

COUNTY OF SAN LUIS OBISPO DEPARTMENT OF PLANNING & BUILDING CANNABIS ORDINANCE SUMMARY

PLN-2014 2/8/2018

The County Board of Supervisors has established permanent regulations for cannabis activities in the unincorporated areas of San Luis Obispo County. While some cannabis-related business activities will be allowed, they will be limited. Read the full ordinances on our website at www.sloplanning.org.

NOTE: Land use permit applications <u>will not</u> be accepted until the ordinances become effective. The inland ordinance will become effective on December 31, 2017. The coastal zone ordinance will become effective if it is certified by the California Coastal Commission. Staff is unable to anticipate an effective date for the coastal zone ordinance.

Exempted Activities (Section 22.40.030 / Section 23.08.422)

Certain personal activities will be exempt from the land use permit requirements established by the ordinances. Exempt cultivation will be allowed as an accessory to a legally established and permitted residential use. This will prohibit personal or caregiver cultivation on vacant parcels.

<u>Standards.</u> While exempt from obtaining a land use permit, exempt cultivation (personal and caregiver) will be required to meet the odor and pesticide standards outlined in the ordinances for non-exempt cultivation activities.

<u>Personal Cultivation.</u> Personal cultivation of up to six plants per dwelling unit (both flowering and immature) will be exempt from the land use permit requirements of the ordinances, if the cannabis is cultivated for personal use (not for sale). The six plants will be required to be contained in a one hundred square-foot area indoors in a legally established structure. Personal cultivation could be for medical or non-medical use.

<u>Primary Caregiver.</u> Primary caregivers (as defined by the State) could cultivate up to six plants (flowering and immature) per site for their designated qualified patients. Primary caregivers, while exempt from the land use permit requirements, will be required to obtain a business license to operate. Cultivation will be required to be indoors in a legally established structure. Caregiver cultivation is for medical use only.

Cannabis Cultivation (Section 22.40.050 / Section 23.08.424)

- Where Allowed: Agriculture, Rural Lands, Residential Rural (indoor), Industrial (indoor)
- Minimum Site Area: Agriculture 10 acres; Rural Lands 50 acres; Residential Rural 20 acres; no minimum in Industrial
- Permit Required: Minor Use Permit
- Permit Limit: 141 non-exempt operations. Only previously registered co-op/collectives may apply during the first year.
- Permit Expiration: 5 years (renewal allowed before expiration)
- Setbacks: Indoor As required by existing ordinance Sections 22.30.310/23.08.041 & 23.04.100; Outdoor 300 feet; 1,000 feet from schools, etc.

<u>Permit Limit.</u> The ordinances will limit the number of non-exempt cannabis cultivation operations to 141. For the first year, only those applicants who hold an approved "Co-op/Collective" registration under Urgency Ordinance 3334 can apply for a land use permit. Those applicants who are currently operating on nonconforming sites could move their operation to a conforming site. There will be no geographic distribution for the land use permits.

<u>Permit Expiration.</u> The ordinances state that the land use permits issued for non-exempt cannabis cultivation will expire in five (5) years from approval date. Before a land use permit expires, an applicant can request a renewal in writing from the appropriate Hearing Body for an additional five (5) year period. If a renewal is not sought, or a renewal is sought and not granted, the land use permit will expire and the cannabis cultivation would cease. Failure to actively utilize a land use permit granted for cannabis cultivation will be considered grounds for non-renewal.

<u>Setbacks</u>. The ordinances use existing Title 22 and Title 23 setback requirements for indoor cannabis cultivation. These setbacks vary based on land use category, parcel shape, and location, but typically would be 30-50 feet for Agriculture and Rural Lands, 50-100 feet for Residential Rural, and 0 feet for Industrial. Any non-exempt outdoor cannabis cultivation will need to be setback 300 feet from the property line. Additionally, all non-exempt cannabis cultivation will be required to be setback 100 feet from any offsite residence, and outdoor cultivation will be required to be setback 50 feet from the upland extent of riparian vegetation of any watercourse. These setbacks can be modified through a Minor Use Permit.

Pursuant to State law, cannabis cultivation is not allowed within a 600-foot radius of a school providing instruction in kindergarten or any grades 1 through 12, day care centers, or youth centers that are in existence at the time a cannabis license is issued. The ordinances included with this staff report will increase the distance to 1,000 feet and will require the setback from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility. This setback can be modified from 1,000 feet to 600 feet through a Minor Use Permit.

Minimum Site Area. Any cannabis cultivation in the Agriculture land use category will be required to be located on sites that are at least ten (10) acres in size. Any cannabis cultivation in the Rural Lands land use category will be required to be located on sites that are at least fifty (50) acres in size. Indoor cannabis cultivation in the Residential Rural land use category will be required to be located on sites that are at least twenty (20) acres in size. There is no minimum site requirement for indoor cultivation in the Industrial land use category.

Cannabis Nurseries (Section 22.40.060 / Section 23.08.425)

- Where Allowed: Agriculture, Rural Lands, Residential Rural (indoor), Industrial (indoor)
- Minimum Site Area: No minimum in Agriculture, Rural Lands, or Industrial; 5 acres in Residential Rural
- Permit Required: Minor Use Permit (Conditional Use Permit for nurseries ≥75,000 square-feet in Residential Rural)
- Permit Limit: n/a
- Permit Expiration: n/a
- Setbacks: As required by existing ordinance Sections 22.30.310/23.08.041 & 23.04.100; Outdoor 300 feet; 1,000 feet from schools, etc.

<u>Setbacks</u>. The ordinances use existing Title 22 and Title 23 setback requirements for cannabis nurseries. These setbacks vary based on land use category, parcel shape, and location, but typically would be 30-50 feet for Agriculture and Rural Lands, 50-100 feet for Residential Rural, and 0 feet for Industrial. All cannabis nurseries will be required to be setback 100 feet from any offsite residence, and outdoor nurseries will be required to be setback 50 feet from the upland extent of riparian vegetation of any watercourse. These setbacks can be modified through a Minor Use Permit.

Pursuant to State law, cannabis nurseries are not allowed within a 600-foot radius of a school providing instruction in kindergarten or any grades 1 through 12, day care centers, or youth centers that are in existence at the time a cannabis license is issued. The ordinances will increase the distance to 1,000 feet and will require the setback from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility. This setback can be modified from 1,000 feet to 600 feet through a Minor Use Permit.

<u>Minimum Site Area.</u> Cannabis nurseries in the Residential Rural land use category will be required to be located on sites that are at least five (5) acres in size. No minimum site size is required in the Agriculture, Rural Lands, or Industrial land use categories.

Cannabis Manufacturing (Section 22.40.070 / Section 23.08.426)

- Where Allowed: Commercial Service (URLs only), Industrial, Agriculture
- Minimum Site Area: n/a
- Permit Required: Minor Use Permit (< 40,000 square-feet); Conditional Use Permit (≥ 40,000 square-feet)
- Permit Limit: n/a
- Permit Expiration: n/a
- Setbacks: As required by existing ordinance Sections 22.10.140/23.04.100; 600 feet from schools, etc.

Manufacturing facilities will be allowed in the Commercial Service, Industrial, and Agriculture land use categories. Manufacturing in the Agriculture land use category will be limited to the raw cannabis materials grown onsite, meaning the applicant will also need permits and licenses for cannabis cultivation. The coastal zone ordinance will not allow manufacturing in the Agriculture land use category on sites identified as prime soils. Manufacturing in the Commercial Service land use category must be located within an Urban Reserve Line (URL). Volatile manufacturing (requiring a Type 7 state license) is prohibited.

<u>Setbacks.</u> Pursuant to State law, cannabis manufacturing facilities are not allowed within a 600-foot radius of a school providing instruction in kindergarten or any grades 1 through 12, day care centers, or youth centers that are in existence at the time a cannabis license is issued. The ordinances will keep the distance at 600 feet and will require the setback from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility.

Cannabis Testing Facilities (Section 22.40.080 / Section 23.08.428)

- Where Allowed: Commercial Service, Industrial
- Minimum Site Area: n/a
- Permit Required: Minor Use Permit (< 20,000 square-feet); Conditional Use Permit (≥ 20,000 square-feet)
- Permit Limit: n/a
- Permit Expiration: n/a
- Setbacks: As required by existing ordinance Sections 22.10.140/23.04.100; 600 feet from schools, etc.

Testing facilities will be allowed in the Commercial Service and Industrial land use categories. Testing facilities in the Commercial Service land use category must be located within an Urban Reserve Line (URL).

<u>Setbacks</u>. Pursuant to State law, cannabis testing facilities are not allowed within a 600-foot radius of a school providing instruction in kindergarten or any grades 1 through 12, day care centers, or youth centers that are in existence at the time a cannabis license is issued. The ordinances will keep the distance at 600 feet and will require the setback from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility.

Cannabis Dispensaries (Section 22.40.090 / Section 23.08.428)

- Where: Commercial Service, Industrial
- Minimum Site Area: n/a
- Permit Required: Minor Use Permit
- Permit Limit: n/a
- Permit Expiration: n/a
- Setbacks: As required by Section 22.10.140/23.04.100; 600-1,000 feet from schools, etc.; 300 feet from stores marketed towards minors.

Dispensaries will be allowed in the Commercial Service, Industrial, Rural Lands, Residential Rural, and Agriculture land use categories. Dispensaries in the Agriculture, Rural Lands, and Residential Rural land use categories will be limited to the raw cannabis materials grown or produced onsite, meaning the applicant would also need permits and licenses to cultivate and/or manufacture on the same site. Dispensaries in the Commercial Service land use category will have to be located within an Urban Reserve Line (URL). The coastal zone ordinance will not allow dispensaries in the Agriculture land use category on sites identified as prime soils.

<u>Mobile Deliveries.</u> All dispensaries will be limited to mobile-deliveries only, meaning no dispensaries will have stores that are open to the public (Type 9 State licenses only). Deliveries would be allowed from legally established and permitted dispensaries. All sales will be made either via phone, internet, mail, or other remote method, and will be delivered by the company to the customer. The dispensary would not be required to be located within the County of San Luis Obispo jurisdiction, but to obtain a local business license the applicant

would be required to provide evidence of authorization from the originating jurisdiction. Dispensaries will not be open to the public for retail sales, but will be required to operate out of a permanent permitted structure.

<u>Mobile Dispensaries</u>. Dispensaries operating outside a permanent permitted structure will not be allowed. This would include dispensaries operating similar to a food truck.

<u>Setbacks</u>. Pursuant to State law, cannabis dispensaries are not allowed within a 600-foot radius of a school providing instruction in kindergarten or any grades 1 through 12, day care centers, or youth centers that are in existence at the time a cannabis license is issued. The ordinances will require the setback from any preschool, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility.

Cannabis Distribution Facilities (Section 22.40.100 / Section 23.08.429)

- Where Allowed: Commercial Service and Industrial
- Minimum Site Area: n/a
- Permit Required: Minor Use Permit
- Permit Limit: n/a
- Permit Expiration: n/a
- Setbacks: As required by existing ordinance Sections 22.10.140/23.04.100; 600 feet to schools, parks, etc.

Distribution facilities will be allowed in the Commercial Service and Industrial land use categories. Distribution facilities in the Commercial Service land use category must be located within an Urban Reserve Line (URL).

<u>Setbacks</u>. Pursuant to State law, cannabis distribution facilities are not allowed within a 600-foot radius of a school providing instruction in kindergarten or any grades 1 through 12, day care centers, or youth centers that are in existence at the time a cannabis license is issued. The ordinances will keep the distance at 600 feet and will require the setback from any pre-school, elementary school, junior high school, high school, library, park, playground, recreation or youth center, licensed drug or alcohol recovery facility, or licensed sober living facility.

Water Use

Cannabis cultivation sites and cannabis nurseries located within a groundwater basin at Level of Severity III would be required to offset all water use at a minimum 1:1 ratio, unless CEQA review requires a greater offset. Cannabis cultivation sites and cannabis nurseries located within an Area of Severe Decline would be required to offset all water use at a minimum 2:1 ratio, unless CEQA review requires a greater offset. Basins at Level of Severity III include the Paso Robles Groundwater Basin, the Nipomo Mesa Management Area of the Santa Maria River Valley Groundwater Basin, and the Los Osos Groundwater Basin. Offsets would be achieved through a County approved water conservation program. Water saving must come from the same groundwater basin as the proposed new development. Cannabis cultivation and nurseries would be prohibited from utilizing trucked-in water.

Odor

Cannabis cultivation sites, cannabis nurseries, and cannabis manufacturing facilities would be required to be located and operate in a manner that would prevent nuisance odor emissions from being detected offsite. For indoor operations, this may include incorporating ventilation controls such as carbon filter air scrubbers. For outdoor operations, this may include setting the use back further than required by ordinance, or utilizing exterior odor devices, such as hydroxyl or vapor systems.

Security

All cannabis activities would be required to implement sufficient security measures to deter theft. These include measures to prevent individuals from loitering onsite and to ensure cannabis and cannabis products onsite are stored in a secured and locked location. Security plans would be submitted with the land use permit application and be reviewed by the Sheriff's Office.

Monitoring Program

All cannabis cultivation sites would be required to participate in a County-run monitoring program. While the specifics of the monitoring program would be adopted by a separate ordinance or resolution, the program would be funded by the applicants and would be used to ensure compliance of the sites with County standards. This would include proactive inspections and monitoring to ensure odor control is being effectively implemented.

Conditional Use Permits

Applicants proposing more than one cannabis use on a site will be subject to a Conditional Use Permit, whether the individual activities require only Minor Use Permit approval or not. Additionally, any site with verified cannabis-related violations of any County ordinance or law within the previous two (2) years would require Conditional Use Permit approval to establish or continue any cannabis activity.