# BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA Certified copy of portion of proceedings, Meeting of November 14, 2017

ORDINANCE AMENDING PROVISIONS OF TITLE III OF THE HUMBOLDT COUNTY CODE RELATING TO THE COMMERCIAL CULTIVATION, PROCESSING, MANUFACTURING, DISTRIBUTION, TESTING, AND SALE OF CANNABIS FOR MEDICINAL OR ADULT USE

#### ORDINANCE NO. 2588

**WHEREAS**, the County of Humboldt has adopted comprehensive ordinances, Ordinance Nos. 2554 and 2559, to regulate land use with respect to the commercial cultivation, processing, manufacturing, distribution, testing and sale of medical cannabis, as authorized by state law; and

WHEREAS, since the adoption of Ordinances 2554 and 2559, state law has been amended by the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), SB 94, Statutes of 2017, Chapter 27, effective June 27, 2017, to provide for a legal commercial marketplace for adult recreational cannabis use by persons 21 years of age or older with uniform regulations applicable to both medicinal and adult use commercial cannabis activities, and state licensing to begin January 1, 2018; and

WHEREAS, the State of California commercial cannabis licensing authorities -- the Bureau of Cannabis Control, the Department of Food and Agriculture, and the Department of Public Health – have announced that they will initially adopt emergency regulations as authorized by Business and Professions Code section 26013, and begin to issue temporary licenses on or before January 1, 2018, pursuant to Business and Professions Code section 26050.1. An application for a temporary license must include a copy of a valid license, permit, or other authorization, issued by a local jurisdiction, enabling the applicant to conduct a commercial cannabis activity at whichever location a license is being sought; and

WHEREAS, in accordance with Ordinance 2559, the County of Humboldt has accepted and is processing approximately 2,300 applications to conduct commercial cannabis activities for the Medicinal use marketplace, and additional applications for conditional use permits for medical cannabis dispensaries in accordance with Ordinance 2554; and

WHEREAS, the County of Humboldt is currently preparing a comprehensive update to the existing commercial cannabis land use regulations known as the Commercial Cannabis Land Use Ordinance (CCLUO), with uniform provisions applicable to both medicinal and adult use commercial cannabis activities, but which may not be finalized and effective until after January 1, 2018; and

WHEREAS, it is in the best interest of the County of Humboldt that all cannabis that is cultivated, processed, manufactured, distributed, tested, and/or sold in the County of Humboldt be part of a well-regulated, environmentally responsible, and economically sustainable legal cannabis marketplace; and

WHEREAS, the social, environmental, economic, and land use impacts of commercial cannabis cultivation, processing, manufacturing, distribution, and testing are no different whether in support of the medicinal or adult use commercial marketplace; and

Certified copy of portion of proceedings, Meeting of November 14, 2017

#### **ORDINANCE NO. 2588**

WHEREAS, it is in the best interest of the health, safety, and welfare of the citizens of Humboldt County that interim amendments be made to existing land use regulations governing commercial cannabis activities so that they become applicable to both the Medicinal and Adult-Use legal marketplace, and help to further the economic viability and stability of existing commercial cannabis industries within the County; and

WHEREAS, persons who are issued a zoning clearance certificate or discretionary permit to engage in commercial cannabis activities for medicinal use pursuant to Ordinance Nos. 2554 or 2559, but prior to the adoption of more comprehensive amendments, should be able to seek and obtain state licenses and conduct commercial activities for either the Medicinal or Adult-Use legal commercial marketplace; and

WHEREAS, it is in the best interest of the County of Humboldt to allow for issuance of an interim permit to applicants seeking local approval of existing lawful cultivation sites established prior to January 1, 2016, and who have filed a timely and complete application with the County for a commercial cannabis land use permit; and

WHEREAS, it is in the best interest of the County of Humboldt to provide for the issuance of an interim permit so that those Humboldt County cultivators who have elected to participate in the legal California marketplace may apply for temporary state licenses as soon as they become available; and

WHEREAS, to receive an interim permit, applicants shall be required to execute a written compliance agreement with the County, and agree to complete the remainder of the permit process.

**NOW, THEREFORE** the Board of Supervisors of the County of Humboldt ordains as follows:

**SECTION 1.** Section 314-55.4 of Chapter 4 of Division 1 of Title III of the Humboldt County Code is hereby amended to add subsection 55.4.2.1, as follows:

55.4.2.1: The further purpose of this Section is to establish land use regulations concerning the commercial cultivation, processing, manufacturing, and distribution of cannabis for adult use within the inland area of the County of Humboldt, outside of the Coastal Zone, in order to limit and control such cultivation in coordination with the State of California in the implementation of the Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA") (SB 94), and as it may subsequently be amended, to achieve the same objectives as more fully set forth in the preceding section.

**SECTION 2.** Section 314-55.4 of Chapter 4 of Division 1 of Title III of the Humboldt County Code is hereby amended to add subsection 55.4.3.8 and subsection 55.4.3.9, as follows: 55.4.3.8 Wherever the terms "medical marijuana," "medical cannabis," "marijuana for medical use," or "cannabis for medical

Certified copy of portion of proceedings, Meeting of November 14, 2017

#### **ORDINANCE NO. 2588**

use," may appear in regulations in Section 314-55.4, et seq. of the Humboldt County Code, the regulations shall also apply to adult use commercial cannabis activity authorized by MAUCRSA and regulations issued thereunder.

- 55.4.3.9: Permits issued for commercial cannabis activities pursuant to the Commercial Medical Marijuana Land Use Ordinance (CMMLUO) as set forth in Ordinance No. 2559 shall remain valid, and shall be governed by the terms and conditions of that ordinance and permits issued thereunder, except that use shall not be limited to medical use. Holders of such permits may apply for state licenses and conduct commercial activities for either medicinal or adult use license categories for cultivation, processing, distribution, or manufacturing or any combination thereof as may be permitted under state statute and regulations.
- **SECTION 3.** Section 314-55.3 of Chapter 4 of Division 1 of Title III of the Humboldt County Code is hereby amended to add subsection 55.3.2.1, as follows:
  - 55.3.2.1: The further purpose of this Section is to minimize the negative land use impacts that can be associated with the sale or testing of cannabis to adults twenty-one (21) years of age or older and to facilitate the local implementation of the Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA") (SB 94), and as it may subsequently be amended.
- **SECTION 4.** Section 314-55.3 of Chapter 4 of Division 1 of Title III of the Humboldt County Code is hereby amended to add subsection 55.3.3.8 and subsection 55.3.3.9, as follows:
  - 55.3.3.8: Adult Use Retail Sales facilities are a conditionally permitted use, subject to the same permit requirements that apply pursuant to Humboldt County Code Sections 314-55.3, et seq. applicable to Medical Cannabis Dispensaries. All regulations applicable to permitting of Medical Cannabis Dispensaries shall be applicable to Adult Use Retail Sales facilities, except those limiting sales exclusively to medical cannabis.
  - 55.3.3.9: Permits issued for Medical Cannabis Dispensaries pursuant to Section 314-55.3 as set forth in Ordinance No. 2554 shall remain valid, and shall be governed by the terms and conditions of the approved permit, including those limiting distribution and sales to qualified patients with a recommendation from a licensed California physician, consistent with state provisions for medicinal use. Any Dispensary operating under a local permit approved prior to the effective date of the ordinance adding section 55.3.3.8 may seek a modification of the permit to authorize the sale of cannabis to an adult twenty-one (21) years of age or older who is not a qualified patient with a physician recommendation. Modification of the permit may be authorized as provided under section 312-11 of these regulations. Approval of the modification must be made by the Planning Commission or Zoning Administrator, at a public hearing for which notice has been provided pursuant to section 312-8. Holders of such permits may apply for state licenses for

Certified copy of portion of proceedings, Meeting of November 14, 2017

#### **ORDINANCE NO. 2588**

either medicinal or adult use retail sale license categories, or any combination thereof as may be permitted under state statute and regulations.

**SECTION 5.** Section 314-55.4.8 of Chapter 4 of Division 1 of Title III of the Humboldt County Code is hereby amended to add subsection 55.4.8.11, as follows:

55.4.8.11: Where adequate evidence has been submitted demonstrating that a cultivation site existed prior to January 1, 2016, permit applications seeking authorization of commercial cannabis cultivation and ancillary activities at these sites shall be eligible to receive an interim permit, provided the application was determined to be complete for processing on or before July 14, 2017. Prior to issuance of any interim permit, the Department shall independently review evidence of prior cultivation and specify the size of pre-existing cultivation area (if any) based upon aerial and satellite imagery, or other substantial evidence. Approval of the interim permit is conditional and shall occur through issuance of a Zoning Clearance Certificate and written Compliance Agreement on forms provided by the County. Compliance agreements will specify permit restrictions. penalties, and commitments to complete the permit process and confine continued operation to existing areas only. Violation of the compliance agreement shall be grounds for permit cancellation and disqualification of the property from future permitting. The interim permit authorizes the permittee to seek state licensure and continue operations until completion of the local permit review process and issuance or denial of a County permit, or July 1, 2018, whichever occurs first. The Director may extend this deadline for cause. Refusal of the Director to issue or extend an interim permit shall not entitle the applicant to a hearing or appeal of the decision. Additionally, approval of any interim permit does not obligate the County to anything except what is described in the compliance agreement, including but not limited to approval of a non-interim permit or extension of the interim permit. Permit cancellation and disqualification of the property from future permitting shall be decided by the Zoning Administrator or the Planning Commission at a noticed public hearing. Those decisions may be appealed to the Board of Supervisors pursuant to the appeal procedures outlined under 312-13 of these regulations. Applicants with pending applications where only minor additional information is needed for approval shall not be issued interim permits unless in the discretion of the Director reasons exist (not within control of the applicant) that the information cannot be provided prior to December 31st, 2017.

Certified copy of portion of proceedings, Meeting of November 14, 2017

#### **ORDINANCE NO. 2588**

PASSED, APPROVED AND ADOPTED this 14th day of November, 2017 on the following vote, to wit:

AYES:

Supervisors

Fennell, Bass, Wilson, Bohn, Sundberg

NOES:

Supervisors

ABSENT:

Supervisors

Virginia Bass, Chair

Board of Supervisors of the County of Humboldt,

State of California

(SEAL)

ATTEST:

Kathy Hayes, Clerk of the Board of Supervisors of the County of Humboldt, State of California

By:

Ryan Sharp, Deputy