SUMMARY OF SAN MATEO COUNTY DRAFT CANNABIS ORDINANCE

COUNTY POWER POINT PRESENTED AT COUNTY OUTREACH SESSIONS

#### TIMELINE OF LEGALIZATION:

#### STATE:

Prop 215 (1996): Compassionate Care Act

Medical Marijuana Program Act (2004)

Medical Cannabis Safety & Regulation Act (2015)

Prop 64 (Nov 2016): Adult Use of Marijuana Act

MAUCRSA (June, 2017)

#### **SAN MATEO COUNTY:**

County Ordinance for the Regulation of Collective Cultivation and Distribution of Medical Marijuana (2009)

BOS Study Session (December 6, 2016)

Temporary Moratorium (December 13, 2016)

Moratorium Extension (January 24, 2017)

BOS Study Session (July 11, 2016)

NEW DRAFT COUNTY ORDINANCE

# Non-Commercial Activities

- Personal Cultivation
- Personal Use

# Commercial Activities

- Cultivation
- Manufacturing
- Retail
- Distribution
- Testing

#### Non-Commercial Activities:

### State Law (in effect with passage of Prop. 64), individuals 21 and over can lawfully:

- Use
  - Not in a public place unless authorized by a local jurisdiction
  - Not in location where smoking tobacco is prohibited
  - Not within 1,000 feet of a school, day care center, or youth center
  - Not while in a vehicle
- Possess, process, transport or give away (to individuals 21 and over) up to 1 ounce of cannabis and up to 8 grams of concentrated cannabis
- Cultivate up to 6 plants for personal use, provided the plants are kept in a locked area with a private residence not visible from a public place

### Unincorporated San Mateo County (Moratorium and Proposed Ordinance):

• Six plants for personal consumption must be grown indoors

#### Commercial Activities:

#### This Ordinance would (in unincorporated areas):

- Permit:
  - Mixed-Light Commercial Cultivation
  - Nursery Cultivation (in greenhouses)
- Prohibit (through December 31, 2018):
  - Indoor or Outdoor Commercial Cultivation
  - Manufacturing
  - Testing
  - Microbusinesses
  - Dispensaries
- Allow:
  - Transportation (by State Licensees, based outside of unincorporated areas of the County)
  - Delivery (by State Licensees, based outside of unincorporated areas of the County)

#### Permitted Cultivation Licenses:

- Type 1B Cultivation; Specialty mixed light; Small (Natural & supplemental artificial light, ≤ 5k sq ft)
- Type 2B Cultivation; Mixed-light; Small (Natural & supplemental artificial light, 5,001-10sq ft)
- Type 3B Cultivation; Mixed-light; Medium (Natural & supplemental artificial light, 10,001-22,000 sq ft)
- Type 4 Cultivation; Nursery (Cultivation solely as a nursery. May transport live plants.)

- Title & Definitions (6-9)
  - Mimics MAUCRSA when possible
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cmo.smcgov.org/Cannabis-Ordinance

### **Application Requirements:**

- (b) (1), (6), & (7) Name of applicant (individual or business owners)
- (b) (2) Commercial License Type being sought
  - Type 1B Cultivation; Specialty mixed light; Small (Natural & supplemental artificial light, ≤ 5k sq ft)
  - Type 2B Cultivation; Mixed-light; Small (Natural & supplemental artificial light, 5,001-10sq ft)
  - Type 3B Cultivation; Mixed-light; Medium (Natural & supplemental artificial light, 10,001-22,000 sq ft)
  - Type 4 Cultivation; Nursery (Cultivation solely as a nursery. May transport live plants.)
- (b) (3-4) Other licenses held or denied
- (b) (5) (10) Site (physical address and parcel number) and right-of-use
- (b) (8) Financial Disclosure
  - i. Account Info
  - ii. Loans
  - iii. Investments
  - iv. Gifts
- (b) (9) Background check
- (b) (11) Site plan
- (b) (12-13) Inspection & Site compliance
- (b) (14-16) Labor compliance

### Application Requirements, Continued:

- (b) (18) Board of Equalization Sellers Permit
- (b) (19) Surety Bond
  - Including: confiscation, storage, clean-up or abatement of any wastes, dectruction
- (b) (20) Security Plan
- (b) (21) Improvements and Operations Plan:
  - Hours
  - Improvement Plan
  - Parking & Transportation
  - Fire Prevention
  - Lighting/Security
  - Waste Disposal
  - Water Management
  - Access Restrictions
  - Record Keeping Policy
  - Track & Trace Measures
  - Odor Prevention and Ventilation Measures
  - Energy Usage
  - Signage
  - Pest-management

### Application Process/Grounds for Denial/Renewal:

#### 5.148.070

- (a) County Review
  - 30 days to address deficiencies
- (c) Valid for one-year from issuance

#### 5.148.080

- (a) Grounds for Denial:
  - (1) False Statement or Omission
  - (2) Non-compliance as proposed
  - (3) Insufficent information or pre-inspection denial
  - (4) Outstanding Taxes, Fees or Fines
  - (5) Felony conviction or conviction for cultivation on Public Lands
  - (6) State sanction or prior (3-year) license suspension

- Renewal
  - 60+ days prior to expiration
  - Updated information

### General Operational Requirements:

- (a) Notification of any material alteration
- (d) Surveillance
  - (1) Fixed-location TCP-capable color high-definition cameras
  - (2) Coverage of access points and work areas
  - (3) 24-hr, battery backup
  - (4) 30-day retention, inspection access
  - (5) Time and date stamp
- (e) Alarm
- (f) Ventilation
- (g) Public View
- (h) Signage
  - No off-site, monument, illuminated, roof, digital, etc. signs allowed
- (i) Inspections
  - Unrestricted access
- (k) No Consumption on Premises

### General Operational Requirements, Continued:

- (1) Limited-Access Areas
  - Storage areas, packaging areas, composting areas, security space
- (m) Monitoring Premises
  - Licensee responsibility for site. "No Loitering, Drinking of Alcoholic Beverages, or Smoking of Cannabis"
- (o) Packaging and Labeling
- (p) Notification to Department
  - Criminal conviction
  - Civil Penalty
  - Relevant permit revocation
  - Suspicion of diversion, theft, loss, or other criminal activity

### Record Retention & Track-and-Trace:

- (a) Retain for seven (7) years
  - (1) Financial records
  - (2) Personnel records
  - (3) Training records
  - (4) Contracts with other Licensees
  - (5) Limited-access logs
  - (6) Copies of all permits
- (b) Record availability
  - 5.148.150
- (a) Established account prior to any activity
- (b-d) Compliance





### **Cultivation Requirements:**

- (b) & (c) Maximum area authorized per licensee
  - 66,000 sq feet on a single parcel or across multiple parcels
- (d) Setbacks
  - Associated structures setback 100+ ft from property lines, 300+ ft from residences and business on surrounding properties
  - Premises setback 1,000+ ft from properties designated for Residential use, from K-12 schools, childcare facilities, AOD facilities
- (e) Building Requirements
  - Accessiblity, restrooms, washing facilities
- (f) Agricultural Production Protection
  - No displacement of production as of January 1, 2017
  - Except relocation on property, at 1:1 ratio
- (g) Fire Code
- (h) Lighting
  - Fully shielded, downward casting
  - Fully contained operations
  - Light shall not escape at a level that is visible from neighboring properties or the public right of way between sunset and sunrise

### Cultivation Requirements, Continued:

- (i) Security and Fencing
  - Screened from public view by native, fire resistant vegetation
  - Vehicle access fenced with locking gates
  - Compliance with submitted security plan
- (j) Runoff and Stormwater
- (k) Waterwater discharge
- (l) Pest Prevention
- (m) Energy Use
  - On-grid 100% renewable or on-site zero net energy renewable source
- (n) Noise Limits
- (o) Occupational Safety
- (p) Hazardous Materials
- (q) Waste Management
- (r) Water Usage
  - Applicants encouraged to work with San Mateo County Resource Conversation District

### License Revocation/Penalties/Appeal:

#### 5.148.170

- (a) Grounds for revocation:
  - (1) Failure to comply with conditions of License
  - (2) Act or omission that violates this Chapter, County Code, or State Rule, law, or regulation
  - (3) Denial, revocation, or suspension of State License
  - (4) Falsified information
  - (5) Conduct in a "manner that constitutes a nuisance, where the Licensee has failed to comply with reasonable conditions to abate the nusance"
  - (6) County enforcement "Three strikes" penalty

- (a) Per se nuisance violation
  - Separate offense for each and every day in violation or noncompliance
- (c) Black-out period
  - 3+ violations in a two-year period = minimum of three-year of non-application nor renewal
  - 5.148.190
- (a)-(f) Appeals
  - Costs of appeal shall be borne by appelant