use allowed on public land subject to Conditional Use Permit approval.
- (6) Allowable use limited to sites with public airport or port facilities
- (7) Allowable use limited to storage yards for recreational vehicles and boats.
- (8) Use also requires authorization from the California Department of Housing and Community Development.
- (9) Land uses on property under Williamson Act Contracts must adhere to the County's Rules of Procedure to Implement The California Land Conservation Act of 1965 (Table 2), individual Contracts, the provisions of the Williamson Act itself and any changes that may be made to it.

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Land Use <sup>(1) (2)</sup>	Permit Requirements By L.U.C. <sup>(3)</sup>						Specific Use Standards
	AG <sup>(7)</sup>	RL	RR	RS	RSF	RMF	
<b>Retail Trade Uses</b>							
Ag Retail Sales	SP	SP	SP(6)	SP(6)			22.30.075
Auto, Mobile Home & Vehicle Dealers - Indoor							22.30.110
Auto, Mobile Home & Vehicle Dealers - Outdoor							22.30.330
Automobile Service Stations/Gas Stations							22.30.130
Building Materials and Hardware							22.30.140
with retail "Ready-mix" concrete sales							
<a href="#">Cannabis Dispensaries</a>							<a href="#">22.40</a>
Convenience & Liquor Stores							22.30.570
Farm Equipment & Supplies Sales	A2	A2	A2				22.30.210
Fuel Dealers							22.30.220
Furniture, Home Furnishings & Equipment							
General Retail							
<del>Medical Marijuana Dispensaries</del>							<del>22.30.225</del>
Grocery Stores			CUP	CUP	CUP	CUP	22.30.570
Mail Order & Vending							
Outdoor Retail Sales	A2	A2	A2				22.30.330
Restaurants	CUP		CUP	CUP		CUP	22.30.570
Sales Lots							22.30.530
Swap Meets							22.30.530

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<b>Retail Trade Uses</b>								
Ag Retail Sales						SP(6)		22.30.075
Auto, Mobile Home & Vehicle Dealers - Indoor		A1	A1	A1				22.30.110
Auto, Mobile Home & Vehicle Dealers - Outdoor		MUP(5)	MUP	MUP				22.30.330
Automobile Service Stations/Gas Stations		MUP	SP	SP		MUP		22.30.130
Building Materials and Hardware		A1	A1	A1				22.30.140
with retail "Ready-mix" concrete sales			CUP	A1				
<u>Cannabis Dispensaries</u>		<u>MUP</u>	<u>MUP</u>					<u>22.40</u>
Convenience & Liquor Stores	MUP	A1	A1	SP		CUP		22.30.570
Farm Equipment & Supplies Sales			A1	A1				22.30.210
Fuel Dealers			A1	A1				22.30.220
Furniture, Home Furnishings & Equipment		A1	A1					
General Retail		A1	A1					
<del>Medical Marijuana Dispensaries</del>		<del>MUP</del>	<del>MUP</del>					<del>22.30.225</del>
Grocery Stores	MUP	A1	A1	SP		CUP		22.30.570
Mail Order & Vending		A1	A1	A1				
Outdoor Retail Sales	A2	A2	A2	A2		A2	A2	22.30.330
Restaurants	MUP	A1	A1	MUP		CUP		22.30.570
Sales Lots			A2	A2				22.30.530
Swap Meets			MUP	MUP				22.30.530

**NOTES (The following apply only to these two facing pages)**

- (1) See Article 8 for definitions of the listed land uses.
- (2) See Article 9 for any restrictions or special permit requirements for a listed use in a specific community or area.
- (3) L.U.C. means "land use category." See Section 22.04.020, Table 2-1, for a key to the land use category abbreviations.
- (4) Business License Clearance may also be required; see Section 22.62.020.
- (5) Use not allowed within a central business district.
- (6) Minor Use Permit approval required if a public hearing is requested in compliance with Section 22.30.075.C..
- (7) Land uses on property under Williamson Act Contracts must adhere to the County's Rules of Procedure to Implement The California Land Conservation Act of 1965 (Table 2), individual Contracts, the provisions of the Williamson Act itself and any changes that may be made to it.



SECTION 2. Section 22.30.225 of the San Luis Obispo County Code is deleted.

SECTION 3. Section 22.80.030 of the San Luis Obispo County Code is amended to include the following:

**Cannabis.** All parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof, the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Cannabis” also means the separated resin, whether crude or purified, obtained from marijuana. “Cannabis” also means marijuana as defined by Section 11018 of the Health and Safety Code.

**Cannabis, medical.** “Medical cannabis” or “Medical cannabis product” means a product containing cannabis, including, but not limited to, concentrates and extractions, intended to be sold for use by medical cannabis patients in California pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code. For the purposes of this Title, “cannabis” does not include “industrial hemp” as defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the Health and Safety Code.

**Cannabis Activity.** The cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, delivery, or sale of cannabis or a cannabis product.

**Cannabis Canopy.** All areas occupied by any portion of a cannabis plant, encompassing all vertical planes (i.e. stacking of plants), whether contiguous or noncontiguous on any one site. “Cannabis Canopy” shall be measured by taking the longest length and widest width of existing plants (including all gaps and open areas between plants) and multiplying the length and width to get square footage.

**Cannabis Cultivation.** Any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

**Cannabis Delivery.** The commercial transfer of cannabis or cannabis products from a licensed dispensary, up to an amount allowed by the Bureau of Marijuana Control or its successor, to a primary caregiver, qualified patient, or customer as defined in Section 11362.7 of the California Health and Safety Code, a licensed cannabis dispensary, or a licensed testing laboratory.

**Cannabis Dispensary.** A facility where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers cannabis and cannabis products as part of a retail sale.

**Cannabis Distribution.** The procurement, sale, and transport of cannabis and cannabis products between entities authorized pursuant to this chapter.

**Cannabis Greenhouse.** A fully enclosed permanent structure that is clad in transparent material with climate control, such as heating and ventilation capabilities and supplemental artificial lighting, and that uses a combination of natural and supplemental artificial lighting for cultivation. For the purposes of this Chapter, greenhouses used to cultivate cannabis are considered indoor cultivation.

**Cannabis Hoop Structure.** A readily removable plastic covered hoop structure without in ground footings or foundations, that are not more than 12 feet in height. Hoop structures accessory to residential uses shall not exceed 120 square-feet. For the purposes of this Chapter, hoop structures used to cultivate cannabis are considered outdoor cultivation.

**Cannabis Manufacturing (Volatile).** The production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis or by a combination of extraction 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.

**Cannabis Manufacturing (Non-volatile).** The production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis, using non-volatile organic compounds, at a fixed location, that packages or repackages cannabis or cannabis products, or labels or relabels its containers.

**Cannabis Nursery.** A licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis. Cultivation as a cannabis nursery may be considered indoor cultivation (see “cannabis greenhouse”) or outdoor cultivation.

**Cannabis Primary Caregiver.** The same definition as in Section 11362.7 of the California Health and Safety Code, as it may be amended.

**Cannabis Testing Facility.** A facility, entity, or site in the state that offers or performs test of cannabis or cannabis products and that is both accredited by an accrediting body that is independent from all other persons involved in the cannabis industry in the state, and registered with the California State Department of Public Health.

**Cannabis Transport.** Transfer of cannabis or cannabis products from the permitted business location of one licensee to the permitted business location of another licensee, for the purposes of conducting commercial cannabis activity authorized pursuant to the California Business & Professions Code Sections 19300, et seq. and 26000, et seq.

**Marijuana.** See “Cannabis”.

**Medical Cannabis.** See “Cannabis, medical”.

**Medical Marijuana.** See “Cannabis, medical”.

SECTION 4. Chapter 22.40 is added to the San Luis Obispo County Code to read as follows:

**Chapter 22.40**  
**COMMERCIAL CANNABIS ACTIVITIES**

**Sections:**

- 22.40.010 – Purpose**
- 22.40.020 – Application Requirements**
- 22.40.030 – Cannabis Cultivation**
- 22.40.040 – Cannabis Manufacturing**
- 22.40.050 – Cannabis Testing Facilities**
- 22.40.060 – Cannabis Dispensaries**
- 22.40.070 – Cannabis Transport and Distribution**
- 22.40.080 – Exemptions**
- 22.40.090 – Permit Requirements**
- 22.40.100 – Grounds for Suspension or Revocation**
- 22.40.110 – Procedure for Suspension or Revocation**
- 22.40.120 – Enforcement**

**22.40.010 Purpose**

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 pursuant to Chapter 22.80 (“Definitions”) of Title 22, includes the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, 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.

**22.40.020 Application Requirements**

Except as provided in Section 22.40.080 (“Exemptions”) 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.

- A. Applicability.** In addition to any specific requirements in this Section, land use permit applications shall comply with the requirements of Chapter 22.60 (“Permit Application Filing and Processing”) and shall also describe:
  - 1. Requirements for all Applications:**
    - a. Site plan, floor plans, conceptual improvement plans, and a general description of the nature, size, and type of commercial cannabis activity(ies) being requested.
    - b. An operations plan including at a minimum, the following information:

- i. On-site security measures both physical and operational and, if applicable, security measures for the delivery of cannabis associated with the commercial cannabis business;
    - ii. Standard operating procedures manual detailing how operations will comply with State and local requirements; how safety and quality of products will be ensured; record keeping procedures for financing, testing, and adverse effect recording; and product recall procedures;
    - iii. Proposed hours of operation;
    - iv. Odor prevention devices;
    - v. Size, height, colors, and design of any proposed signage at the site; and
    - vi. Parking plan.
  - c. Applicants who own less than 50% of the property intended for a cannabis use must provide written consent from the majority owner(s) of the property authorizing the application submittal.
2. **Additional Requirements for Cannabis Cultivation:** In reviewing an application for a Land Use Permit to cultivate cannabis, the Director of Planning or his or her designee may request the following additional information:
  - a. A water management plan including the proposed water supply proposed conservation measures, and any water offset requirements.
3. **Additional Requirements for Cannabis Manufacturing:** In reviewing an application for a Land Use Permit to operate a cannabis manufacturing facility, the Director of Planning or his or her designee may request the following additional information:
  - a. Information on products used in the manufacturing process including the cannabis supply chain, liquids, solvents, agents, and processes. Cannabis shall be obtained from a licensed cultivator or licensed distributor operating in compliance with all local and state laws;
  - b. Storage protocol and hazard response plan;
4. **Additional Requirements for Cannabis Testing Facilities:** In reviewing an application for a Land Use Permit to operate a cannabis testing facility, the Director of Planning or his or her designee may request the following additional information:
  - a. An operations plan detailing how cannabis will be received, secured, tested,

and destroyed upon completion; and

- b. Proposed procedures for record keeping including chain of custody control and certificate issuance.

**5. Additional Requirements for Cannabis Dispensaries:** In reviewing an application for a Land Use Permit to operate a cannabis dispensary, the Director of Planning or his or her designee may request the following additional information:

- a. **Security Plan.** A security plan shall be submitted with the Minor Use Permit Application that includes lighting, security video cameras, alarm systems and secure area for medical 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.

**6. Cannabis Transportation and Distribution Facilities:** In reviewing an application for a Land Use Permit to operate a cannabis transportation and/or distribution facility, the Director of Planning or his or her designee may request the following additional information:

- a. An operations plan detailing how, and from where, cannabis and cannabis products will be received, how any storage, distribution, and transportation operations will be secured to prevent theft and trespass, and to whom the product will be distributed;
- b. Quality control inspections and requirements plan;
- c. Vehicle parking and loading areas;
- d. Storage and handling plans; and
- e. Any other information requested by the Director of Planning.

**22.40.030 Requirements for Cannabis Cultivation.**

- A. **Applicability.** Except as provided in Section 22.40.080 (“Exemptions”) of this Chapter, 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 be further restricted by this Title. Cannabis cultivation is not considered “crop production and grazing” as that term is defined in the San Luis Obispo County Land Use Element and is therefore not exempt from permitting requirements. One or more of the following specific License Types, corresponding to state cultivator license types generally set forth in California Business and Professions Code section 19332(g) and section 26050, shall be maintained in good status by the Permittee in order for a Land Use Permit

issued under this Chapter to be valid. All nonmedical license types are distinct from medical cannabis licenses and shall bear a nonmedical (NM) designation.

1. **Type 1/Type 1 (NM)** or “specialty outdoor” means outdoor cultivation using no artificial lighting and having no more than fifty (50) mature plants or five thousand (5,000) square feet of total canopy size, whichever is less, on one site;
2. **Type 1A/Type 1A (NM)** or “specialty indoor” means cultivation using exclusively artificial lighting, is entirely contained within a structure, and having no more the fifty (50) mature plants or five thousand (5,000) square feet of total canopy size, whichever is less, on one site;
3. **Type 1B/Type 1B (NM)** or “specialty mixed-light” means cultivation using a combination of natural and supplemental artificial lighting, and having no more the fifty (50) mature plants or five thousand (5,000) square feet of total canopy size, whichever is less, on one site;
4. **Type 1C** or “specialty cottage” means outdoor cultivation using a combination of natural and supplemental artificial lighting, of two thousand five hundred (2,500) square feet or less of total canopy size for mixed-light cultivation, up to twenty five (25) mature plants for outdoor cultivation, or five hundred (500) square feet or less of total canopy size for indoor cultivation, on one site;
5. **Type 2/Type 2 (NM)** or “small outdoor” means outdoor cultivation using no artificial lighting and having a total canopy size between five thousand one (5,001) and ten thousand (10,000) square feet, on one site;
6. **Type 2A/Type 2A (NM)** or “small indoor” means indoor cultivation exclusively using artificial lighting and having a total canopy size between five thousand one (5,001) and ten thousand (10,000) square feet, on one site;
7. **Type 2B/Type 2B (NM)** or “small mixed-light” means cultivation using a combination of natural and supplemental artificial lighting and having a total canopy size between five thousand one (5,001) and ten thousand (10,000) square feet, on one site;
8. **Type 3/Type 3 (NM)** or “outdoor” means outdoor cultivation using no artificial lighting and having a total canopy area between ten thousand one (10,001) square feet and one (1) acre, on one site;
9. **Type 3A/Type 3A (NM)** or “indoor” means indoor cultivation using exclusively artificial lighting and having a total canopy area between ten thousand one (10,001) and twenty two thousand (22,000) square feet, on one site;
10. **Type 3B/Type 3B (NM)** or “mixed-light” means cultivation using a combination of natural and supplemental artificial lighting and having a total canopy area of between ten thousand one (10,001) and twenty two thousand (22,000) square feet,

on one site;

11. **Type 4/Type 4 (NM)** or “nursery” means cultivation of cannabis solely as a nursery; and

***{NOTE: Type 5/A/B (NM) licenses are not proposed to be allowed at this time;}***

***{NOTE: Type 12 (NM) are not proposed to be allowed at this time (no cross-over land use categories for cultivation/manufacturing/dispensaries)}***

**B. Requirements.** Cannabis cultivation shall comply with all of the following requirements. The number of individual cultivation licenses per site shall not cumulate or exceed canopy size limits as impose by this Chapter, and shall comply with state regulations regarding licenses per site.

1. **Limit on the Number of Land Use Permits Allowed.** Total Land Use Permits authorizing cannabis cultivation within the unincorporated areas of the county shall not exceed 100 permits at any time. Cannabis cultivation sites authorized pursuant to Section 22.40.080 (“Exemptions”) of this Chapter are not included in the 100 permit limit.
2. **Structures.**
  - a. In no case shall a building intended for residential use be used for the cultivation of cannabis, except as provided by Section 22.40.080 (“Exemptions”) of this Chapter.
3. **Water.** Cannabis cultivation sites located in an area 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, and a detailed description of how the new water demand will be offset. New water demand shall be offset at a 1:1 ratio.
4. **Cannabis Cultivation in the Agriculture Land Use Category.**
  - a. **License Types Allowed.** The following table demonstrates cultivation license types that allow cultivation in the Agriculture land use category:

License Type	1 1(NM)	1A 1A(NM)	1B 1B(NM)	1C	2 2(NM)	2A 2A(NM)	2B 2B(NM)	3 3(NM)	3A 3A(NM)	3B 3B(NM)	4 4(NM)
Prime / Important <sup>1</sup>	SP			SP	SP			SP			SP <sup>2</sup>
Not Prime/ Important <sup>1</sup>	SP	SP	SP	SP	SP	SP	SP	SP	SP	SP	SP <sup>2</sup>

(1) Prime/Important means those parcels that are identified as “Prime Farmland” (Class I and Class II irrigated soils) or “Farmland of Statewide Importance” according to the U.S. Natural Resource Conservation Service.

- (2) Permit level based on size and road improvement level; see subsection c below

SP - Permitted use, Site Plan Review required

MUP – Conditional Use, Minor Use Permit required

- Use not allowed

- b. Permit Required.** Land use permit review and approval is required for all cannabis cultivation in the Agriculture land use category, as provided in subsection a., except as provided by Section 22.40.080 of this Chapter (“Exemptions”). The permit level for nursery licenses shall be required as determined in subsection c, below.

Site Plan Reviews shall include an environmental determination pursuant CEQA when:

- i. The site is located within a Sensitive Resource Area (SRA); or
- ii. There is identified habitat for state or federally listed wildlife or plant species or designated critical habitat on or adjacent to the project site.

- c. Nurseries.** The permit level for nursery licenses shall be required as follows:

Existing Road Improvement <sup>1</sup>	Permit Requirement Based on Floor Area of Structure (in square-foot)			
	Less than 20,000	20,000 to 39,999	40,000 to 74,999	75,000 and more
Unpaved <sup>3</sup>	Site Plan	Site Plan	Minor Use Permit	Conditional Use Permit
Paved <sup>2</sup>	Site Plan	Site Plan	Site Plan	Minor Use Permit

- (1) From the property frontage to the nearest county-maintained road.
- (2) Surface shall be asphalt or concrete as specified in the San Luis Obispo Standard Specifications and Improvement Drawings and in conformance with the width and grade requirements of Section 22.54.020.E.
- (3) Greenhouses 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 Director.
  - 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:
    - i. The formation of an assessment district or;
    - ii. 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. Cannabis Cultivation in the Rural Lands Land Use Category.**

**a. License Type Allowed.** The following table demonstrates cultivation license types that allow cultivation in the Rural Lands land use category:

License Type	1 1(NM)	1A 1A(NM)	1B 1B(NM)	1C	2 2(NM)	2A 2A(NM)	2B 2B(NM)	3 3(NM)	3A 3A(NM)	3B 3B(NM)	4 4(NM)
Rural Lands	SP	SP	SP	SP	SP	SP	SP	SP	SP	SP	SP <sup>1</sup>

(1) Permit level based on size and road improvement level; see subsection c below

SP - Permitted use, Site Plan Review required

MUP – Conditional use, Minor Use Permit required

- Use not allowed

**b. Permit Required.** Land Use Permit review and approval is required for all cannabis cultivation in the Rural Lands land use category, except as provided by Section 22.40.080 of this Chapter. The permit level for nursery licenses shall be required as determined in subsection c, below.

Site Plan Reviews shall include an environmental determination pursuant CEQA when:

- i. The site is located within a Sensitive Resource Area (SRA); or
- ii. There is identified habitat for state or federally listed wildlife or plant species or designated critical habitat on or adjacent to the project site.

**c. Nurseries.** The permit level for nursery licenses shall be required as follows:

Existing Road Improvement <sup>1</sup>	Permit Requirement Based on Floor Area of Structure (in square-feet)			
	Less than 20,000	20,000 to 39,999	40,000 to 74,999	75,000 and more
Unpaved <sup>3</sup>	Site Plan	Site Plan	Minor Use Permit	Conditional Use Permit
Paved <sup>2</sup>	Site Plan	Site Plan	Site Plan	Minor Use Permit

(1) From the property frontage to the nearest county-maintained road.

(2) Surface shall be asphalt or concrete as specified in the San Luis Obispo Standard Specifications and Improvement Drawings and in conformance with the width and grade requirements of Section 22.54.020.E.

(3) Greenhouses 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 Director.

- 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:
  - i. The formation of an assessment district or;
  - ii. 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.

**6. Cannabis Cultivation in the Residential Rural Land Use Category.**

- a. **License Type Allowed.** The following table demonstrates cultivation license types that allow cultivation in the Residential Rural land use category:

License Type	1 1(NM)	1A 1A(NM)	1B 1B(NM)	1C	2 2(NM)	2A 2A(NM)	2B 2B(NM)	3 3(NM)	3A 3A(NM)	3B 3B(NM)	4 4(NM)
Residential Rural	SP	SP	SP	SP	SP	SP	SP				

SP - Permitted use, Site Plan Review required

- Use not allowed

- b. **Permit Required.** Site plan review and approval is required for all cannabis cultivation in the Residential Rural land use category, except as provided by Section 22.40.080 of this Chapter.

Site Plan Reviews shall include an environmental determination pursuant CEQA when:

- i. The site is located within a Sensitive Resource Area (SRA); or
- ii. There is identified habitat for state or federally listed wildlife or plant species or designated critical habitat on or adjacent to the project site.

**7. Cannabis Cultivation in the Industrial Land Use Category.**

- a. **License Type Allowed.** The following table demonstrates which cultivation types are allowed in the Industrial land use category:

License Type	1 1(NM)	1A 1A(NM)	1B 1B(NM)	1C	2 2(NM)	2A 2A(NM)	2B 2B(NM)	3 3(NM)	3A 3A(NM)	3B 3B(NM)	4 4(NM)
Industrial		SP	SP	SP(1)		SP	SP		SP	SP	

(1) Outdoor cultivation prohibited with a Type 1C license in Industrial zoned parcels.

SP - Permitted use, Site Plan Review required

- Use not allowed

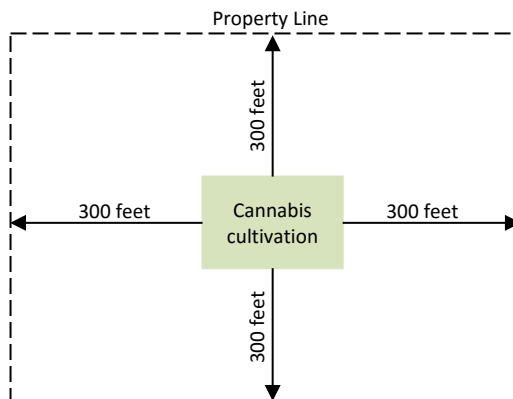
- b. **Permit Required.** Site plan review and approval is required for all cannabis cultivation in the Industrial land use category, except as provided by Section 22.40.080 of this Chapter. The permit level for nursery licenses shall be required as determined in subsection c, below.

Site Plan Reviews shall include an environmental determination pursuant CEQA when:

- i. The site is located within a Sensitive Resource Area (SRA); or
- ii. There is identified habitat for state or federally listed wildlife or plant species or designated critical habitat on or adjacent to the project site.

**8. Location and Setbacks.**

- a. **Applicability.** Cannabis cultivation pursuant to this Chapter shall meet the following setback and location requirements. Cultivation pursuant to Section 22.40.080 (“Exemptions”) of this Chapter is exempt from the requirements of this section.
- b. Cannabis cultivation shall not be located within one thousand (1,000) feet of any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, or drug recovery facility. Distance shall be measured from the cultivation boundaries to 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 legally established under the standards of this section.
- c. Cannabis cultivation shall be located at least 300 feet from any property line of the site where the cannabis cultivation is taking place, as shown below.



Cannabis cultivation sites that do not meet the 300 foot property setback may be allowed only as indoor cultivation, provided that the structure used for

cannabis cultivation is located at least 100 feet from any property line of the site where the cannabis cultivation is taking place.

- d. Cannabis cultivation shall be located at least 100 feet from the upland extent of riparian vegetation of any blue line creek, stream, or water body.
  - e. Cannabis plants shall not be visible from offsite. All outdoor cultivation activities shall occur within a secure fence at least six (6) feet in height that fully encloses the cultivation area. The fence must include a lockable gate(s) that is locked at all times, except for during times of active ingress/egress. Said fence shall not violate any other ordinance, code section, or provision of law regarding the height, location, materials, or other fencing restrictions and shall not be constructed or covered with plastic or cloth. No portion of any marijuana plant shall be visible from the outside of the fence enclosure. No visual markers indicating that cannabis is cultivated on the site shall be visible from offsite.
9. 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. If on-site security is utilized, such on-site security shall not use or possess firearms or other lethal weapons.
  10. Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage, or inadvertent damage from rodents, pests, or wildlife.
  11. Cultivation operations shall comply with all requirements of the Regional Water Quality Control Board (RWQCB), including obtaining any and all permits required.
  12. The owner shall ensure that the total canopy size of cannabis cultivated at the site does not exceed the cumulative canopy size authorized by State law or regulation. The owner and its licensees and permittees, operating on a site permitted pursuant to this Chapter, and with a commercial cannabis permit required pursuant to Chapter 6.XX of the San Luis Obispo County Code, shall ensure that the total canopy size of cannabis cultivation does not individually exceed the amounts authorized by County permits and State law.
  13. A copy of the local and state permits or licenses shall be posted on the site prior to commencement of the use.

#### **22.40.040 Cannabis Manufacturing**

- A. **Applicability.** Non-volatile cannabis manufacturing facilities may be permitted in the Commercial Service (CS) or Industrial (IND) land use category, or in Agriculture (AG) or Rural Lands (RL) land use categories when combined with a cannabis cultivation permit and state license, subject to a Land Use Permit in each case as required below. Cannabis manufacturing facilities involving volatile processes or substances (requiring a Type 7/Type 7 (NM) state license) shall be prohibited. For purposes of this section, "volatile" means

volatile organic compounds, including: (1) explosive gases, such as Butane, Propane, Xylene, Styrene, Gasoline, Kerosene, O<sub>2</sub> or H<sub>2</sub>; and (2) dangerous poisons, toxins, or carcinogens, such as Methanol, Iso-propyl Alcohol, Methylene Chloride, Acetone, Benzene, Toluene, and Tri-chloro-ethylene. Except as provided in Section 22.40.080 (“Exemptions”) of this Chapter, cannabis manufacturing shall be subject to the requirements contained in this Section. One or more of the following specific License Types, corresponding to state manufacturing license types generally set forth in California Business and Professions Code section 19332(g) and section 26050, shall be maintained in good status by the Permittee in order for a Land Use Permit issued under this Chapter to be valid.

1. **Type 6/Type 6 (NM)** or “manufacturer 1” means manufacturing sites that produce cannabis products using non-volatile solvents.

***{NOTE: Type 12 (NM) are not proposed to be allowed at this time (no cross-over land use categories for cultivation/manufacturing/dispensaries)}***

**B. Requirements.** Cannabis manufacturing shall comply with all of the following requirements:

1. **Location.** Cannabis manufacturing facilities 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, or drug recovery facility. Distance shall be measured from the structure that contains the manufacturing to the property line of the enumerated use using a direct straight line measurement.
2. **Permit Required.** Permit requirements are based on Table 2-3 of Title 22.
3. All cannabis manufacturing operations shall ensure that cannabis is obtained from permitted and licensed cultivation sources and shall implement best practices to ensure that all manufactured cannabis products are properly stored, labeled, transported, and inspected prior to distribution at a legally permitted and licensed dispensary.
4. **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:
  - a. Prevent individuals from loitering on the premises of the manufacturing facility if they are not engaging in activity expressly related to the operations of the manufacturing facility;
  - b. Store all cannabis and cannabis products in a secured and locked safe room, safe, or vault, and in a manner as to prevent diversion, theft, and loss;
  - c. Install security cameras on site; and

- d. Provide for on-site security personnel meeting the requirements and standards contained within Chapter 6.XX of the San Luis Obispo County Code. On-site security shall not use or possess firearms or other lethal weapons.
5. Employees handling edible cannabis products or ingredients shall be trained on proper food safety practices.
6. A copy of the local and state permits or licenses shall be posted on the site prior to commencement of the use.
7. **Sheriff Notification.** A condition to establishment of a cannabis manufacturing facility shall be notification to the Sheriff’s Office of the name, location, and contact information for the owner and operator of the business.

#### **22.40.050 Cannabis Testing Facilities**

- A. **Applicability.** Cannabis testing facilities may be permitted in the Commercial Service (CS) and Industrial (IND) land use categories subject to a Land Use Permit. Except as provided in Section 22.40.080 (“Exemptions”) of this Chapter, cannabis testing facilities shall be subject to the requirements contained in this Section. One or more of the following specific License Types, corresponding to state testing license types generally set forth in California Business and Professions Code section 19332(g) and section 26050, shall be maintained in good status by the Permittee in order for a Land Use Permit issued under this Chapter to be valid.
  1. **Type 8/Type 8 (NM)** or “testing” means licensed testing facilities that performs tests of cannabis or cannabis products.
- B. **Requirements.** Cannabis testing facilities shall comply with all of the following requirements:
  1. **Location.** Cannabis testing facilities 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, or drug recovery facility.
  2. **Permit Required.** Permit requirements are based on Table 2-3 of Title 22 of the County Code.
  3. **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:
    - a. Prevent individuals from loitering on the premises of the testing facility if they are not engaging in activity expressly related to the operations of the testing facility;

- b. Store all cannabis and cannabis products in a secured and locked safe room, safe, or vault, and in a manner as to prevent diversion, theft, and loss;
  - c. Install security cameras on site; and
  - d. Provide for on-site security personnel meeting the requirements and standards contained within Chapter 6.XX of the San Luis Obispo County Code. On-site security shall not use or possess firearms or other lethal weapons.
4. A copy of the local and state permits or licenses shall be posted on the site prior to commencement of the use.
  5. The owners, permittees, operators, and employees of the cannabis testing facility will not be associated with any other form of commercial medical cannabis activity.
  6. **Sheriff Notification.** A condition to establishment of a cannabis testing facility shall be notification to the Sheriff’s Office of the name, location, and contact information for the owner and operator of the business.

**22.40.060 Requirements for Medical Cannabis Dispensaries.**

*{Note: Title 23 (Coastal) does not propose to allow dispensaries}*

- A. **Applicability.** This section applies only to Medical Cannabis Dispensaries. The voters of the State of California affirmed the medical use of cannabis by voting for Proposition 215 (codified as Health & Safety Code Section 11362.5). The intent of this Proposition was to give persons who are in need of medical cannabis the ability to obtain and use it without fear of criminal prosecution. The specific purpose of this Section is to set standards for this use consistent with neighborhood concerns. Except as provided in Section 22.40.080 (“Exemptions”), cannabis dispensaries may be permitted in the Commercial Service (CS) and Commercial Retail (CR) land use categories subject to a Minor Use Permit. One or more of the following specific License Types, corresponding to state dispensary license types generally set forth in California Business and Professions Code section 19332(g) and section 26050, shall be maintained in good status by the Permittee in order for a Land Use Permit issued under this Chapter to be valid.
  1. **Type 10** or “dispensary” means a facility where cannabis products or devices for the use of cannabis products are offered for retail sale.
  2. **Type 10 A** or “special dispensary” means a dispenser with no more than three licensed retail sites where cannabis or devices for the use of cannabis products are offered for retail sale.
- B. **Requirements.**
  1. **Location.** Medical cannabis dispensaries shall be located outside of a Central

Business District (CBD), a minimum of one thousand (1,000) feet from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, or drug recovery facility. Distance shall be measured from the building which contains the cannabis dispensary to the property line of the enumerated use using a direct straight line measurement.

2. **Permit Required.** Minor Use Permit approval is required in order to establish a medical cannabis dispensary.
3. **Limitations on use.**
  - a. Hours of operation are limited to 11:00 a.m. to 6:00 p.m. seven days per week.
  - b. No person under the age of 18 (eighteen) shall be permitted in the dispensary at any time except in the presence of his/her parent or guardian.
  - c. No retail sales of paraphernalia as defined in Health and Safety Code section 11364.5 are permitted at the dispensary.
  - d. No cultivation of cannabis is permitted at the dispensary or on dispensary property.
  - e. All staff/employees employed by the cannabis dispensary must be 21 years of age or older.
4. **Displayed notice.** Each dispensary, inside of the dispensary itself, shall display in a manner legible and visible to its clientele:
  - a. Notice that persons under the age of 18 (eighteen) are not allowed in the dispensary except in the presence of his/her parent or guardian;
  - b. Notice that there is no consumption of medical marijuana in the vicinity of the dispensary.
5. **Sheriff notification.** A condition to establishment of a medical cannabis dispensary shall be notification to the Sheriff's Office of the name, location and contact information for the owner/operator of the dispensary.
6. A copy of the local and state permits or licenses shall be posted on the site prior to commencement of the use.

#### 22.40.070 Cannabis Transportation and Distribution

- C. **Applicability.** Except as provided in Section 22.40.080 (“Exemptions”), cannabis transportation and distribution facilities may be permitted in the Commercial Service (CS)



and Industrial (IND) land use categories subject to a Land Use Permit. One or more of the following specific License Types, corresponding to state transportation and distribution license types generally set forth in California Business and Professions Code section 19332(g) and section 26050, shall be maintained in good status by the Permittee in order for a Land Use Permit issued under this Chapter to be valid.

1. **Type 11/Type 11 (NM)** or “distributor” means a person engaged in the business of purchasing cannabis from a licensed cultivator, or products from a licensed manufacturer, for sales to a licensed dispensary.
2. **Type 12** or “transporter” means a third party who moves cannabis or cannabis products from one license type holder to another license type holder. Approval as a “transporter” is required for each physical location where the transporter conducts business while not in transport, or where any equipment used for the transfer of cannabis that is not currently in use permanently resides.

***{NOTE: Type 12 (NM) are not proposed to be allowed at this time (no cross-over land use categories for cultivation/manufacturing/dispensaries)}***

**A. Requirements.** Cannabis transportation and distribution facilities shall comply with all of the following requirements:

1. Cannabis transportation and distribution facilities 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, or drug recovery facility.
2. Cannabis and cannabis products shall only be transported between permitted and licensed commercial cannabis operations.
3. Prior to transporting cannabis or cannabis products, the transporter shall complete an electronic shipping manifest. The shipping manifest shall include the unique identifier information from the cultivation source.
4. A physical copy of the shipping manifest shall be maintained during transportation and shall be made available upon request to law enforcement or any agents of the State or County charged with enforcement of this Chapter.
5. Distribution facilities shall maintain appropriate records of transactions and shipping manifests. An organized and clean method of storing and transporting cannabis and cannabis products shall be provided to maintain a clear chain of custody.
6. **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 at distribution facilities shall include, but are not limited to, the following:

- a. Prevent individuals from loitering on the premises of the distribution facility if they are not engaging in activity expressly related to the operations of the distribution facility;
  - b. Store all cannabis and cannabis products in a secured and locked safe room, safe, or vault, and in a manner as to prevent diversion, theft, and loss;
  - c. Install security cameras on site; and
  - d. Provide for on-site security personnel meeting the requirements and standards contained within Chapter 6.XX of the San Luis Obispo County Code. On-site security shall not use or possess firearms or other lethal weapons.
7. A copy of the local and state permits or licenses shall be posted on the site prior to commencement of the use.
8. **Sheriff Notification.** A condition to establishment of a cannabis transportation or distribution facility shall be notification to the Sheriff's Office of the name, location, and contact information for the owner and operator of the dispensary.

**22.40.080 Exemptions from Permit Requirements.**

- A. Applicability.** The provisions of this Section are applicable in all land use categories. This Section applies to individuals cultivating cannabis if the area he or she uses to cultivate cannabis does not exceed one hundred (100) square feet, with not more than six (6) plants per site, and he or she cultivates cannabis for his or her personal use and does not sell, distribute, donate, or provide cannabis to any other person or entity. This Section also applies to a primary caregiver cultivating cannabis if the area he or she uses to cultivate cannabis does not exceed five hundred (500) square feet, and he or she cultivates cannabis for the personal medical use of no more than five specified qualified patients for whom he or she is the primary caregiver, with not more than six (6) plants per qualified patient, per site. Cultivation of cannabis exceeding these limits shall be subject to the requirements contained in Section 22.40.030 and any other applicable section of this Chapter. Any exemption under this section shall comply with all other applicable provisions of this Title.
- B. Requirements.** The provisions of this section apply only when the cannabis activity is incidental to a legally established primary use of a site.
1. **Personal Use.** Possession, storage, manufacturing, or transportation of medical cannabis, or cultivation of up to one hundred (100) square feet total canopy area of cannabis, not to exceed six (6) plants, including both mature (flowering) and immature plants, per site, by an individual is exempt from the Land Use Permit requirements contained in this Chapter if the individual, possesses, stores, manufactures, transports, or cultivates cannabis exclusively for his or her personal use, and does not provide, donate, sell, or distribute cannabis to any other person. Cultivation of cannabis by an individual shall be located indoors in a legally

established structure or outdoors in a secured area screened from the public view.

2. **Qualified Patient.** Possession, storage, manufacturing, or transportation of medical cannabis, or cultivation of up to one hundred (100) square feet total canopy area of medical cannabis, not to exceed six (6) plants, including both mature (flowering) and immature plants, per patient, is exempt from the Land Use Permit requirements contained in this Chapter if the individual, possesses, stores, manufactures, transports, or cultivates medical cannabis exclusively for his or her personal use, and does not provide, donate, sell, or distribute medical cannabis to any other person. On a single site, up to five (5) qualified patients may cultivate up to six (6) plants each, including both mature (flowering) and immature plants, with up to thirty (30) plants per site, not to exceed five hundred (500) square feet of canopy area per site. Cultivation of medical cannabis by an individual shall be located indoors in a legally established structure or outdoors in a secured area screened from the public view.
3. **Primary Caregiver.** Possession, storage, manufacturing, transportation of medical cannabis, or cultivation of up to one hundred (100) square feet of canopy area per qualified patient of medical cannabis by a primary caregiver within the meaning of Section 11362.7 of the California Health and Safety Code, on behalf of up to five (5) qualified patients, with not more than six (6) plants per qualified patient, including both mature (flowering) and immature plants, per site, is exempt from the 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 structure or outdoors and screened from the public view. Primary caregivers shall, upon request, provide appropriate documentation to law enforcement demonstrating that they are a primary caregiver for a qualified patient.
  - a. Primary caregivers, while exempt from the requirements contained in this chapter, are required to obtain Business License authorization pursuant to Chapter 6.XX in order to remain in compliance with this section (“Exemptions”).

#### **22.40.090 Permit Requirements.**

- A. A Land Use Permit shall be required for all commercial cannabis activities. The application for a Land Use Permit, and for amendments thereto and extensions thereof, shall be processed in accordance with Chapter 22.64 of Title 22 of the County Code. Notwithstanding the foregoing, the procedures for suspension and revocation of a Land Use Permit granted under this Chapter shall be as set forth in sections 22.40.100 and 22.40.110 of this Chapter.
  1. A valid license from the State issued pursuant to California Business and Professions Code Section 19320 shall be required to operate any commercial cannabis activity.
  2. In addition to a Land Use Permit, a commercial cannabis Business License pursuant

to Chapter 6.XX of the San Luis Obispo County Code shall be required for all commercial cannabis activities.

3. In addition to a Land Use Permit, a pesticide license pursuant to Title 5 of the San Luis Obispo County Code shall be required for all commercial cannabis cultivation employing the use of pesticides.
  4. In addition to a Land Use Permit, cannabis cultivation uses require clearance from Regional Water Quality Control Board (RWQCB).
  5. In addition to a Land Use Permit, cannabis manufacturing and dispensary uses require Environmental Health clearance.
  6. The owner shall post or cause to be posted on site the Land Use Permit 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.
  7. The owner and all permittees 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.
  8. The owner and all permittees shall conduct commercial 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 license fees, inspection fees, permit fees, and taxes.
  9. All Land Use Permits and permitted cannabis sites relating to cannabis activities are subject to annual review and inspection from law enforcement or any agents of the State or County charged with enforcement of this Chapter.
- B.** Any Land Use Permit issued pursuant to this Chapter requiring discretionary review and approval by a Review Authority shall not be granted unless all of the following findings are made based on substantial evidence:
1. **Cannabis Cultivation Findings.**
    - a. The cannabis cultivation, as proposed, will comply with all of the requirements of State and County for the cultivation of cannabis;
    - b. The cannabis cultivation will not be located within one thousand (1,000) feet of any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, or drug recovery facility;

- c. The cannabis cultivation includes adequate measure that minimize use of water for cannabis cultivation at the site;
- d. The cannabis cultivation includes adequate quality control measures to ensure cannabis cultivated at the site meets industry standards;
- e. The cultivation includes adequate measures that address the federal enforcement priorities for cannabis activities including restricting access to minors, prohibiting use or possession of firearms for security purposes at the premises, and ensuring that cannabis and cannabis products are not supplied to unlicensed or unpermitted persons within the State and not distributed out of state.

**2. Cannabis Manufacturing Findings.**

- a. The cannabis manufacturing facility, as proposed, will comply with all of the requirements of State and County for the manufacturing of cannabis;
- b. The cannabis manufacturing facility will not be located within one thousand (1,000) feet of any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, or drug recovery facility;
- c. The cannabis manufacturing facility does not use volatile solvents, and does not pose a significant threat to the public or to neighboring uses from explosion or from release of harmful gases, liquids, or substances;
- d. The cannabis manufacturing facility includes adequate quality control measures to ensure cannabis manufactured at the site meets industry standards;
- e. The cannabis manufacturing facility includes adequate measures that address the federal enforcement priorities for cannabis activities including restricting access to minors, prohibiting use or possession of firearms for security purposes at the premises, 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. Cannabis Testing Findings.**

- a. The cannabis testing facility, as proposed, will comply with all of the requirements of State and County for the testing of cannabis;
- b. The cannabis testing facility will not be located within one thousand (1,000) feet of any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, or drug recovery facility;

- c. The owners, permittees, operators, and employees of the cannabis testing facility will not be associated with any other form of commercial medical cannabis activity;
- d. The cannabis testing facility is accredited by an appropriate accrediting agency;
- e. 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.

**4. Cannabis Transportation and Distribution Findings.**

- a. The cannabis transportation and/or distribution facility, as proposed, will comply with all of the requirements of State and County for the transportation and distribution of cannabis;
- b. The cannabis transportation and/or distribution facility will not be located within one thousand (1,000) feet of any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, or drug recovery facility;
- c. The cannabis transportation and/or distribution facility operating plan demonstrates proper protocols and procedures that address the federal enforcement priorities for cannabis activities including restricting access to minors, prohibiting use or possession of firearms for security purposes at the premises, 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.

**22.40.100 Grounds for Suspension or Revocation**

Any of the following shall be grounds for suspension or revocation of the Land Use Permit, based on substantial evidence and following notice and public hearing pursuant to Section 22.40.110:

- A. Failure to comply with one or more of the conditions of the Land Use Permit;
- B. The Land Use Permit was granted on the basis of false material information, written or oral, given willfully or negligently by the applicant;
- C. Any act or omission by an owner or permittee in contravention of the provisions of this Chapter;
- D. Any act or omission by an owner or permittee that results in the denial, revocation or

suspension of the owner’s or permittee’s State License;

- E. Any act or omission that results in the revocation of that owner’s or permittee’s commercial cannabis Business License under Chapter 6.XX of the San Luis Obispo County Code;
- F. Any act or omission by an owner or permittee in contravention of State law or the San Luis Obispo County Code;
- G. An owner’s or permittee’s failure to take appropriate action to evict or otherwise remove persons conducting commercial cannabis activities who do not maintain the necessary permits or licenses in good standing with the County or State;
- H. Possession or delivery of any other form of illegal drugs; or
- I. Conduct of the commercial cannabis activities in a manner that constitutes a nuisance, where the owner or permittee has failed to comply with reasonable conditions to abate the nuisance (e.g. odor).

**22.40.110 Procedure for Suspension or Revocation**

- A. If the Director of Planning determines that grounds for suspension or revocation of the Land Use Permit exist pursuant to section 22.40.100, the procedure identified in Section 22.74.160 (“Permit Revocation”) shall apply. Upon revocation of a commercial cannabis permit, the Department shall notify the Bureau of Marijuana Control or its successor.

**22.40.120 Enforcement**

The remedies provided by this Chapter are cumulative and in addition to any other remedies available at law or in equity.

- A. Any condition caused or allowed to exist in violation of any of the provisions of this Chapter shall be deemed a public nuisance and shall, at the discretion of County, create a cause of action for penalty pursuant to Chapter 22.74 of this Code, and any other action authorized by law:
  - 1. Additionally, it shall be unlawful for any person to violate any provision, or to fail to comply with any of the requirements, of this Chapter. Any person violating any of the provisions or failing to comply with any of the mandatory requirements of this Chapter shall be guilty of a misdemeanor. No proof of knowledge, intent, or other mental state is required to establish a violation.
  - 2. Any person violating any of the provisions of this chapter shall be guilty of a separate offense for each and every day or portion thereof during which any violation of any of the provisions of this chapter is committed, continued, or permitted.

3. Paying a fine or serving a jail sentence shall not relieve any person from responsibility for correcting any condition which violates any provision of this Title.

**B. Pesticide Use Enforcement.** Pursuant to the California Code of Regulations, Title 3. Food and Agriculture, Section 6140(a), the director or commissioner may, during business hours, or if necessary to ensure immediate compliance, at any other reasonable time enter and inspect, and/or sample any of the following or related items in order to determine compliance with the provisions of this Chapter and Divisions 6 and 7 of the Food and Agricultural Code, which pertain to pesticides and pest control operations:

1. Fields, areas, structures, and greenhouses where pesticides are handled, stored or applied;
2. Growing crops and harvested commodities;
3. Equipment (including protective clothing and equipment) used to store, transport or handle pesticides;
4. Change areas and other facilities used by employees; and
5. Pesticides and tank mixtures thereof.

In addition, California Code of Regulations, Title 3. Food and Agriculture, Section 6140(b) gives the commissioner the authority to inspect the pesticide related records of growers, pest control businesses, and other during business hours.

**C. Weights and Measures.** Notwithstanding this ordinance, the County Agricultural Commissioner/Sealer shall have the duty of enforcing Division 5 of the California Business and Professions Code and carrying out its provisions and requirements as set forth in the California Code of Regulations, Title 4, Division 9. This shall include the inspection, testing, and registration of weighing devices, the inspection of prepackaged product, and the inspection of product labeling relative to the commercial sale of cannabis.



SECTION 5. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

PASSED AND ADOPTED on this \_\_\_\_ day of \_\_\_\_\_, 2017, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

\_\_\_\_\_  
 Chair,  
 San Luis Obispo County Board of Supervisors

A T T E S T:

NAME  
 Clerk of the Board

By: \_\_\_\_\_  
 Deputy

<p>APPROVED AS TO FORM BY:</p> <p>_____</p> <p>County Counsel</p>
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