

SONOMA COUNTY PLANNING COMMISSION CANNABIS STUDY SESSION

JUNE 7, 2018



SONOMA COUNTY CANNABIS

Key State Regulations and Dates

- Proposition 215- 1996
- Senate Bill 420- 2004
- MMRSA/MCRSA- 2015
- AUMA (Proposition 64)- 2016
- Senate Bill 94- 2017
- Emergency State Regulations- 2017
- New Emergency State Regs. 2018



Sonoma County Cannabis Program

- **2016** Public Outreach/develop Ordinances
- **2017** Implementation Procedures/Guidelines
- **2018** Update Ordinances
 - changes in state law
 - public feedback
 - lessons learned



Cannabis Ordinance Goals

- Pathway to permit existing underground industry
- Foster diverse and economically viable industry
- Ensure safe access for patients
- Protect public health, safety and environment
- Opportunity to stabilize farm incomes
- Enhance enforcement of unpermitted and trespass
- Ensure nuisance factors are addressed



Ordinance Implementation

- Develop permit and tax collection procedures
- Develop guidelines, FAQs and handouts
- Hire and train staff
- Engage and educate the community
- Build out multi-departmental permitting, tax collection, and database systems



Implementation-19 Public Workshops

Workshop Topics

- Cultivation 101
- Ordinance Standards and Best Management Practices
- Water and Wastewater
- Cultivation Infrastructure
- Manufacturing
- Dispensaries
- Energy and Sustainability
- Taxation
- Security
- Health Permits
- Pesticide Use



Implementation- Website and Hotline



COUNTY OF
SONOMA

Residents Discover, Engage & Thrive	Business Trends, News & Resources	Visitors Explore Sonoma County	Your Government We Work for You
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Sonoma County Cannabis Program

Upcoming Events »



Sonoma County Cannabis Program Overview

Today: **May 3, 2017** from 3:00 – 5:00 PM

Agenda

This kick-off workshop is for all operator types and will include an overview of the Program, including the Cannabis Land Use Ordinance, Cannabis Health Ordinance, and Cannabis Business Tax Ordinance. County staff will go over requirements



Sonoma County
Cannabis

Contact Information

Sonoma County Cannabis Program

Contact Us by Web Form
Email: cannabis@sonoma-county.org

Contact Us by Phone

Phone : (707) 565-7389
CA Relay: 711

Information for the Public

[Marijuana Public Health and
Safety »](#)
Public Health



SONOMA COUNTY
CANNABIS

Cannabis Advisory Group

- Feedback for amending, implementing and funding local cannabis programs
- Seven meetings
- Recommendations on Adult Use and Alignment with State Law
 - Minority and Majority Recommendations
- Inclusion and Exclusion Zones



Other Jurisdictions

Sonoma County Cities

- Allow Adult Commercial Cannabis
 - Petaluma
 - Cotati
 - Santa Rosa
 - Sebastopol
 - Cloverdale
- Only Cloverdale Allows Outdoor Commercial Cultivation



Other Jurisdictions Counties

- Restrictive Nearby Counties
 - Napa County
 - Marin County
- Permissive Nearby Counties
 - Mendocino
 - Humboldt
 - Lake
- Similar Counties in transition
 - Monterey
 - Santa Barbara
 - Santa Cruz
 - San Luis Obispo



Penalty Relief- Background

- Established by Board on May 23, 2017
- Allows existing cannabis businesses sufficient time and incentives to enter the regulated market and to comply with County regulations.
- Created requirements that, if satisfied, would allow cannabis businesses to continue to operate without being subject to land use fines



Penalty Relief- Program

- Requirements-
 - In operation prior to July 5, 2017
 - No increase in size
 - Located on Permit Eligible Property
 - Penalty Relief Form by October 31, 2017
 - Current on Taxes
 - Compliance with Ordinance Standards and Best Management Practices
 - Complete Application by June 1, 2018
- If requirements are meet operators can continue to operate while permit is being processed.



Penalty Relief Program

- 332 business have applied
- 143 have paid taxes
- Code Enforcement on non compliant business



Taxes



- Measure A
 - Passed with 71% approval
- Refined Tax Rates with industry input
 - See handout
- Cultivation Taxes
 - Based on Square Footage
 - Rates for outdoor, indoor, and mixed light
 - Range from \$1 to \$11.25 per sq. ft.
 - Small growers have lower rate
- Supply Chain and Dispensary Taxes based on Gross Receipts



Cannabis Program FY17/18

Revenues	Budget	Est. Actual
Cannabis Tax	\$ 3,935,502	\$ 2,517,754
Fines, Fees, Other	\$ 1,283,905	\$ 886,828
Total Revenues	\$ 5,219,407	\$ 3,404,582

Expenses	Budget	Est. Actual
Permanent Labor Costs	\$ 2,089,258	\$ 1,371,386
Extra Help	\$ 479,645	\$ 86,701
Non-Labor Costs	\$ 846,004	\$ 884,408
Total Expenses	\$ 3,414,907	\$ 2,342,495

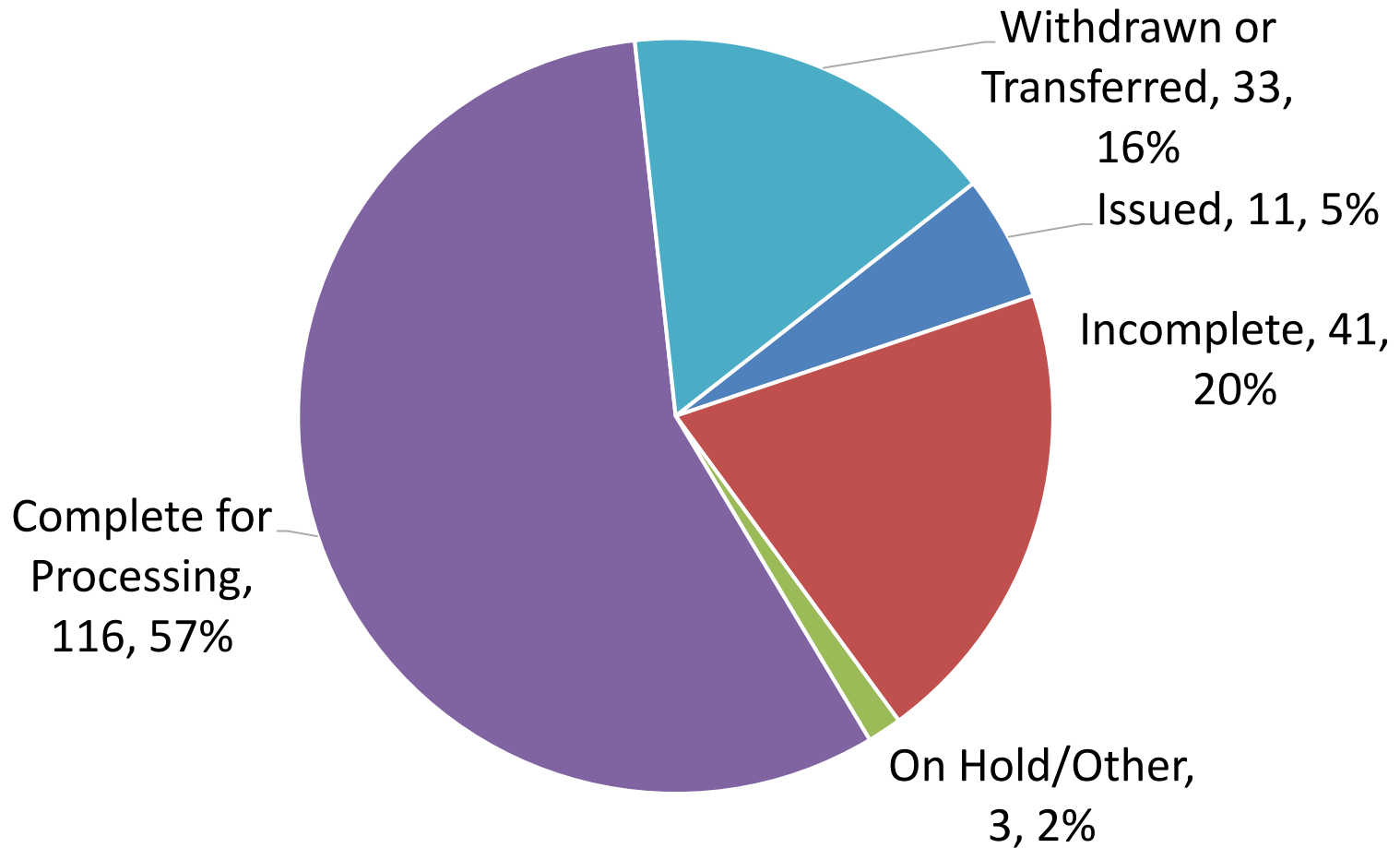
	Budget	Est. Actual
# of Permanent Positions	14.0	12.0
Cannabis Fund Balance	\$1,804,500	\$1,062,087

Cannabis Applications

- 204 Applications received
 - 33 Applications withdrawn or transferred
 - 3 on hold/other
- 11 Approved
- 158 Active Applications
 - 120 submitted Penalty Relief forms



Applications Status

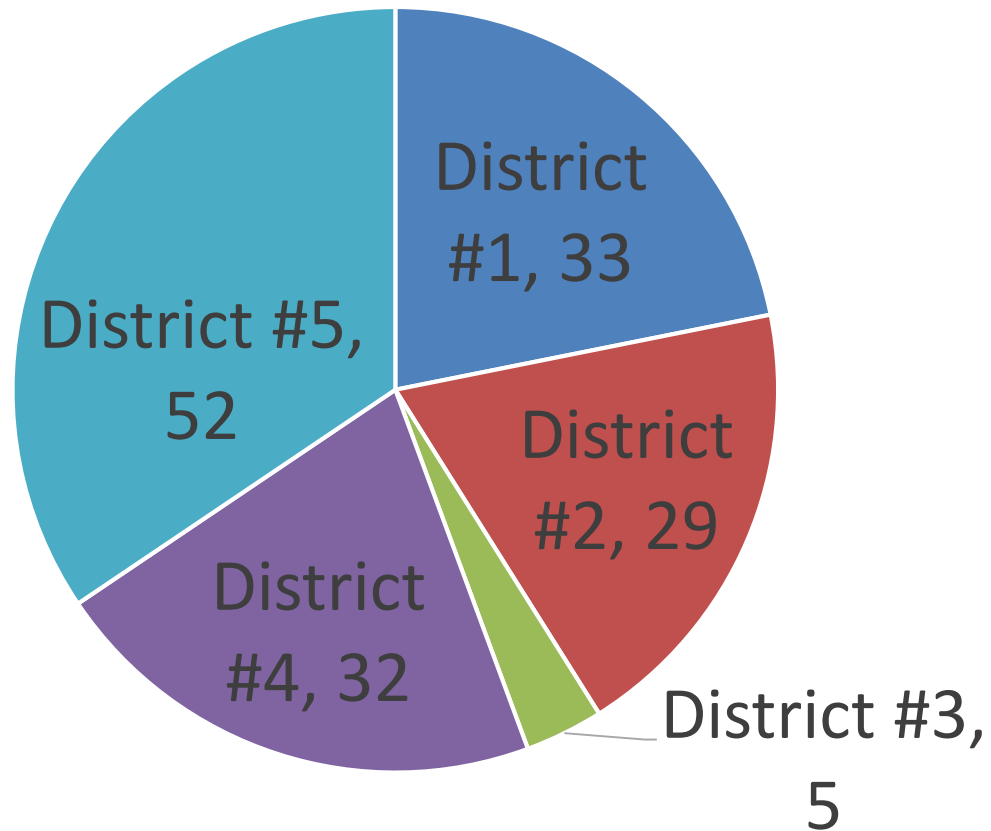


Active Cannabis Applications

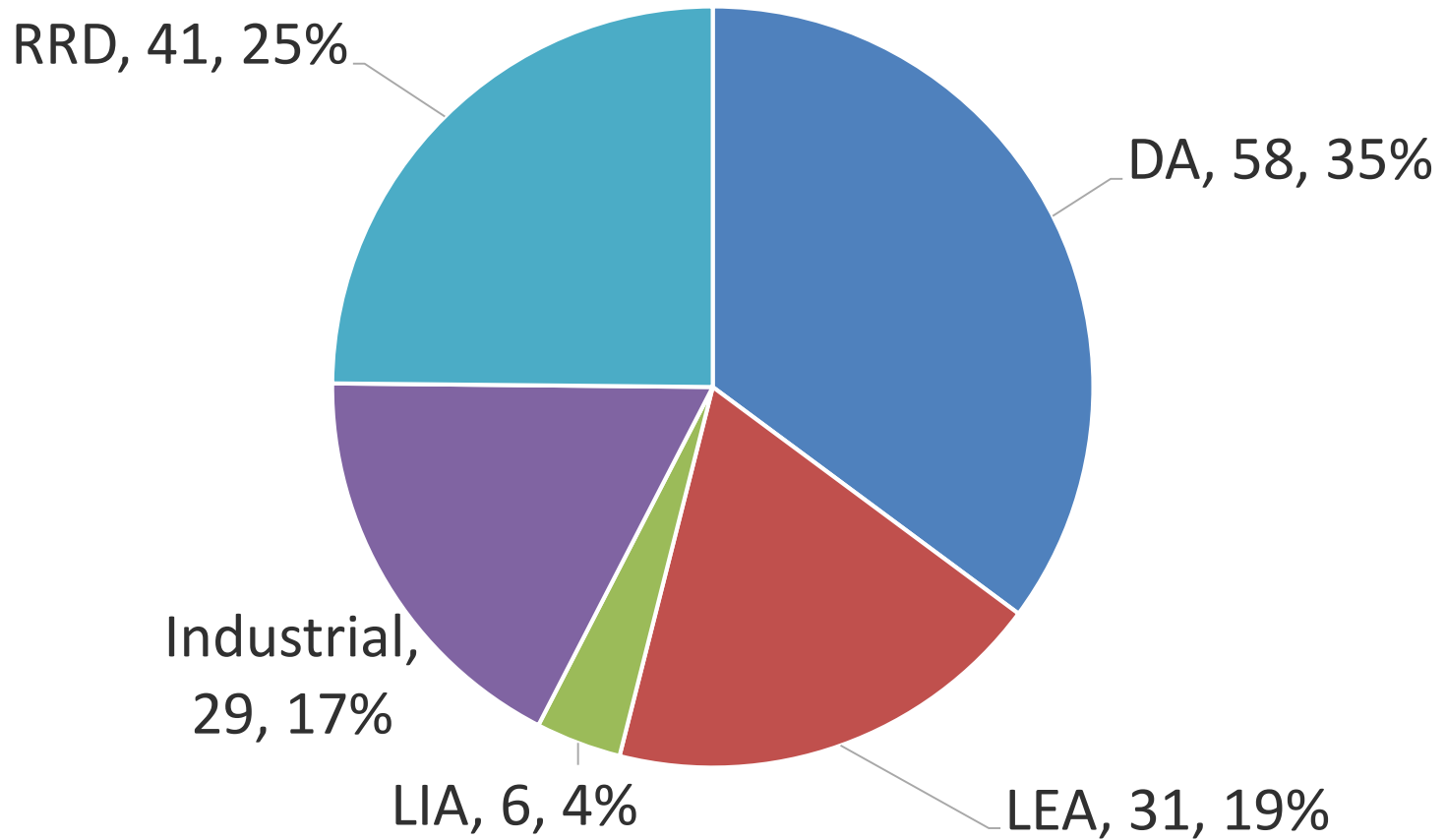
Cannabis Testing Labs	1
Dispensaries	4
Distribution Facilities	8
Manufacturing Facilities	11
Cultivation	
Outdoor Cultivation	43.62 acres
Mixed Light Cultivation	8.63 acres
Indoor Cultivation	6.07 acres



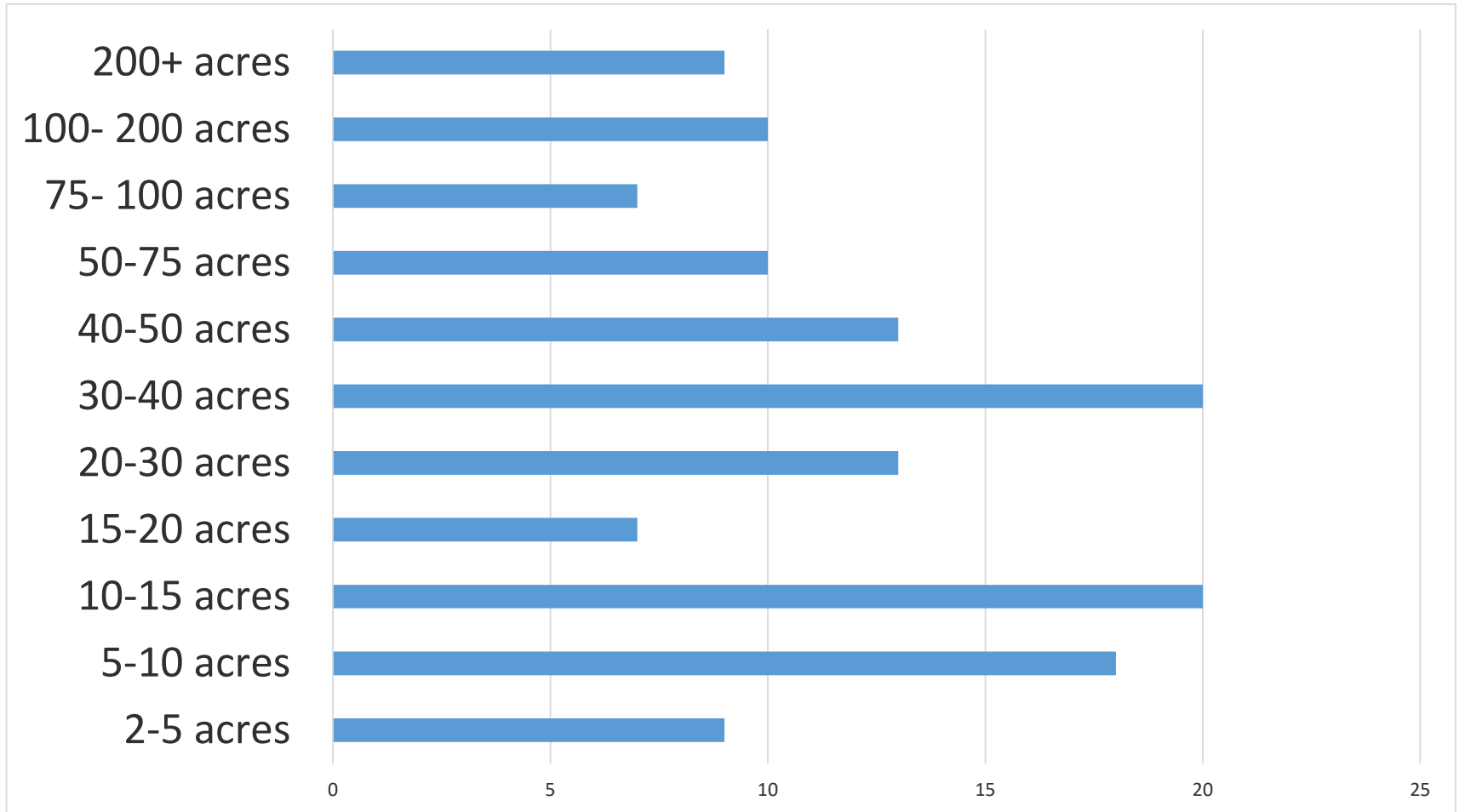
Active Apps-Supervisor District



Active Apps- Zoning



Active Apps- Ag and RRD Zones Parcel Size



Code Enforcement- Numbers since 1/1/17

- 578 cannabis complaints
 - 517 cases closed/cannabis removed
- 61 Open Cases
 - 23 have active applications and penalty relief
 - 12 only have penalty relief
 - 26 are pending resolution



Building Violation and Permit Numbers

- 1,680 - Building/grading violation notices issued
- 125 - Building permits issued to demolish or legalize
- 268 - Estimated permits needed to correct outstanding violations
- \$124,195 - Building Permit/Penalty fees collected



Code Enforcement Tools

- Civil Penalties of up to \$50,000 a day
- Abatement Proceedings
- Liens placed on the property
- Environmental Damage
 - California Department of Fish and Wildlife
 - State Water Control Resources Board
 - Prosecution by District Attorney



Land Use Ordinance

No....

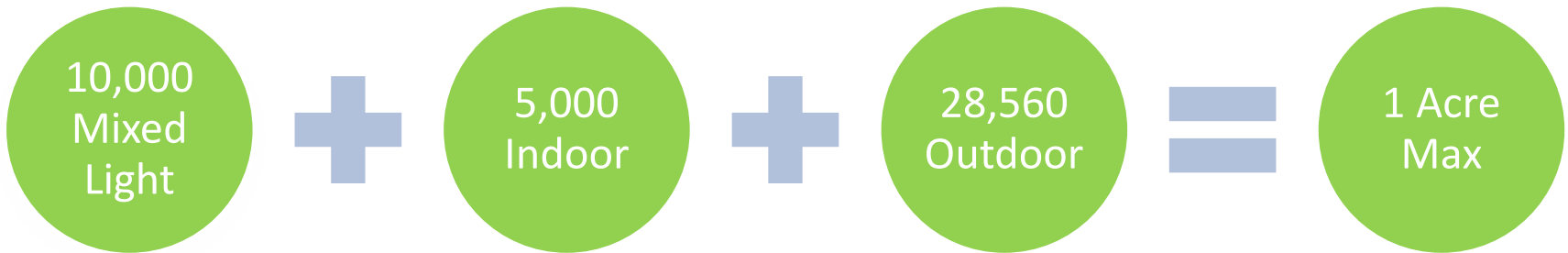
- Recreational
- Residential
- Volatile Manufacturing
- Events/Tasting
- Deliveries Separate from Dispensaries

- Cannabis is not “agriculture”



Cannabis Permitting

- 1 acre max per parcel (multiple operators)
- 1 acre max per operator
- Siting Standards
- Operating Standards



Cannabis Permitting

Permit
Sonoma
(PRMD)

- Zoning Permits (indoor & mixed light)
- Minor and Conditional Use Permits

Dept. of
Agriculture

- Outdoor Cultivation Zoning Permits up to 10,000 sq. ft.



**FINAL (ADOPTED DEC 20, 2016)
SUMMARY OF ALLOWED LAND USES AND PERMIT REQUIREMENTS FOR**

MAXIMUM PLANTING AREA PER PARCEL (square feet or plant)	MINIMUM PARCEL SIZE	STATE LICENSE TYPE	Agricultural			Resources		Rural Residential		Urban R	
			Land Intensive Agriculture	Land Extensive Agriculture	Diverse Agriculture	Resources and Rural Development	Timber Preserve	Agriculture and Residential	Rural Residential	Low Density Residential	Medium Density Residential
			LIA ¹	LEA ¹	DA ¹	RRD ¹	TP	AR ¹	RR	R1	R2
Less than 100 sq ft including up to 2 plants for adult use per residence	None	exempt	P	P	P	P	P	P	P	P	P

Use permit					
Less than 43,560		4	CUP	CUP	
Less than 22,000		4	CUP ³	CUP	
Less than 25 plants	2 ac	1C	ZP	ZP	
Less than 10,000 sq. ft. or less than 50 plants	3 ac	1	CUP	ZP	
10,001 - 10,000	5 ac	2	CUP	ZP	
10,001 - 43,560	10 ac	3	CUP	CUP	
Less than 500	None ⁴	1C	ZP ³	ZP	Z
501 - 5,000	None ⁴	1A	CUP ³	CUP ³	CU
5,001 - 10,000	None	2A	—	—	
10,001 - 22,000	None	3A	—	—	

Board of Supervisors, Dec 20, 2016

Allo

Section 26-88-250 Commercial Cannabis Uses - Medical

- (a) **Purpose.** This section provides the development and use of medical cannabis and commercial medical cannabis uses to ensure neighborhood safety, address potential environmental impacts, provide safe access to medical cannabis, and create opportunities for economic development.
- (b) **Applicability.** Medical cannabis uses shall be permitted in the following zones and subject to the requirements of Sections 26-88-250 through 256 and 257 and those of the underlying zoning ordinance for the specific type of use and those of the underlying zoning ordinance.




Sonoma County
Cannabis

Commercial Cannabis Uses

- Annual Permits
- Multiple Operators Allowed
- Robust Standards
 - 100% renewable energy
 - Security/Lighting/Visibility
 - Odor
 - No net increase in Groundwater, Hydro Studies
 - Biotic Studies Required


1,000 ft from sensitive uses


100 feet from property lines

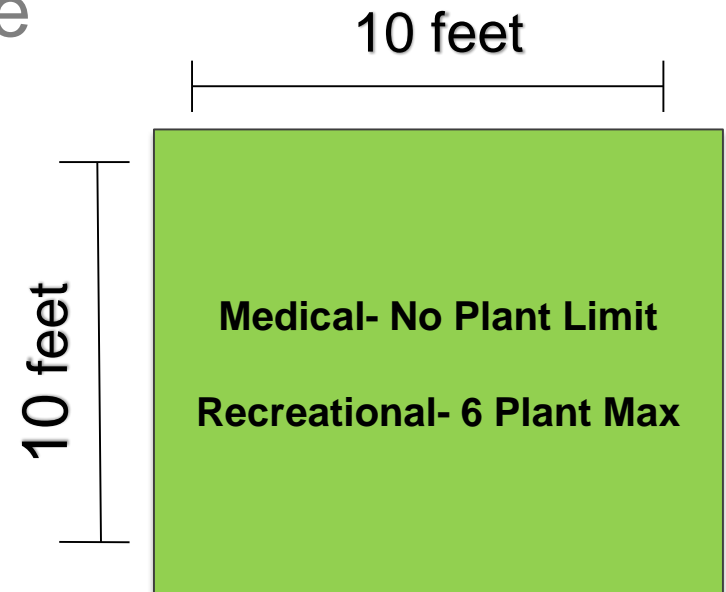

300 ft from occupied residences and business



Personal Cultivation



- 100 sq. ft. per residence
- 6 plant limit on nonmedical (Prop 64)
- No outdoor in multi-family, R2, R3
- Landlord approval required
- Shall not be visible



CANNABIS ORDINANCE AMENDMENTS

PART 1

Planning Commission

June 7, 2018

Katie Olding, Planner

Amy Lyle, Supervising Planner



Board and Ad Hoc Direction

APRIL 10
STUDY
SESSION

TWO PART
WORK
PLAN

- **Neighborhood Compatibility**
 - ▣ Take quick action now where appropriate.
 - ▣ Take more time to review policies related to concentration, proximity to residential, operational size and allowed zoning districts, and public safety.
- **Harmonize with State Regulations**
 - ▣ Consider Allowing Adult Use Operations
 - ▣ Align Ordinance with State Law

Part 1 Schedule

Date	Task	Request Action
May 10, 2018	Marijuana Technical Advisory Committee Meeting	A TAC consisting of various representatives from County departments.
May 21, 2018	Board of Supervisors Ad Hoc Committee	Review of staff recommendation to the Planning Commission.
May 30, 2018	Cannabis Advisory Group Meeting	Review of staff recommendation to the Planning Commission.
June 7, 2018	Planning Commission Hearing and Recommendation #1	A public hearing and meeting to deliberate and provide a recommendation to the Board.
June 28, 2018	Planning Commission Hearing and Recommendation #2	An additional meeting for deliberation and recommendation to the Board.
Aug 7, 2018	Board of Supervisors Hearing and Adoption	A public hearing will be held to deliberate and take formal action to adopt the revised ordinance.

Ordinance Part 1: Goals

- Take action now to provide neighbors an opportunity to address concerns with neighboring cannabis operations
- Align the existing Ordinance with state law to provide clarity and consistency

Proposed Part 1 Amendments

- ❑ Allow Adult Use Operations Including Dispensaries;
- ❑ Extend the life of new cannabis permits from 1-2 years;
- ❑ Allow Transferability between owners/operators;
- ❑ Require use permits on properties less than 10 acres within Agricultural and Resource Zones;
- ❑ Create Inclusion and Exclusion Combining Districts;
- ❑ Harmonize with state law including new license types and definitions; and
- ❑ Amend other language to aid in consistency and clarification.

Planning Commission Policy Options

- Information presented represents recommendations from Cannabis Ad Hoc and staff
- Policy Options allow for modifications by Planning Commission and Board of Supervisors
- Public Participation at PC and BOS

Neighborhood Compatibility: Opportunity for Quick Action

- Reduce Zoning Permit Availability on Smaller Parcels (Agricultural and Resource Zones) giving neighbors an opportunity to be involved.
- Allow Appeal of Zoning Permits
- Exclusion Combining District
- More to Come in Part 2!

Neighborhood Compatibility: Policy Options

1. Require Use Permits for All Sizes of Operations within Non-Industrial Zones
2. **Require Use Permits for Properties less than 10 acres within Non-Industrial Zones (ZPs okay on large parcels)**
3. Require Use Permits for Properties less than 10 acres within the DA Zone
4. Require Use Permits for All Cannabis Operations within the DA Zone
5. Require 10 Acre Minimum Parcel Size within the DA Zone (no commercial cannabis on smaller parcels)

Ad Hoc Recommendation

Option #2 Require Use Permits for Properties less than 10 acres within Non-Industrial Zones

- Operators on properties under 10 acres within the LIA, LEA, and DA zones would be subject to the CUP process which includes public notification, environmental review, and a public hearing process.
- Zoning permits would continue to be allowed on properties over 10 acres.

Projects Approved and in Process

- Pipeline Provision Policy Options
 - a. Allow for approved permits to continue operating until they expire.
 - b. Allow any permits that are “complete for processing,” to continue to be processed and approved, and operate until they expire.

- Recommendation: Both of the above options

State Law Harmonization

- Allow for Adult Use Cannabis Operations
 - Full Supply Chain
 - No change to Dispensary Cap of 9
- New License Types, with Use Permit
 - Processor
 - Microbusiness
 - Self-Distributor/Transporter
 - Shared Manufacturing Facility

Harmonization Definitions

- Canopy Definition Changes: Align with State Regulations, with some variation
- New Definitions:
 - Application- Cannabis
 - Cannabis Business Owner
 - Commercial Cannabis Activity
 - Delivery
 - Hoop House- Cannabis
 - Non-manufactured Cannabis
 - Process, Processing, or Processes- Cannabis

Other Proposed Amendments

- Require 600 ft Setback from Schools for Indoor
- Extend Permit Length of Time from 1 to 2 Years
- Allow Transferability Between Operators/Owners
- Remove Priority Processing Policy
- Propagation Area: 5% Floor Area Allowance
- Land Use Table Amendments
- Other Revisions for consistency and clarification

Inclusion Policy Options

1. Allow Cultivation within Certain Zoning:
 - a. **Allow in RR and AR**
 - b. **Allow in Commercial**
 - c. Allow in AS (Agriculture and Services)

2. Limit to Certain Areas:
 - a. **Planning Areas**
 - b. Area or Specific Plans
 - c. Properties with Historic Cannabis Use

Inclusion Policy Options Cont...

1. Criteria for Inclusion Zone
 - a. Minimum Parcel Size
 - 2, 5, 10 acres?
 - b. Proximity to Residential
 1. Density, half mile radius, 1,000 ft setback
 - c. Proximity to Agricultural Uses
 - d. Limitation on Size of Operation
 1. Cottage
 2. 10,000 sq ft
 3. **Allow all sizes as allowed by Land Use Table**

Inclusion Policy Options Cont...

4. Initiation of Zone Change Request:

- a. **Applicant Submits Request: Private party to apply for the Inclusion Zone on one or more properties.**
- b. County Initiated: As directed by the Board and the Cannabis Ad Hoc Committee.
- c. Allow for both private parties and the County to initiate rezoning applications for Inclusion Zones.

Inclusion Combining District

Ad Hoc Recommendation:

- ▣ Commercial Zoning- Countywide
- ▣ Planning Areas 4 and 6: RR and AR properties over 5 acres
- ▣ Requires Zone Change and Use Permit Application by Private Party



Not to Scale

Exclusion Combining District

1. Criteria for Exclusion:

- a. Areas where there is inadequate road access or other conflicts;
- b. Areas where the prevalence or concentration of cannabis operations is detrimental to the residential character of area;
- c. Areas where the commercial or industrial uses are to be protected from conversion to cannabis uses;
- d. Areas where, because of topography, access, water availability or vegetation, there is a significant fire hazard;
- e. Areas with sensitive biotic resources or significant environmental sensitivity exists; or
- f. Other areas where the Board of Supervisors determines that it is within the public interest to prohibit cannabis uses.

Exclusion Combining District Cont...

2. Initiation of Zone Change Request

- a. Applicant Submits Request: Private party to apply for the Exclusion Zone on one or more properties.
- b. County Initiated: Directed by the Board of Supervisors and the Cannabis Ad Hoc Committee.
- c. **Allow for both private parties and the County to initiate rezoning applications for Inclusion Zones.**

Exclusion Combining District Cont...

3. Pipeline Provision for Applications Approved or In Process

- a. Allow for approved permits to continue operating until they expire.
- b. Allow any permits that are “complete for processing” to become approved and operate until they expire.
- c. **Allow this provision to be reviewed on a case by case basis through the Exclusion Zone Application Process.**

Exclusion Combining District

Ad Hoc Recommendation

- ❑ Include All Criteria for Exclusion
- ❑ Allow both private parties or the County to initiate a zone change application to add the Exclusion Combining District
- ❑ Pipeline Provision could be applied on a case by case basis

Recommendation

1. Ask Questions of Staff
2. Hold a Public Hearing
3. Close the Public Hearing and Deliberate, Take Straw Votes on Policy Options
(Second PC Date of June 28th)
4. Adopt Resolution recommending that the Board approve the Zoning Code Amendments.