



# Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

## Board Report

Legistar File Number: 16-373

March 30, 2016

Introduced: 3/21/2016

Current Status: Agenda Ready

Version: 1

Matter Type: Planning Item

- a. Receive a presentation regarding medical cannabis operations
- b. Consider draft regulations for medical cannabis operations in the unincorporated area of the County, and
- c. Provide direction to staff.

### RECOMMENDATION:

Staff recommends that the Planning Commission conduct a public workshop to:

- a. Receive a presentation regarding medical cannabis operations
- b. Consider draft regulations for medical cannabis operations in the unincorporated area of the County:
  - 1) Land Use Entitlement. Amend Titles 20/21 (zoning regulations) establishing medical cannabis operations as a "Use Allowed subject to Use Permits/Coastal Development Permits in each case" in certain zoning districts;
  - 2) Business Permit. Add Chapter 7.90 to the Monterey County Code to establish a means of regulating the operation of medical cannabis business in a manner consistent with State and local laws; and
  - 3) Business License. Add Chapter 7.02 to the Monterey County Code to establish a business license for cannabis businesses in the unincorporated areas of the County
- c. Provide direction to staff.

### PROJECT INFORMATION:

**Project Location:** County-wide  
**APN:** County-wide  
**Planning File Number:** REF150048  
**Owner:** N/A  
**Applicant:** N/A  
**Agent:** N/A  
**Planning Area:** County-wide  
**Flagged and staked:** N/A  
**Zoning Designation:** Varies (see Draft Regulations)  
**CEQA Action:** Workshop is Statutorily Exempt per Section 15262

### SUMMARY:

On July 7, 2015, the Board of Supervisors appointed an ad hoc committee to aid in the creation of new medical marijuana regulations in the unincorporated areas. Working closely with the ad hoc committee, staff developed draft ordinances addressing land use entitlements, business permits and business license. The draft ordinances were released to the public on February 9, 2016. Since that time staff has conducted three public meetings to review and discuss the draft

ordinances (stakeholders).

This workshop is an opportunity for staff to update the Planning Commission and for the Committee to hear public comment on these ordinances. Staff is seeking direction from the Committee that we can present to the ad hoc committee. That direction will help frame draft ordinance that will then be considered at public hearings before the Planning Commission and Board of Supervisors.

Based on feedback in the public meetings, the following is a summary of topics for consideration at the workshop:

- Consider Allowing outdoor cultivation
- Allow flexibility in zoning districts
- Increase or remove permit limits
- Consider a permit or grandfather provision for existing operations
- Allow multiple licenses on one property
- Consider competitive review criteria for limited permits
- Increase personal grow from 100 to 500 square feet
- Keep the draft ordinance substantially the same

More information is provided below and in Attachment A.

PROJECT OVERVIEW:

In 1996, voters passed Proposition 215 known as the Compassionate Use Act. The Compassionate Use Act allowed seriously ill Californians to obtain and use marijuana for medical purposes and protected individuals and caregivers from criminal prosecution or sanction who obtain and use marijuana for medical purposes, upon the recommendation of a physician. In 2003, Senate Bill 420 was passed by the State legislature and signed into law clarifying provisions of the Compassionate Use Act and establishing a voluntary program for identification of qualified patients and caregivers with a State issued identification card. Under these two laws, individuals could cultivate up to six mature plants and twelve immature plants for their own medical use, and in some instances more with a doctors' recommendation. Collectives and cooperatives were established as a means to consolidate cultivation and dispensing of medical cannabis to qualified patients and their primary caregivers. Between 1996 and now, many collectives or cooperatives have been established in Monterey County and around the State.

In 2015, feeling a significant increase in pressures for marijuana collective and cooperatives to begin operations within the unincorporated areas of the County, and acknowledging that the County was lacking specific rules for such operations at the time, the Board of Supervisors (Board) made a referral to the Resource Management Agency (RMA) to consider an interim urgency ordinance for new collective or cooperative operations. On July 7, 2015, the Board adopted an interim urgency ordinance (Exhibit B) temporarily prohibiting new medical marijuana operations in the unincorporated areas of Monterey County. The interim ordinance has been extended twice by the Board and is in effect through February 26, 2017. The interim ordinance provides the opportunity for collectives and cooperatives, operating in compliance

with local and State laws prior to July 7, 2015, or having made a substantial financial investment in preparing a site for a new operation to submit written evidence to the RMA-Director of Planning for a determination to allow them to continue operations during the temporary prohibition.

At the meeting on July 7, 2015, the Board expressed a desire to move quickly with permanent regulations. An ad hoc committee of the Board was appointed to aid in the creation of regulations. Working closely with the ad hoc committee, staff developed draft ordinances that would permit a limited number of new medical marijuana businesses in the unincorporated areas.

In October 2015, the State passed new medical marijuana laws known as the Medical Marijuana Regulation and Safety Act. The new law requires various State agencies to develop regulations for a new State licensing program. Regulations are under development at the State level and are not expected to be completed until 2018. The State law allows local governments to maintain local regulatory authority over medical marijuana. State licenses will not be issued without written permission from local governments. The State law defines “commercial cannabis businesses” to be interchangeable with collective or cooperative operations. The draft ordinances attached to this report draw from concepts established in the new State law.

With input from the Board ad hoc committee, staff drafted three separate ordinances for medical marijuana regulation in the County. The three ordinances include:

1. A draft zoning ordinance (Exhibit C) amending Title 21 (the inland zoning ordinance for Monterey County) that would add new rules and regulations for the review and permitting of certain commercial cannabis activities in specified zoning districts. The land use permit is a one-time action with the entitlement running with the land. An ordinance amending the Coastal zoning ordinance (Title 20) will be prepared that will mirror the inland ordinance. The coastal ordinance would reflect the differences in zoning designation and section reference between the two codes.
2. A draft ordinance adding Chapter 7.90 (Exhibit D) to the Monterey County Code that would require an annual business permit to operate a commercial cannabis business. Each individual/business must obtain a business permit, which may only be issued if a valid land use permit exists. One type of permit will be issued to all commercial cannabis businesses, but there are specific requirements for the different types of businesses within the ordinance (i.e. cultivation, dispensing, manufacturing, testing, or transportation and distribution) and will include review and inspection requirements specific to the needs of the Health Department and the Sheriff’s Office; and
3. A draft ordinance adding Chapter 7.02 (Exhibit E) that would establish a new business license registration program for commercial cannabis businesses that operate in the unincorporated areas of the County. Each business location must obtain a business license. The business license will ensure that all required local and State permits/licenses have been obtained. Licenses must be renewed annually and will help with maintaining a record of cannabis businesses permitted to operate in the County.

Draft ordinances (Exhibits C, D and E) were provided to the Board with a status report on February 9, 2016. In summary, the draft ordinances would regulate medical cannabis as follows:

- Cultivation Permits would only be issued for indoor cultivation in the Industrial zoning districts or within a greenhouse that was legally established prior to January 1, 2016 in the Farmland zoning district.
- No outdoor cultivation would be permitted.
- Manufacturing, Distribution, and Testing Permits would be limited to Commercial and Industrial zoning districts only,
- Dispensaries would only be permitted in Light Commercial or Heavy Commercial zoning districts.
- Limit the number of permits as follows:
  - 100 Cultivation Permits
  - 15 Manufacturing Permits
  - 15 Dispensaries
  - 5 Distributors
  - 2 Testing Facilities

This “pilot program” concept will provide the County with experience that can be drawn from for future updates to the regulations and can be revisited after the State develops regulations in 2018.

Since the draft ordinances were released, staff has conducted three public meetings to review and discuss the draft ordinances (stakeholders). The majority of attendees at these meetings have supported permitting medical cannabis operations in the County. Staff has captured the comments provided in those meetings and tried to organize them into four categories:

- Comments from the public regarding existing medical marijuana operations in Monterey County that desire a path to compliance;
- Comments from the public on the draft ordinance seeking fundamental changes to the draft ordinance for permitting new medical marijuana operations;
- Comments from the public on the draft ordinance that would improve on or clarify the draft ordinances without requiring a fundamental change; and
- Comments from the public in support of the draft ordinance limitations and expressing concerns regarding impacts of medical marijuana operations on surrounding neighborhoods and the environment.

Public comment has been categorized in this way because each of these categories has unique issues and potential solutions; although there is overlap in the issues and concerns raised within these categories. Additional detail on the issues and concerns raised at the public meeting is provided in Exhibit A. Staff is still gathering input from the community and the Planning Commission and will provide feedback to the ad hoc committee before moving forward with the regulations. Updated ordinances will be provided to the Planning Commission at a future date for a recommendation to the Board of Supervisors.

The new regulatory structure is expected to involve new duties and increased workloads for several different County Departments and Agencies. Affected Departments/Agencies have been involved in drafting of regulations and have provided estimates on budget impacts associated


with the anticipated new duties. The limit on the number of Use Permits has provided a clearer picture of the potential workload that the County could expect. To this end, initial financial projections indicate that permit fees alone are not likely to cover the County's full cost of overseeing the program. Discussions regarding a tax for the cannabis industry are ongoing. If pursued, a tax could cover the financial shortfall and generate a new source of revenue. Such a tax would have to be approved by the voters. The County is currently working on securing contract services to aid in fee studies, staffing levels, and a potential tax measure.

A more detailed discussion on the development regulations and issues discussed to date is attached as **Exhibit A**.

OTHER AGENCY INVOLVEMENT: The following agencies and departments have been involved in preparation of the draft ordinances:

- Resource Management Agency (Planning, Code Compliance) CAO's Office
- Health Department/Environmental Health Bureau
- Economic Development Department Sheriff Office Treasure/Tax Collector Agricultural Commissioner Office District Attorney Office County Counsel Office

Prepared by: Craig W. Spencer, Associate Planner, Ext. 5233

Approved by: Jacqueline R. Onciano, RMA Services Manager   
Carl P. Holm, AICP, RMA Director

This report was reviewed by Kelly Donlon, Deputy County Counsel

- Attachments:
- Exhibit A Project Discussion
  - Exhibit B Interim Urgency Ordinance No. 5265
  - Exhibit C Draft Zoning Ordinance (Title 21):
  - Exhibit D Draft Business Permit Ordinance (Chapter 7.90)
  - Exhibit E Draft Business License Ordinance (Chapter 7.02)
  - Exhibit F Correspondence

cc: Front Counter Copy; Planning Commission; RMA-Environmental Services; Environmental Health Bureau; Water Resources Agency; California Coastal Commission; RMA-Code Enforcement; Health Department; Economic Development; County Counsel; Sheriff; Treasure/Tax Collector; Agricultural Commissioner; District Attorney; CAO's Budget Office; CAO's office; Jacqueline R. Onciano, RMA Services Manager; Craig Spencer, Project Planner; The Open Monterey Project (Molly Erickson); LandWatch (Amy White); John H. Farrow; Janet Brennan; George Brehmer; Betty Wren; Michael Groves; Todd Bessire; Michael Bitar; Aaron Johnson; Sal Palma; Mike Linder; Jason Kallen; Aaron Newsom; Darin Woodfill; Jennifer Carrera; Ryan Booker; Jeff Scott; Isabelle Franz; Nick Curton; Paula Getzelman; Danica Flores; Lizette Valdez; Jessica McElfresh; Wil Wicke; Frank Chimienti; Joey Espinosa; Ryan Munevar; Valentia Piccinini; Jeff Atkinson; Mark Barber; Jen Linney; Melissa Duflock; Courtney Lyng; Melissa; Ken Greer; Heidi Park; Todd Winter; Ellen Komp; Ken Ekelund; Len Merino; Oren Rosenfeld; Stephen Kim; James Benton; The Pharmaceuticals Company; Kurt Kaufeldt; Ralph Calderon; Planning File REF150048



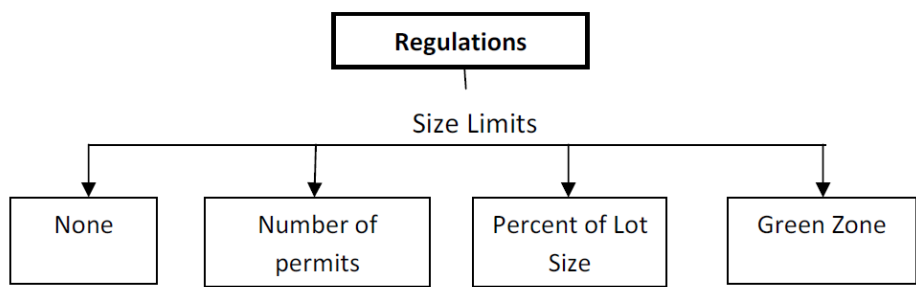
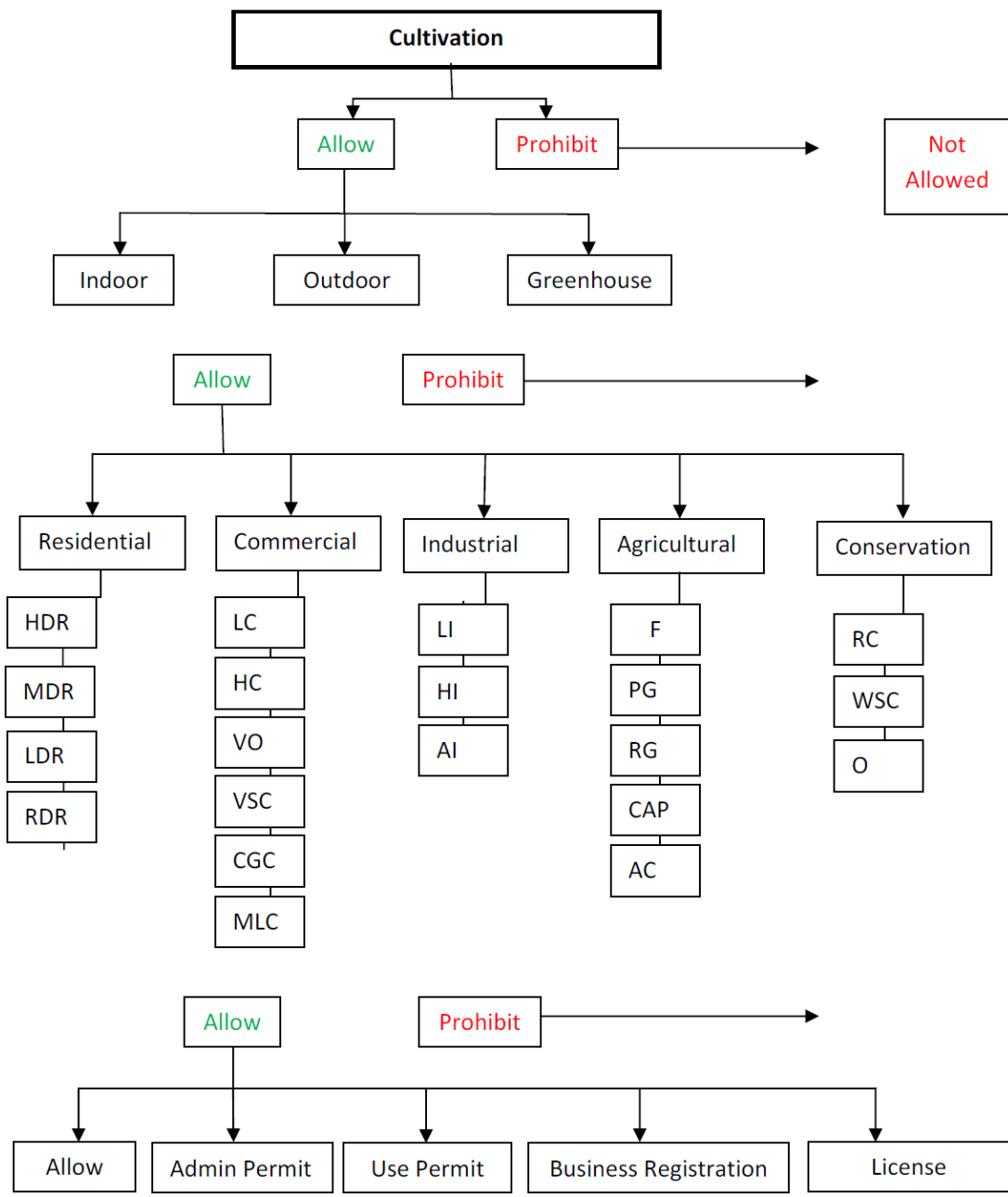
## **EXHIBIT A DISCUSSION**

### **Project Background**

Following the adoption of the Interim Ordinance on July 7, 2015 (Exhibit B), staff including representatives from the Chief Administrator's Office, the Resource Management Agency, the Treasurer/Tax Collector, the Agricultural Commissioner, Economic Development, County Counsel, the District Attorney, the Sheriff's Office, and the Environmental Health Bureau began meeting to discuss options for how to proceed with regulations for medical marijuana. Other jurisdictions around the State who were already dealing with this subject were consulted to learn about their successes and failures. Consultation with other jurisdictions raised some serious concerns. Within the black market, marijuana cultivation can have serious environmental, health, and safety impacts if not done properly. Much of the staff time in other jurisdictions was spent identifying violators of local regulations, and pursuing action against those violators. Reports of unknown perpetrators clear-cutting forest lands, diverting rivers and streams for irrigation, the presence of armed security, substandard living conditions, cutting of hillsides, and difficulty in finding these locations and holding those responsible accountable were described. These perpetrators typically come from out of town, exploit the land, harvest the crop, and move or leave. These bad actors are not representative of the business as a whole. Those individuals and collectives in the medical marijuana industry who would like to be open and responsible were not typically the source of concern and many collectives in existence strive to operate in a responsible manner. Armed with this information, the Board was presented with the following options:

1. Ban medical marijuana collectives and cooperatives in Monterey County;
2. Continue the previous interpretation of the zoning code with cannabis cultivation being an agricultural practice and dispensaries being similar to a pharmacy; or
3. Develop new regulations specific to the medical marijuana industry.

Having chosen to explore option 3, the question of where and how to permit medical marijuana activities was next on the agenda. RMA staff reviewed uses allowed within each zoning district to identify uses similar to those in the medical marijuana industry, created an interactive map of the County showing zoning designations, greenhouse locations, and schools. A decision tree was created for cultivation, manufacturing, and dispensing. An example of the decision tree is provided below for reference.



\* 600 feet required setback from Schools



Issues such as security, enforcement, incompatible land uses, conversion of crop lands from food products to cannabis, odor, aesthetics, and the fact that Monterey County could be an appealing place for cultivation with limited demand for dispensing because of our land, climate, and population were all discussed. Greenhouses seemed to be a sensible location for cannabis cultivation given the decline of the cut flower industry, the current stock of greenhouse space in the County, the ability to secure a grow within a building or structure, and the simplicity of enforcement. Manufacturing was viewed as primarily an industrial or commercial process, including extracting oils from the plant and/or infusing the marijuana into prepared foods and products. Dispensaries remained a commercial use similar to a pharmacy. Medical cannabis businesses were primarily considered commercial, industrial, and agricultural uses and not appropriate for residential or conservation zoning districts.

Options for permitting marijuana businesses within the specified zoning districts were considered. Because the medical marijuana use is tied to zoning, land use permits were thought to be appropriate. There was a desire to provide for case by case analysis of each application and maintain discretion over where and how a permit may be approved for a medical marijuana use, as opposed to allowing the operations by right. Generally, Use Permits are one time permits that run with the land. Limited term Use Permits would significantly increase workload and cause ongoing and complicated permitting activities. Therefore, an annual permit that was tied to regular inspections was desired in addition to the Use Permit process. Finally, in order to ensure that all local and State permits/licenses are secured and maintained annually, a new business license requirement for cannabis businesses was decided on.

Three ordinances were drafted incorporating permit requirements in the zoning code (Title 21 – inland zoning ordinance) (see Exhibit C), establishing an annual business permit requirement for medical marijuana operations (see Exhibit D), and creating a new business license registration for medical marijuana business in Monterey County (see Exhibit E). These ordinances were reviewed by County staff and the ad hoc committee before they were released for public review. The drafts were provided the Board on February 9, 2016 with a report on the status of regulation development.

### **Summary of Draft Ordinances**

The new state law on medical marijuana regulations provides for new state license types relating to distinct processes and medical marijuana supply chain. Those license types include:

1. Cultivation
2. Manufacturing
3. Transportation
4. Distribution
5. Testing; and
6. Dispensing

Some of these licenses types have subcategories that reflect the size or variations in the nature of the operations. Most notably, there are 10 subtypes of cultivation licenses; three sizes of

cultivation, each of which have three categories based on lighting conditions (outdoor, indoor, or mixed-light) for a total of 9 subtypes. Adding nurseries makes a total of 10 cultivation types. The draft ordinances reflect the licenses types established in State law.

Personal cultivation of medical marijuana for qualified patients or caregivers (cultivation for personal consumption and not for sale or distribution) up to 100 square feet, would not require a State license or County permit under the current draft ordinance. State law allows a caregiver to cultivate 100 square feet per qualified patient, up to a maximum of 500 square feet for five qualified patients without a state license. The County's draft regulations would only allow personal cultivation of 100 square feet without a County permit. The intent of this limit is to avoid a proliferation of 500 square foot grows to get around the Use Permit requirements in the County. Personal cultivation is not considered a "commercial cannabis activity", however, the draft ordinance provides basic ministerial requirements for personal cultivation.

**Zoning Amendments** – The draft ordinance amending the zoning code would add new definitions; add "commercial cannabis activity" as a "Use allowed subject to a Use Permit in each case" in certain zoning districts; and create a new chapter within the zoning code providing regulations specific to each cannabis business type. Limits on the number of Use Permits that the County can approve are provided for each license type within the new chapter. Those limits are:

- 100 Cultivation Permits
- 15 Manufacturing Permits
- 5 Transportation/Distribution Permits
- 2 Testing Facility Permits; and
- 15 Dispensary Permits

Within the Draft ordinance, there are limits on the locations and type of operations that can be permitted. The following is a summary of those limits by license type:

- **Cultivation:** Commercial cannabis cultivation and nurseries would be permitted in the Farmland (F) zoning district, if contained within a greenhouse or industrial building legally established prior to January 1, 2016, or within an industrial building located in the Light Industrial (LI), Heavy Industrial (HI), or Agricultural Industrial (AI) zoning districts. No outdoor cultivation would be permitted under the draft ordinance.
- **Manufacturing:** Manufacturing of cannabis would only be permitted within the Heavy Commercial (HC), Light Industrial (LI), Heavy Industrial (HI), and Agricultural Industrial (AI) zoning districts. Manufacturing involving volatile process or chemicals would only be permitted in the Heavy Industrial (HI) zoning district.
- **Transportation/Distribution:** Distribution/Transportation facilities would only be permitted in the Heavy Commercial (HC), Light Industrial (LI), Heavy Industrial (HI), and Agricultural Industrial (AI) zoning districts.
- **Testing Facilities:** Testing facilities would only be permitted in the Heavy Commercial (HC), Light Industrial (LI), Heavy Industrial (HI), and Agricultural Industrial (AI) zoning districts.

- Dispensaries: Dispensaries would only be permitted in the Light Commercial (LC) or Heavy Commercial (HC) zoning districts similar to the way a pharmacy is permitted under the current zoning regulations.

For the Coastal zone, the same zoning limitations would be applied by drawing a parallel to comparable zoning districts in the inland areas. The following zoning district comparisons are have been made:

<u>Inland:</u>	<u>Coastal:</u>
Farmland (F)	Coastal Agricultural Preserve (CAP)
Light Commercial (LC)	Coastal General Commercial (CGC); or Moss Landing Commercial (MLC)
Heavy Commercial (HC)	None
Light Industrial (LI)	Same
Heavy Industrial	Same
Agricultural Industrial	Same

Under this regulatory concept, everyone would start from scratch. The limited permits would be issued on a first come, first served basis and those without permits would be amortized out. The Use Permit process would be a onetime permit and would be the first step in the regulatory concept.

**Business Permit** - A draft ordinance amending Title 7 of the Monterey County code has been drafted with a focus on on-going operational requirements and inspections for medical cannabis activities. The Business permit would be a ministerial permit requiring annual renewal. The business permit contains regulations relating to regular health and safety inspections. It would provide for the opportunity to ensure ongoing compliance with food safety requirements, security requirements, and audits of financial information to ensure that fees or taxes are paid and products are being distribution only to permitted and licensed facilities. The annual permit renewal and ministerial nature of this permit provides more expeditious path for enforcement activities for operations that are not compliant with local and State regulations.

**Business License Registration** – Most cities in California have a business license requirement to operate within their jurisdictions. Some Counties within the state have also adopted business license requirements. The County has not had a business license requirement in the past. This ordinance would create a business license requirement applicable only to commercial cannabis activities within the unincorporated areas of the County. This draft ordinance would require all collectives or cooperatives to register their business annually. The business registration requirement would be the official list of permitted commercial cannabis operations in the County aiding in enforcement issues. It would also include an annual verification of permit status including renewal of the Business Permit described above, as well as any future licensing requirements form the State. This ordinance has been drafted so that other types of business can be added by ordinance in the future at the will of the Board.

### **Outreach efforts**

Following release of the draft ordinances on February 9, 2016, RMA staff has held three public meetings to review and discuss the draft ordinances. Meetings were held on:

- February 16, 2016 in Salinas;
- March 7, 2016 in Bradley; and
- March 17, 2016 in Salinas.

The majority of attendees at these meetings support permitting medical marijuana businesses in Monterey County. Most of comments have suggested that the draft ordinances are too restrictive. Some were in support of the ordinance and the pilot program concept. For the sake of discussion, staff has attempted to categorize public comments in four categories. Those categories include:

- Comments from the public regarding existing medical marijuana operations in Monterey County that desire a path to compliance;
- Comments from the public on the draft ordinance seeking fundamental changes to the draft ordinance for permitting new medical marijuana operations;
- Comments from the public on the draft ordinance that would improve on or clarify the draft ordinances without requiring a fundamental change; and
- Comments from the public in support of the draft ordinance limitations and expressing concerns regarding impacts of medical marijuana operations on surrounding neighborhoods and the environment.

Some of the issues raised in the public meetings overlap these four categories. For instance, if a specific path to compliance for existing operators is not created within the ordinance, and the drafts remain substantially the same, the permit limits in the draft ordinance become more of an issue given the testimony that indicates there are more cannabis operations existing within the County currently than could be permitted under the pilot program. In this case, a competitive review process for the limited permits with a local preference policy has been suggested. Also not within these categories, a desire to increase the personal grow limits that can be done without permits from 100 square feet to 500 square feet, consistent with the State law has been suggested. Another issue raised is that the County's draft ordinances do not provide variety for appellations or branding similar to that in the wine industry. The new State law recognizes and provides for appellations.

**Existing Operations:** Many of the attendees of the public meetings have indicated that there are collective and cooperative cultivation, manufacturing, testing, and dispensing in Monterey County right now without incident. Estimates by the public indicate that there are up to 250 existing operations; more than could be permitted in the draft ordinance. Many of these operators have been here for years and are part of our local community. Comments were provided that these existing operations tend to be small in scale (specialty or boutique size) with a focus on quality rather than quantity. The draft ordinances would make many of these operations non-compliant because of their location within zoning districts that have not been included in the draft ordinance (Permanent Grazing, Rural Grazing, Rural Density Residential, and Resource Conservation), or because they are growing outdoors and could not build a new greenhouse

given constraints in the draft ordinance, which require location within a greenhouses that existed prior to January 1, 2016. There is a strong desire to provide a path to compliance for existing, local, marijuana operations that have not been a nuisance in the community.

At this time, the number and location of such operations is unknown. The standing of operations within a neighborhood and the legality of those operations are unknown. Retroactively proving that a collective or cooperative was operating in compliance with applicable laws prior to July 7, 2015 can be problematic. Denial criteria for operations causing a nuisance can also be problematic. On the other hand, not approving some of these operations could lead to difficult enforcement issues for the County. A summary of specific issues unique to existing operations include raised in the public meetings include:

- Permit limits are not enough to accommodate existing operations. If permit limits remain, a local preference policy should be considered;
- Allow outdoor grows or allow construction of new greenhouses or hoop houses as a path to compliance (outdoor grows have fewer greenhouse gas emissions and less need for pesticides. In addition, plants grown outdoors are often used in the manufacturing process).
- Expand the uses allowed in the Permanent Grazing, Rural Grazing, Resource Conservation, and Rural Density Residential zoning districts. Zoning District in the draft ordinance will force many small, local operations to remain underground or go out of business.
- Allow manufacturing with cultivation and recognize existing manufacturing operations in the same zoning districts.

Many good suggestions for addressing the issues and concerns of existing operators have been provided at the meetings including:

- Providing a special permit for existing operations, not subject to the permit limits (a grandfathering program),
- Increasing or eliminating permit limits and reviewing each application case-by-case.
- Probationary periods; or
- Allowing limited permits within a region or appellation
- Allow outdoor grows and expand zoning districts

At the will of the Planning Commission and Board of Supervisors, staff could explore these options further although this will affect the timeline for completion of new regulations.

**New Operations (Fundamental changes to the draft):** Staff has received numerous inquiries from collectives and cooperatives around the State expressing an interest in seeking permits for operations in Monterey County. Some have purchased or leased properties within grazing lands or other zoning district already. They too desire to be allowed the freedom to cultivate outdoors or build new greenhouses or hoop houses, to see the permit limits increased, and to expand the zoning districts where commercial cannabis operations may occur. These types of edits to the ordinance would fundamentally change the nature of the drafts as they exist. There was no resistance from existing operators to permit a limited number of new operations in the County.

**New Operations (Edits and Clarifications):** Some unclear or confusing definitions and language have been questioned in the meetings. Staff has noted these and will be attempting to clarify the language within the draft. More substantive requests for clarifications within the draft ordinance that would not fundamentally change the nature of the ordinance include:

- Increasing the ratio of manufacturing, distribution, and testing permits to accommodate a more realistic ratio of these uses to cultivation
- Clarify if multiple operations will be permitted on one property. Many of the greenhouses existing in Monterey County have the infrastructure and space to support multiple cultivation and manufacturing operations; and
- Consider a competitive review criteria rather than a first come, first served approach.

**Concerned about impacts:** A few residents have reached out and expressed support for a pilot program with limited permitting and no outdoor cultivation. Some of these residents have also expressed fear of retaliation for attending meetings and speaking out against nearby cannabis operations. They have concerns for the impacts of neighboring operations on rural residences, particularly with young children, and concerns for safety and security.

Staff hopes that this summary provides for better discussion at the hearing. Attempting to summarize comments from all three meetings is a difficult task. Additional testimony during the hearing is expected to clarify and add to this summary as needed. Feedback on the draft ordinances from the Planning Commission is welcome and all issues raised at the public meetings will be considered moving forward. This Planning Commission workshop represents the culmination of public outreach efforts on this item.

### **Next Steps**

Staff will present the Board ad hoc committee with feedback from the public and the Planning Commission, and will make any necessary or desired adjustments to the draft ordinances. Once adjustments are made to the ordinances, an environmental document will be prepared and circulated for public review. Following completion of the environmental document review period, staff will return to the Planning Commission for an official recommendation to the Board on the draft ordinances. Consideration of draft ordinances by the Board is targeted for June of this year. The June target is very aggressive and leaves very little flexibility in the schedule. During this same time period, more work is needed for budgetary considerations including identifying County costs for additional staffing needs, new equipment and programs, training expenses, projected enforcement costs, and other foreseeable expenses. More detail on projected revenues from permit fees, and the potential for a tax ballot measure will also be considered.

### **Recommendation**

Staff welcomes feedback on the draft ordinances at this time. Suggestions and issues raised during all public meetings and at this workshop will be considered prior to advancing the environmental document and the ordinances.



## Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

### Board Order

Upon motion of Supervisor Potter, seconded by Supervisor Salinas and carried by those members present, the Board of Supervisors hereby:

Held a Public Hearing and:

Adopted Interim Ordinance 5265 to amend Interim Ordinance No. 5254 to expand the Ordinance exemptions and to extend Interim Ordinance No. 5254 as amended for one year, until and through February 26, 2017, as an urgency measure pursuant to Government Code Section 65858 to prohibit, on a temporary basis, the establishment of new medical marijuana dispensaries and the collective or cooperative cultivation of medical marijuana in the unincorporated area of Monterey County, pending the County's further study and consideration of regulations (4/5th vote required). (Medical Marijuana Interim Ordinance - REF150047)

PASSED AND ADOPTED on this 26th day of February 2016, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter  
NOES: None  
ABSTAIN: None  
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 78 for the meeting on February 26, 2016.

Dated: February 26, 2016  
File ID: ORD 16-007

Gail T. Borkowski, Clerk of the Board of Supervisors  
County of Monterey, State of California

By Denise Hancock  
Deputy

## ORDINANCE NO. 5265

### AN INTERIM ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, EXTENDING AND AMENDING INTERIM ORDINANCE NO. 5254 PURSUANT TO GOVERNMENT CODE SECTION 65858, TEMPORARILY PROHIBITING MEDICAL MARIJUANA DISPENSARIES AND COLLECTIVE OR COOPERATIVE CULTIVATION OF MEDICAL MARIJUANA, PENDING THE COUNTY'S STUDY AND CONSIDERATION OF REGULATIONS.

#### County Counsel Summary

*This interim ordinance extends Interim Ordinance No. 5254, as previously extended by Interim Ordinance No. 5256, for 12 months, until and through February 26, 2017, as an urgency measure pursuant to Government Code section 65858 to prohibit, on a temporary basis, the establishment of new medical marijuana dispensaries and collective or cooperative cultivation of medical marijuana in the unincorporated area of Monterey County. This Interim Ordinance expands the ordinance exemptions to enable potential applicants who were cultivating medical marijuana in greenhouses or indoor cultivation sites, or had made substantial progress toward such cultivation, prior to July 7, 2015 to apply for County permits under existing County regulations. This ordinance, which extends and amends Interim Ordinance No. 5254, finds that there continues to be a current and immediate threat to the public health, safety and welfare associated with the collective cultivation, processing, and dispensing of medical marijuana in the absence of specific County land use regulation and that the temporary ban on new medical marijuana dispensaries and collective and cooperative cultivation is necessary to enable the County to study and develop appropriate land use regulations for medical marijuana consistent with state law. As an urgency measure, this interim ordinance requires a four-fifths vote of the Board of Supervisors for adoption and takes effect immediately.*

The Board of Supervisors of the County of Monterey ordains as follows:

#### SECTION 1. FINDINGS AND DECLARATIONS

A. On July 7, 2015, the Board of Supervisors adopted Interim Ordinance No. 5254 to prohibit the collective or cooperative cultivation of medical marijuana and medical marijuana dispensaries within the unincorporated area of Monterey County, with limited exemptions, pending the County's study and consideration of regulations. Interim Ordinance No. 5254 is attached hereto as Exhibit 1 and incorporated herein by reference.

B. On July 28, 2015, the Board of Supervisors adopted Interim Ordinance No. 5256 to extend Interim Ordinance No. 5254 by 10 months and 15 days, until and through July 5, 2016. Interim Ordinance No. 5256 is attached hereto as Exhibit 2 and incorporated herein by reference.



C. Government Code section 65858(a) permits the Board of Supervisors, following notice and public hearing and upon a four-fifths vote, to extend Interim Ordinance No. 5254 for one additional year, provided that the Board finds that there is a current and immediate threat to the public health, safety, or welfare, and that the uses that may be allowed or permitted without the interim ordinance would result in that threat to public health, safety, or welfare.

D. In enacting Interim Ordinance No. 5254 and Interim Ordinance No. 5256, the Board of Supervisors made several findings and declarations as to the current and immediate threat to the public health, safety, and welfare from the establishment of medical marijuana dispensaries and collective or cooperative medical marijuana cultivation facilities in the absence of specific regulations governing the use of real property for these land uses within the unincorporated County. All of the findings and declarations of Interim Ordinance No. 5254 and Interim Ordinance No. 5256 continue to be true and applicable and are incorporated by reference in this Interim Ordinance.

E. The Board further finds that medical marijuana dispensaries and the collective or cooperative cultivation of medical marijuana continue to pose a threat to public health, safety and welfare and that allowing those uses in the absence of County land use regulations specifically addressing medical marijuana will result in that threat to the public health, safety and welfare. The County is in the process of developing regulations that address the potentially adverse environmental and criminal impacts associated with large scale marijuana cultivation and distribution, with the intent to put in place a strong and effective regulatory structure consistent with federal law enforcement priorities, including preventing such harmful effects as distribution of marijuana to minors, involvement of criminal enterprises, illegal trafficking of drugs, and violence and use of firearms in the cultivation and distribution of marijuana.

F. County staff is currently in the process of developing regulations, but additional time is needed to complete the process of enacting permanent County regulations for medical marijuana. Since the County adopted Interim Ordinance Nos. 5254 and 5456, the state has adopted the Medical Marijuana Regulation and Safety Act (Business and Professions Code sections 19300, *et seq.*). More time is needed to develop County regulations consistent with the new state law and to perform public outreach, conduct environmental review, and hold public hearings to consider draft regulations. Enactment of regulations in the coastal zone will also need more time to enable Coastal Commission certification of such regulations. A second extension of Interim Ordinance No. 5254, for an additional 12 months from enactment of this ordinance, is warranted to provide extra time to prepare and enact the regulations.

G. While the permanent regulations are in development, the Board of Supervisors is considering this second extension in advance of the July 5, 2016 expiration date in order to amend the interim ordinance to remove a barrier to compliance for potential applicants who were cultivating medical marijuana in greenhouses or indoor cultivation sites in compliance with state law, or had made substantial progress toward such cultivation, prior to the adoption of Interim Ordinance No. 5254 and who desire to obtain all required County permits but are prevented by the interim ordinance from doing so. An amendment to Interim Ordinance No. 5254 to expand the ordinance exemptions is warranted, so limited operations are given a path to come into

compliance with existing County regulations, subject to appropriate conditions that ensure that public health and safety is protected and on condition that such operations are not exempt from any permanent medical marijuana cultivation regulations which the County may subsequently adopt.

H. On February 26, 2016, the Board of Supervisors conducted a public hearing on this extension and amendment of Interim Ordinance No. 5254. Notice of the public hearing was published in the *Monterey County Herald* and *Salinas Californian* at least ten days in advance of the hearing pursuant to Government Code section 65090.

I. On February 16, 2016, the Board of Supervisors issued a written report pursuant to Government Code section 65858(d) describing the measures the County of Monterey has taken and continues to take in order to alleviate the conditions which led to the adoption of the interim ordinance.

J. In light of the above findings and declarations, it is necessary to extend Interim Ordinance No. 5254, as previously extended by Interim Ordinance No. 5256 and as modified by this ordinance, for 12 months, until and through February 26, 2017.

K. This extension and modification of Interim Ordinance No. 5254 is statutorily exempt from the California Environmental Quality Act because it is an urgency measure necessary to protect the County from a current and immediate threat to the public health, safety, and welfare.

**SECTION 2. AMENDMENT TO DEFINITIONS.** Section 3 (Definitions) of Ordinance No. 5254 is amended to read as follows:

For purposes of this interim ordinance, the following terms have the definitions set forth below:

A. **Collective or cooperative cultivation.** "Collective or cooperative cultivation" means cultivation by or on behalf of more than one qualified patient, person with an identification card, or a primary caregiver that associate collectively or cooperatively to cultivate marijuana for medical purposes, as referenced in Health and Safety Code section 11362.775.

B. **Cultivation.** "Cultivation" means the planting, growing, harvesting, drying, processing, or storage of one or more marijuana plants or any part thereof in any location, indoor or outdoor, including from within a fully enclosed and secure building.

C. **Good cause.** "Good cause" means the presence of compelling factors that are not under the control of the property owner, such as a substantial delay in the County permitting or licensing processes due to circumstances beyond the control of the property owner.

D. **Greenhouse.** "Greenhouse" means 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.

E. **Identification card.** “Identification card” means a document issued by the State Department of Health Services that identifies a person authorized to engage in the medical use of marijuana and the person’s designated primary caregiver, if any.

F. **Indoor cultivation site.** “Indoor cultivation site” means an area within a fully enclosed structure, that was legally constructed or erected for occupancy as a Factory Industrial F-1 or Factory Industrial F-2 operation (as those term are defined in the International Building Code Sections 306.1, 306.2, and 306.3) that uses exclusively artificial lighting for cultivation.

G. **Medical marijuana dispensary.** “Medical marijuana dispensary” means any facility or location which is used to make available and/or distribute marijuana for medical purposes to more than one primary caregiver, qualified patient, or patient with an identification card. “Medical marijuana dispensary” includes undertakings that are organized or operated as a collective or cooperative. The term “medical marijuana dispensary” does not include a licensed facility described in Health and Safety Code section 11362.7(d)(1).

H. **Person with an identification card.** “Person with an identification card” means an individual who is a qualified patient who has applied for and received a valid identification card.

I. **Primary caregiver.** “Primary caregiver” means the individual, designated by a qualified patient or by a person with an identification card, who has consistently assumed responsibility for the housing, health, or safety of that patient or person.

J. **Property owner.** “Property owner” means the individual or entity who is the record owner, or an agent or assign or prospective purchaser duly authorized in writing by the record owner, of the subject property where a medical marijuana dispensary or medical marijuana cultivation site is located or is proposed to be located.

K. **Qualified patient.** “Qualified patient” means a person who is entitled to the protections of Health and Safety Code section 11362.5, but who does not have an identification card issued pursuant to Health and Safety Code sections 11362.7 *et seq.*

**SECTION 3. AMENDMENT TO EXEMPTIONS.** Section 5 (Exemptions) of Ordinance No. 5254 is amended to read as follows:

A. This interim ordinance does not prohibit a qualified patient, a patient with an identification card, or a primary caregiver from cultivating up to six mature plants or twelve immature marijuana plants per qualified patient, or a greater number if recommended by a doctor consistent with the patient’s needs, within the limits set forth in Health and Safety Code section 11362.77, if the qualified patient or patient with an identification card is cultivating plants only for his or her own personal use, or if the primary caregiver is cultivating plants only for persons for whom he or she personally serves as a primary caregiver and not engaging in collective or cooperative cultivation.

B. This interim ordinance does not prohibit medical marijuana cultivation if the property owner demonstrates to the satisfaction of the Director of Planning that such cultivation

had commenced and all required County approvals and land use permits had been obtained or applied for prior to the date of adoption of this initial interim ordinance.

C. This interim ordinance does not prohibit the operation of any medical marijuana dispensary if the property owner demonstrates to the satisfaction of the Director of Planning that such use had commenced and all required County approvals and land use permits had been obtained prior to the date of the adoption of this initial interim ordinance.

Any medical marijuana dispensary that operates under this provision does not exempt the property owner from the requirements of any County ordinance which the County may subsequently adopt relating to dispensing of marijuana. Within thirty days (30) of the effective date of any such newly adopted regulations, the property owner must apply for any permits or licenses required by those regulations for the dispensing of medical marijuana. If the property owner does not receive the required County permits and licenses within one (1) year of the effective date of the newly adopted regulations, any medical marijuana dispensary which was allowed under this Interim Ordinance exemption shall cease. This one (1) year deadline may be extended by the Director of Planning for good cause.

D. This interim ordinance does not prohibit collective or cooperative medical marijuana cultivation in a greenhouse or indoor cultivation site if the property owner demonstrates to the satisfaction of the Director of Planning that substantial progress towards cultivation at a greenhouse or indoor cultivation site within the jurisdiction of unincorporated Monterey County had occurred prior to July 7, 2015, and if the property owner applies for and obtains all necessary County discretionary and ministerial permits required to commence cultivation under existing regulations. "Substantial progress" shall be determined by the Director of Planning and requires the property owner to provide proof based on substantial evidence of all of the following conduct:

1. Ownership of a viable greenhouse or indoor cultivation site, or the execution of a lease, purchase, lease option agreement, purchase agreement, or letter of intent for a viable greenhouse or indoor cultivation site;
2. Preparation of the above-referenced greenhouse or indoor cultivation site for medical marijuana cultivation;
3. Substantial financial investment in the preparation of medical marijuana cultivation at a greenhouse or indoor cultivation site including written documentation of the purchase of applicable materials such as plumbing fixtures, electrical devices, soils, seeds, mature plants, or immature plants;
4. Proof that the medical marijuana cultivation will be on behalf of a medical marijuana cooperative or collective; and
5. Proof that the proposed greenhouse or indoor cultivation site existed and was legally permitted prior to July 7, 2015. Any modifications would require appropriate permits.

Permission to commence cultivation under this provision does not exempt the property owner from the requirements of any County ordinance which the County may subsequently adopt relating to cultivation of marijuana. Within thirty days (30) of the effective date of any such newly adopted regulations, the property owner must apply for any permits or licenses required by those regulations for the cultivation of medical marijuana. If the property owner does not receive the required County permits and licenses within one (1) year of the effective date of the newly adopted regulations, any cultivation which was allowed under this Interim Ordinance exemption shall cease. This one (1) year deadline may be extended by the Director of Planning for good cause.

E. This interim ordinance does not prohibit collective or cooperative medical marijuana cultivation at a greenhouse or indoor cultivation site if the property owner demonstrates to the satisfaction of the Director of Planning that such cultivation had commenced prior to July 7, 2015 and if the property owner applies for, obtains, and complies with all County land use permits and entitlements required for such cultivation.

#### **SECTION 4. EXTENSION**

Based on all of the foregoing findings and declarations, the Board of Supervisors hereby extends Interim Ordinance No. 5254, as previously extended by Interim Ordinance No. 5256 and as amended by this interim ordinance, for 12 months, until and through February 26, 2017. All other provisions of Interim Ordinance No. 5254 shall remain in full force and effect. In no circumstance shall Interim Ordinance No. 5254, as adopted and previously extended by Interim Ordinance No. 5256 and as hereby amended and extended, be interpreted to sanction any violation of state law or County regulation.

#### **SECTION 5. EFFECTIVE DATE**

Pursuant to the findings and declarations set forth in this interim ordinance and Interim Ordinance No. 5254 and Interim Ordinance No. 5256, the Board declares that this interim ordinance is necessary as an urgency measure for preserving the public health, safety and welfare and that this interim ordinance shall take effect immediately upon adoption for the reasons set forth herein. This interim ordinance shall be of no further force and effect upon its expiration pursuant to Section 4.

PASSED AND ADOPTED this 26<sup>th</sup> day of February, 2016, by the following vote:

AYES: Supervisors Armenta, Phillips, Salinas, Parker and Potter

NOES: None

ABSTAIN: None

ABSENT: None

/s/ Jane Parker  
Jane Parker, Chair,  
Monterey County Board of Supervisors

ATTEST:

GAIL T. BORKOWSKI  
Clerk of the Board of Supervisors

By: /s/ Gail T. Borkowski  
Deputy

APPROVED AS TO FORM

/s/ Wendy S. Strimling

WENDY S. STRIMLING  
Senior Deputy County Counsel

# DRAFT

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, AMENDING TITLE 21 (INLAND ZONING ORDINANCE) OF THE MONTEREY COUNTY CODE ESTABLISHING MEDICAL CANNABIS ACTIVITIES AS A USE ALLOWED SUBJECT TO A USE PERMIT IN SPECIFIED ZONES AND ESTABLISHING CRITERIA FOR THE CONSIDERATION OF SUCH USES TO PROTECT THE PUBLIC HEALTH AND SAFETY.**

## County Counsel Summary

*This ordinance amends the Monterey County Zoning Ordinance (Title 21 of the Monterey County Code) to....*

The Board of Supervisors of the County of Monterey ordains as follows:

SECTION 1. Section 21.06.152 is added to the Monterey County Code to read as follows:

### 21.06.152 - CANNABIS

“Cannabis” means all parts of the plant Cannabis sativa Linnaeus., Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof, the resin, whether curd 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 as enacted by Chapter 1407 of the Statutes of 1972.

SECTION 2. Section 21.06.192 is added to the Monterey County Code to read as follows:

### 21.06.192 – COMMERCIAL CANNABIS ACTIVITY

“Commercial cannabis activity” means the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, distribution, or sale of medical cannabis or a medical cannabis product. “Commercial cannabis activity” does not include a qualified patient, as defined in Section 11362.7 of the Health and Safety Code, who cultivates 100 square feet or less, possesses, stores, manufactures, or transports cannabis exclusively for his or her personal medical use but who does not provide, donate, sell, or distribute cannabis to any other person. “Commercial cannabis activity” also does not include a primary caregiver who cultivates 100 square feet or less, possesses, stores, manufactures, transports, donates, or

[provides cannabis exclusively for the personal medical purposes of no more than five specified qualified patients for whom he or she is the primary caregiver within the meaning of Section 11362.7 of the Health and Safety Code, but who does not receive remuneration for these activities except for compensation in full compliance with subdivision \(c\) of Section 11362.765 of the Health and Safety Code.](#)

**Light Commercial**

SECTION 3. Subsection A of Section 21.18.040 of the Monterey County Code is amended to read as follows:

A. Change of commercial uses within a structure provided the new use will not change the nature or intensity of the use of the structure, [however, in all cases, new Commercial cannabis activities shall require a Use Permit and/or updated General Development Plan in each case;](#)

SECTION 4. Subsection HH is added to Section 21.18.060 to read as follows:

[HH. Cannabis dispensary pursuant to Chapter 21.67;](#)

**Heavy Commercial**

SECTION 5. Subsection A of Section 21.20.040 of the Monterey County Code is amended to read as follows:

A. Change of commercial uses within a structure provided the new use will not change the nature or intensity of the use of the structure, [however, in all cases, new Commercial cannabis activities shall require a Use Permit and/or updated General Development Plan in each case;](#)

SECTION 6. Subsections OO, PP, QQ, and RR are added to Section 21.20.060 of the Monterey County Code to read as follows:

[OO. Cannabis dispensary pursuant to Chapter 21.67.](#)

[PP. Non-volatile cannabis manufacturing pursuant to Chapter 21.67;](#)

[QQ. Cannabis transportation and distribution facilities pursuant to Chapter 21.67;](#)

[RR. Cannabis testing facilities pursuant to Chapter 21.67.](#)

**Agricultural Industrial**

SECTION 7. Subsection A of Section 21.24.040 of the Monterey County Code is amended to read as follows:

A. Change of agricultural industrial uses within a structure provided the new use will not change the nature or intensity of the use of the structure, [however, in all cases, new](#)



Commercial cannabis activities shall require a Use Permit and/or updated General Development Plan in each case;

SECTION 8. Subsections EE, FF, GG, and HH are added to Section 21.24.070 of the Monterey County Code to read as follows:

- EE. Indoor or mixed light cultivation pursuant to Chapter 21.67;
- FF. Non-volatile cannabis manufacturing pursuant to Chapter 21.67;
- GG. Cannabis transportation and distribution facilities pursuant to Chapter 21.67;
- HH. Cannabis testing facilities pursuant to Chapter 21.67.

**Light Industrial**

SECTION 9. Subsection A of Section 21.26.040 of the Monterey County Code is amended to read as follows:

A. Change of light industrial uses within a structure provided the new use will not change the nature or intensity of the use of the structure, however, in all cases, new Commercial cannabis activities shall require a Use Permit and/or updated General Development Plan in each case;

SECTION 10 Subsections II, JJ, KK, LL, and MM are added to Section 21.26.060 of the Monterey County Code to read as follows:

- II. Indoor or mixed-light cultivation pursuant to Chapter 21.67;
- JJ. Non-volatile cannabis manufacturing pursuant to Chapter 21.67;
- KK. Cannabis transportation and distribution facilities pursuant to Chapter 21.67;
- LL. Cannabis testing facilities pursuant to Chapter 21.67.

**Heavy Industrial**

SECTION 11. Subsection A of Section 21.28.040 of the Monterey County code is amended to read as follows:

A. Change of heavy industrial uses within a structure provided the new use will not change the nature or intensity of the use of the structure, however, in all cases, new Commercial cannabis activities shall require a Use Permit and/or updated General Development Plan in each case;

SECTION 12. Subsections KK, LL, MM, NN, and OO are added to Section 21.28.060 of the Monterey County Code to read as follows:

- KK. Indoor or mixed-light cultivation pursuant to Chapter 21.67;
- LL. Non-volatile cannabis manufacturing pursuant to Chapter 21.67;
- MM. Volatile cannabis manufacturing pursuant to Chapter 21.67;
- NN. Cannabis transportation and distribution facilities pursuant to Chapter 21.67;

OO. Cannabis testing facilities pursuant to Chapter 21.67.

**Farmland**

SECTION 13. Subsections JJ and KK are added to Section 21.30.050 of the Monterey County Code to read as follows:

JJ. Mixed-light cultivation pursuant to Chapter 21.67;

KK. Nursery pursuant to Chapter 21.67.

SECTION 14. Chapter 21.67 is added to the Monterey County Code to read as follows:

**Chapter 21.67  
COMMERCIAL CANNABIS ACTIVITIES**

**Sections:**

- 21.67.010 – Definitions**
- 21.67.020 – Application Requirements**
- 21.67.030 – Cannabis Dispensaries**
- 21.67.040 – Noncommercial Cannabis Cultivation**
- 21.67.050 – Commercial Cannabis Cultivation**
- 21.67.060 – Cannabis Manufacturing**
- 21.67.070 – Cannabis Testing Facilities**
- 21.67.080 – Cannabis Transport and Distribution**
- 21.67.090 – Enforcement**

**21.67.010 Definitions**

For the purpose of this Chapter, unless the context otherwise requires, certain terms used in this Chapter are defined as follows:

- A. “Bureau” means the Bureau of Medical Marijuana Regulation within the Department of Consumer Affairs.
- B. “Cannabinoid” or “phytocannabinoid” means a chemical compound that is unique to and derived from cannabis.
- C. “Cannabis concentrate” means manufactured cannabis that has undergone a process to concentrate the cannabinoid active ingredient, thereby increasing the product’s potency.
- D. “Certificate of accreditation” means a certificate issued by an accrediting body to a licensed testing laboratory, entity, or site to be registered in the state.
- E. “Commercial cannabis activity” or “Commercial cannabis business” means the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling,

transporting, distribution, or sale of medical cannabis or a medical cannabis product. “Commercial cannabis activity” does not include a qualified patient, as defined in Section 11362.7 of the Health and Safety Code, who cultivates 100 square feet or less, possesses, stores, manufactures, or transports cannabis exclusively for his or her personal medical use but who does not provide, donate, sell, or distribute cannabis to any other person. “Commercial cannabis activity” also does not include a primary caregiver who cultivates 100 square feet or less, possesses, stores, manufactures, transports, donates, or provides cannabis exclusively for the personal medical purposes of no more than five specified qualified patients for whom he or she is the primary caregiver within the meaning of Section 11362.7 of the Health and Safety Code, but who does not receive remuneration for these activities except for compensation in full compliance with subdivision (c) of Section 11362.765 of the Health and Safety Code.

F. “Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis. Within the definition of Cultivation, the following specific License Types apply:

1. Type 1 or “specialty outdoor” means outdoor cultivation using no 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;
2. Type 1A or “specialty indoor” means cultivation using exclusively artificial lighting, is entirely contained within a structure, and having no more than five thousand (5,000) square feet of total canopy size;
3. Type 1B or “specialty mixed-light” means cultivation using a combination of natural and supplemental artificial lighting and having no more than five thousand (5,000) square feet of total canopy size;
4. Type 2 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;
5. Type 2A 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;
6. Type 2B 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;
7. Type 3 or “outdoor” means outdoor cultivation using no artificial light and having a total canopy area between ten thousand one (10,001) and one (1) acre;
8. Type 3A or “indoor” means indoor cultivation using exclusively artificial light and having a total canopy area between ten thousand one (10,001) and twenty two thousand (22,000) square feet;

9. Type 3B 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;

10. Type 4 or “nursery” means cultivation of medical cannabis solely as a nursery.

G. “Delivery” means the commercial transfer of medical cannabis or medical cannabis products from a dispensary, up to an amount allowed by the Bureau, to a primary caregiver or qualified patient as defined in Section 11362.7 of the Health and Safety Code, or a testing laboratory.

H. “Dispensary” means a facility where medical cannabis, medical cannabis products, or devices for the use of medical cannabis or medical cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers medical cannabis and medical cannabis products as part of a retail sale.

I. “Distribution” means the procurement, sale, and transport of medical cannabis and medical cannabis products between entities licensed pursuant to this chapter.

J. “Edible cannabis product” means manufactured cannabis that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum. An edible cannabis product is not considered food as defined by Section 109935 of the Health and Safety Code or a drug as defined by Section 109925 of the Health and Safety Code.

K. “Identification card” has the same definition as in Section 11362.7 of the California Health and Safety Code, as it may be amended.

L. “Licensing authority” means the state agency responsible for the issuance, renewal, or reinstatement of a license for Commercial cannabis activities, or the state agency authorized to take disciplinary action against the license.

M. “Testing laboratory” means a facility, entity, or site in the state that offers or performs test of medical cannabis or medical cannabis products and that is both of the following:

1. Accredited by an accrediting body that is independent from all other persons involved in the medical cannabis industry in the state; and
2. Registered with the State Department of Public Health.

N. “Manufactured cannabis” or “cannabis product” means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product.

O. “Manufacturing site” means a location that produces, prepares, propagates, or compounds manufactured medical cannabis or medical cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and is owned and operated by a licensee for these activities.

P. “Nursery” means a licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of medical cannabis.

Q. “Primary caregiver” has the same definition as in Section 11362.7 of the Health and Safety Code, as it may be amended.

R. “Qualified Patient” has the same definition as in Section 11362.7 of the Health and Safety Code, as it may be amended.

S. “State license,” “license,” or “registration” means a state license issued pursuant to the Medical Marijuana Regulations and Safety Act of 2015.

T. “Transport” means the transfer of medical cannabis or medical 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 Medical Marijuana Regulations and Safety Act of 2015.

#### **21.67.020 Application Requirements**

All applications for a Commercial Cannabis Business shall be filed with the Resource Management Agency on the form and in the manner prescribed by the Director of Planning. The application shall contain, without limitation, the following documentation:

A. Notarized, written authorization from the property owner(s) that a Commercial Cannabis Business may be operated at the site.

B. The name and address of all persons and entities responsible for the operation of the Commercial Cannabis Business, including managers, corporate officers, any individual with an ownership interest, any member of a board of directors, any general or limited partner, and/or any member of a decision making body for the Commercial Cannabis Business.

C. Site plans, floor plans, and conceptual improvement plans.

D. An operations plan including at a minimum, the following information:

1. On-site security measures both physical and operational and, if applicable, security measures for the delivery of cannabis associated with the Commercial Cannabis Business;

2. Standard operating procedures manual detailing how operations will comply with state and local regulations; how safety and quality of products will be ensured; record keeping procedures for financing, testing, and adverse effect recording; and product recall procedures;

3. Proposed hours of operation;

4. Waste disposal information;
5. Proposed water supply;
6. Medical recommendation verification and youth access restriction procedures;
7. Product supply chain including information on where cultivation occurs, where the product is processed or manufactured, any required testing of cannabis or cannabis products, transportation, and packaging and labeling criteria;
8. Record keeping policy;
9. Odor prevention devices;
10. Size, height, colors, and design of any proposed signage at the site;
11. Parking plan; and
12. Any other pertinent information requested by the Director of Planning.

#### **21.67.030 Regulations for Cannabis Dispensaries.**

A. Purpose: The purpose of this Section is to protect the public health, safety, and welfare, protect neighborhood character, and minimize potential for negative impacts on people and communities in the unincorporated areas of Monterey County by establishing minimum requirements for cannabis dispensaries.

B. Applicability: The provisions of this Section are applicable in Light Commercial (LI) and Heavy Commercial (HI) zoning districts. Cannabis dispensaries shall not be allowed in any other zoning district.

C. Regulations.

1. A Use Permit shall be required for all new cannabis dispensary facilities. Dispensary facilities may also be approved as part of a General Development Plan pursuant to the requirements contained in this Title. The Planning Commission shall be the Appropriate Authority to approve a Use Permit or General Development plan for a cannabis dispensary facility.

2. A maximum of 15 dispensaries may be permitted in the inland, unincorporated area of Monterey County pursuant to these regulations. The Planning Commission and Board of Supervisors shall consider amending this limitation within two (2) years of adoption of this ordinance or by the end of the 2018 calendar year, whichever occurs first. Dispensaries will be considered on a first come, first served basis.

3. Any dispensary approved pursuant to this section shall not engage in dispensing cannabis or in any related commercial cannabis activity, without first securing all required permits, licenses, or registrations required by local, state, or federal law.

4. A dispensary approved pursuant to this section shall apply for and obtain a valid seller's permit from the California State Board of Equalization.

5. A dispensary shall obtain a Business License pursuant to Monterey County Code Chapter 7.02, a Commercial Cannabis Business Permit pursuant to Monterey County Code Chapter 7.90, and comply with all applicable provisions of the Monterey County Code.

6. Any dispensaries approved pursuant to this section shall, in addition to those items listed above, do all of the following:

a. Keep accurate records of all commercial cannabis activity and provide such records for inspection consistent with Section 19327 of the Business and Professions Code.

b. Implement sufficient security measures to both deter and prevent unauthorized entrance into areas containing cannabis or cannabis products. Security measures shall include, but are not limited to, the following:

i. Prevent individuals from loitering on the premises of the dispensary if they are not engaging in activity expressly related to the operations of the dispensary;

ii. Establish limited access areas accessible only to authorized dispensary personnel;

iii. 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, except for limited amounts of cannabis and cannabis products used for display purposes, samples or immediate sale;

iv. Install security cameras on site; and

v. Provide for on-site security personnel meeting the requirements and standards contained within Chapter 7.30 of the Monterey County Code. On-site security shall not carry firearms or other lethal weapons.

c. Provide access to the facilities in compliance with the Americans with Disabilities Act.

d. Ensure that all cannabis and cannabis products at the dispensary are cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the state and local regulations.

e. Consider green building techniques and sustainable operating practices consistent with the Monterey County Climate Action Plan goals and policies.

f. Ensure that odors are not detectable from off site.

g. Submit to and pay for inspections of the operations and records or documents necessary to determine compliance with this Chapter from any enforcement officer of the County or their designee.

h. Adhere to all the terms of Use Permit and other entitlements and licenses issued by the County or State, including adhering to any restrictions imposed on operating hours.

7. It is unlawful for any person to conduct or engage in the delivery cannabis and cannabis products in the unincorporated portion of the County, unless such delivery is performed by a permitted dispensary.

8. Cannabis dispensaries established prior to adoption of these regulations shall have one year from the effective date of this ordinance to obtain all required permits, licenses, and entitlements or to phase out their operations and terminate the dispensing operations.

D. Location Limitations.

1. Dispensaries shall be located only in zones that specifically provide for this use.

2. Dispensaries shall not be located within six hundred (600) feet from any school, public park or playground, recreation area, or a drug recovery facility.

3. Dispensaries shall not be located within one thousand five hundred (1,500) feet another dispensary.

E. Appearance.

1. No cannabis products or graphics depicting cannabis shall be visible from the exterior of the property.

2. Signage for a dispensary shall comply with Chapter 21.60 of this Title.

3. Comply with applicable exterior lighting and landscaping requirements.

F. Required Findings and Conditions.

1. In order to approve a Use Permit or General Development Plan for a dispensary, in addition to any other findings required, the Appropriate Authority shall make the following additional findings:



a. The dispensary as proposed, meets all of the requirements of Chapter 21.67 and is not located within six hundred (600) feet from any school, public park or playground, recreation area, or a drug recovery facility, or within one thousand five hundred (1,500) feet of another dispensary.

b. The owner, operators, and employees of the dispensary have not been convicted of a felony or a drug related misdemeanor within the last ten (10) years.

c. Approval of the dispensary will not exceed the limitations established in Section 21.67.040.C of the Monterey County Code.

2. In addition to any other condition or mitigation recommended by the Director of Planning, the following conditions shall be added to a permit for a dispensary:

a. The dispensary shall allow access to dispensary facilities and records if requested by the County, its officers, or agents and from any licensing authority of the State and shall pay for an annual inspection and submit to inspections from the County or its officers to verify compliance with all relevant rules, regulations, and conditions.

b. The applicant, owner, and operator agree to submit to and pay for inspections of the operations and relevant records or documents necessary to determine compliance with this Chapter from any enforcement officer of the County or their designee.

3. The dispensary shall operate only in accordance with the operating plans reviewed and approved by the County.

4. Any violation of the provisions contained in this Chapter or any violation of any condition of approval for a permit to operate a dispensary is considered a Public Nuisance and may be grounds for revocation of the permit, fines, and civil or criminal prosecution.

5. The applicant for the dispensary facility and property owner shall agree to a condition indemnifying the County.

#### **21.65.040 Regulations for Noncommercial (Personal Use) Cannabis Cultivation.**

A. Purpose: The purpose of this Section is to protect the public health, safety, and welfare, protect neighborhood character, and minimize potential for negative impacts on people and communities in the unincorporated areas of Monterey County by establishing minimum requirements for cultivation of cannabis by a qualified patient or primary caregiver for personal use (“noncommercial”).

B. **Applicability:** The provisions of this Section are applicable in all zoning districts. This Section applies to a qualified patient cultivating cannabis if the area he or she uses to cultivate cannabis does not exceed one hundred (100) square feet and he or she cultivates cannabis for his or her personal medical use and does not sell, distribute, donate, or provide cannabis to any other person or entity. This section applies to a primary caregiver cultivating cannabis if the area he or she uses to cultivate cannabis does not exceed one hundred (100) square feet in any case, 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. Cultivation of cannabis exceeding one hundred (100) square feet shall be subject to the regulations contained in Section 21.65.050 of this Code.

C. **Regulations.**

1. The cultivation of up to one hundred (100) square feet of cannabis for personal use by a qualified patient is allowed in all zoning districts subject to the following restrictions:

a. In no case shall cannabis be visible from a public or private road, sidewalk, park, or any common public viewing area.

b. Cultivation of cannabis in an area over 100 square feet shall be subject to the regulations contained in Section 21.65.050 of this Code.

c. Unless enclosed within an accessory structure onsite, all personal cannabis cultivation activities shall be contained within a locked fence area and shall maintain the following minimum setbacks from property lines:

i. Front: fifty (50) feet or behind the main structure

ii. Side: thirty (30) feet

iii. Rear: thirty (30) feet

d. Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage, or inadvertent damage from rodents, pests, or wildlife.

e. In no case shall any hazardous, flammable, or explosive substances be used to process or manufacture cannabis products on site.

f. If the premises on which the cultivation occurs is rented or leased, written permission that authorizes the tenant or lessee to cultivate cannabis at the site, containing the property owner(s) notarized signature shall be provided.

2. Cultivation of cannabis not in compliance with the terms of this Section are subject to seizure and destruction of cannabis plants and related equipment by an enforcing officer and may be responsible for paying fines or penalties associated with the such enforcement activities.

**21.65.050 – Commercial (Medical) Cannabis Cultivation.**

A. Purpose: The purpose of this Section is to protect the public health, safety, and welfare, protect neighborhood character, and minimize potential for negative impacts on people and communities in the unincorporated areas of Monterey County by establishing minimum requirements for the commercial cultivation of cannabis.

B. Applicability: Indoor and mixed light commercial cannabis cultivation may be permitted with a Use Permit in each case as described in the table below, and as may be further restricted by this Section. Outdoor commercial cannabis cultivation is prohibited in the unincorporated areas of Monterey County.

	Type 1	Type 1A	Type 1B	Type 2	Type 2A	Type 2B	Type 3	Type 3A	Type 3B	Type 4
LI		UP	UP							
HI		UP	UP		UP	UP		UP	UP	UP
AI		UP	UP		UP	UP		UP	UP	UP
F			UP <sup>1</sup>			UP <sup>1</sup>			UP <sup>1</sup>	UP <sup>1</sup>

UP = Use Permit pursuant to Chapter 21.74

<sup>1</sup> Conversion of Farmland to cannabis cultivation is not permitted. Cannabis may be cultivated only in existing greenhouses, warehouses, and agricultural processing facilities.

C. Regulations:

1. It is the intent of the County to provide for the adaptive reuse of greenhouses in Monterey County and to restrict the proliferation of greenhouses or other structures on productive agricultural lands. To this end, within the Farmland (“F”) zoning district indoor and mixed-light commercial cannabis cultivation and nurseries (Type 1B, 2B, 3B, and 4 state license types) may be permitted with a Use Permit in each case provided that the cultivation occurs only within a greenhouse or other legally permitted industrial building that legally existed prior to January 1, 2016. Greenhouses and industrial buildings may be improved after January 1, 2016 provided that the footprint of the existing greenhouse(s) or industrial building(s) does not change.

2. A maximum of 100 commercial cannabis cultivation sites may be permitted in the unincorporated area of Monterey County pursuant to these regulations. The Planning Commission and Board of Supervisors shall consider amending this limitation within two (2) years of adoption of this ordinance or by the end of the 2018 calendar year, whichever occurs first. Cultivation permits will be considered on a first come, first served basis.

3. Within the Light Industrial (“LI”), Heavy Industrial (“HI”), and Agricultural Industrial (“AI”) zoning districts, indoor commercial cannabis cultivation may be permitted subject to a Use Permit in each case and subject to the requirements of this Section.

4. Prior to establishing any new commercial cannabis cultivation activities all required permits, licenses, and entitlements shall be secured.

5. Commercial cannabis cultivation established prior to adoption of these regulations shall have one year from the effective date of this ordinance to obtain all required permits, licenses, and entitlements for such cultivation or to phase out their operations and restore the site to its pre-cultivation state.

6. All commercial cannabis cultivation shall comply with General Plan policies regarding long-term water supply. In no case shall a small water system or diversion of surface water be considered an adequate water supply unless all parties having interest in a small water system have provided written permission for use of the water from the system for the commercial cannabis cultivation activities. In the case of a large water system, the applicant shall provide written permission from the water provider or system operator. In all cases, water conservation measures, water capture systems, and greywater use shall be considered in order to minimize use of groundwater.

7. Commercial cannabis cultivation shall not be located within six hundred (600) feet from any school, public park or playground, recreation area, or a drug recovery facility.

8. Security measures sufficient to restrict access to only those intended and to deter trespass and theft of cannabis or cannabis products shall be provided for all commercial cannabis activities.

9. Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage, or inadvertent damage from rodents, pests, or wildlife.

10. In no case shall any hazardous, flammable, or explosive substances be used to process or manufacture cannabis products on site.

11. If the premises on which the cultivation occurs is rented or leased, written permission that authorizes the tenant or lessee to cultivate cannabis at the site, containing the property owner(s) notarized signature shall be provided.

12. Submit to and pay for an inspections of the operations and records or documents necessary to determine compliance with this Chapter from any enforcement officer of the County or their designee.

13. Adhere to all the terms of Use Permit and other entitlements and licenses issued by the County or State.

14. Green building techniques, renewable energy generation, proper waste disposal protocol, and water conservation methods shall be considered as part of any new commercial cannabis cultivation activity.

15. In no case shall a building intended for residential use be used for commercial cannabis cultivation.

16. Indoor cultivation activities shall not be visible from offsite. No visual markers indicating that cannabis is cultivated on the site shall be visible from offsite.

D. Commercial outdoor cultivation: All commercial outdoor cultivation of cannabis is prohibited.

E. Location Limitations.

1. Commercial cannabis cultivation shall be located only in zones that specifically provide for this use.

2. Commercial cannabis cultivation shall not be located within six hundred (600) feet from any school, public park or playground, recreation area, or a drug recovery facility.

F. Appearance.

1. No cannabis products or graphics depicting cannabis shall be visible from the exterior of the property.

2. Signage shall comply with Chapter 21.60 of this Title.

3. Comply with applicable exterior lighting and landscaping requirements.

G. Required Findings and Conditions.

1. In order to approve a Use Permit or General Development Plan for commercial cannabis cultivation, in addition to any other findings required, the Appropriate Authority shall make the following additional findings:

a. The cultivation as proposed, meets all of the requirements of Chapter 21.67 and is not located within six hundred (600) feet from any school, public park or playground, recreation area, or a drug recovery facility.

b. The owner, operators, and employees have not been convicted of a felony or a drug related misdemeanor within the last ten (10) years.

c. Approval of the Use Permit for cultivation will not exceed the limitations established in Section 21.67.050.C of the Monterey County Code.

2. In addition to any other condition or mitigation recommended by the Director of Planning, the following conditions shall be added to a permit for commercial cannabis cultivation:

a. The cultivator shall allow access to cultivation site and to any records related to the cultivation if requested by the County, its officers, or agents and from any licensing authority of the State.

b. The cultivator shall pay for an annual inspection and submit to inspections from the County or its officers to verify compliance with all relevant rules, regulations, and conditions.

3. The cultivation shall occur only in accordance with the operating plans reviewed and approved by the County.

4. Any violation of the provisions contained in this Chapter or any violation of any condition of approval for a permit to cultivate cannabis is considered a public nuisance and may be grounds for revocation of the permit, fines, and civil or criminal prosecution.

5. The applicant for the cultivation facility and property owner shall agree to a condition indemnifying the County.

### **21.65.060 – Cannabis Manufacturing**

A. Purpose: The purpose of this Section is to protect the public health, safety, and welfare, protect neighborhood character, and minimize potential for negative impacts on people and communities in the unincorporated areas of Monterey County by establishing minimum requirements for the commercial cannabis manufacturing.

B. Applicability: Non-volatile cannabis manufacturing facilities (requiring a Type 6 state license) may be permitted subject to a Use Permit in each case and subject to the regulations contained in this Section within the Heavy Commercial (“HC”), Light Industrial (“LI”), Heavy Industrial (“HI”), and Agricultural Industrial (“AI”) zoning districts. Cannabis manufacturing facilities involving volatile processes or substances (requiring a Type 7 state license) shall only be permitted with a Use Permit in the Heavy Industrial (“HI”) zoning district. The Director of Environmental Health is the appropriate authority to determine if manufacturing operations are “volatile.” The Planning Commission is the Appropriate Authority to approve a Use Permit for any type of cannabis manufacturing.

C. Regulations:

1. In reviewing an application for a Use Permit to operate a cannabis manufacturing facility, the Director of Planning or his or her designee may request any information deemed necessary to carry out the purposes of this Chapter. In addition to

information required pursuant to Section 21.67.020 of this Chapter, the following additional information may be requested:

- 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;
- c. Quality control measures; and
- d. Any other information requested by the Director of Planning.

2. A maximum of 15 commercial cannabis manufacturing facilities may be permitted in the unincorporated area of Monterey County pursuant to these regulations. The Planning Commission and Board of Supervisors shall consider amending this limitation within two (2) years of adoption of this ordinance or by the end of the 2018 calendar year, whichever occurs first. Cultivation permits will be considered on a first come, first served basis.

3. The permittee, owner, and operator shall agree to, and pay for, inspections of the manufacturing operations and all relevant records or documents necessary to determine compliance with this Chapter upon request from any enforcement officer of the County or their designee.

4. Manufacturing operations must adhere to all the terms of Use Permit and other entitlements and licenses issued by the County or State.

D. Location Limitations.

1. Cannabis manufacturing facilities shall be located only in zones that specifically provide for this use.

2. Cannabis manufacturing facilities shall not be located within six hundred (600) feet from any school, public park or playground, recreation area, or a drug recovery facility.

E. Appearance.

1. No cannabis products or graphics depicting cannabis shall be visible from the exterior of the property.

2. Signage shall comply with Chapter 21.60 of this Title.

3. Comply with applicable exterior lighting and landscaping requirements.

F. Required Findings and Conditions.

1. In order to approve a Use Permit or General Development Plan for cannabis manufacturing, in addition to any other findings required, the Appropriate Authority shall make the following findings:

a. The manufacturing operation, as proposed, meets all of the requirements of Chapter 21.67 and is not located within six hundred (600) feet from any school, public park or playground, recreation area, or a drug recovery facility.

b. The owner, operators, and employees have not been convicted of a felony or a drug related misdemeanor within the last ten (10) years.

c. Approval of the Use Permit for a manufacturing facility will not exceed the limitations established in Section 21.67.050.C of the Monterey County Code.

2. In addition to any other condition or mitigation recommended by the Director of Planning, the following conditions shall be added to a permit for cannabis manufacturing:

a. The manufacturer shall allow access to its site and records if requested by the County, its officers, or agents and from any licensing authority of the State.

b. The manufacturer shall pay for inspections and submit to inspections from the County or its officers to verify compliance with all relevant rules, regulations, and conditions.

3. The manufacturer shall comply with the operating plans reviewed and approved by the County.

4. Any violation of the provisions contained in this Chapter or any violation of any condition of approval for a permit to manufacture cannabis is considered a public nuisance and may be grounds for revocation of the permit, fines, and civil or criminal prosecution.

5. The applicant for the manufacturing facility and property owner shall agree to a condition indemnifying the County.

### **21.65.070 – Cannabis Testing Facilities**

A. Purpose: The purpose of this Section is to protect the public health, safety, and welfare, protect neighborhood character, and minimize potential for negative impacts on people and communities in the unincorporated areas of Monterey County by establishing minimum requirements for the commercial cannabis testing facilities.



B. Applicability: Cannabis testing facilities (requiring a Type 8 State license) may be permitted in the Heavy Commercial (“HC”), Light Industrial (“LI”), Heavy Industrial (“HI”), and Agricultural Industrial (“AI”) zoning districts subject to a Use Permit in each case. The Planning Commission is the Appropriate Authority to approve Use Permits pursuant to this Section.

C. Regulations:

1. In reviewing an application for a Use Permit to operate a cannabis testing facility, the Director of Planning or his or her designee, in addition to the application requirements contained in Section 21.67.020, may request any information deemed necessary to carry out the purposes of this Chapter including but not limited to the following:

- a. An operations plan detailing how cannabis will be received, secured, tested, and destroyed upon completion;
- b. Certificate of accreditation from an approved accrediting body;
- c. Proposed procedures for record keeping including chain of custody control and certificate issuance; and
- d. Any other information requested by the Director of Planning.

2. A maximum of 2 commercial cannabis testing facilities may be permitted in the unincorporated area of Monterey County pursuant to these regulations. The Planning Commission and Board of Supervisors shall consider amending this limitation within two (2) years of adoption of this ordinance or by the end of the 2018 calendar year, whichever occurs first. Cultivation permits will be considered on a first come, first served basis.

3. The permittee, owner, and operator shall agree to, and pay for, inspections of the testing facility operations and all relevant records or documents necessary to determine compliance with this Chapter upon request from any enforcement officer of the County or their designee.

4. Testing facilities shall adhere to all the terms of Use Permit and other entitlements and licenses issued by the County or State.

D. Location Limitations.

1. Cannabis testing facilities shall be located only in zones that specifically provide for this use.

2. Cannabis testing facilities shall not be located within six hundred (600) feet from any school, public park or playground, recreation area, or a drug recovery facility.

E. Appearance.

1. No cannabis products or graphics depicting cannabis shall be visible from the exterior of the property.

2. Signage shall comply with Chapter 21.60 of this Title.

3. Comply with applicable exterior lighting and landscaping requirements.

F. Required Findings and Conditions.

1. In order to approve a Use Permit or General Development Plan for a cannabis testing facility, in addition to any other findings required, the Appropriate Authority shall make the following additional findings:

a. The testing facility, as proposed, meets all of the requirements of Chapter 21.67 and is not located within six hundred (600) feet from any school, public park or playground, recreation area, or a drug recovery facility.

b. The owner, operators, and employees have not been convicted of a felony or a drug related misdemeanor within the last ten (10) years.

c. Approval of the Use Permit for a testing facility will not exceed the limitations established in Section 21.67.050.C of the Monterey County Code.

2. In addition to any other condition or mitigation recommended by the Director of Planning, the following conditions shall be added to a permit for a cannabis testing facility:

a. The testing facility shall allow access to its site and records, if requested by the County, its officers, or agents and from any licensing authority of the State.

b. The testing facility shall pay for inspections and submit to inspections from the County or its officers to verify compliance with all relevant rules, regulations, and conditions.

3. The testing facility shall comply with the operating plans reviewed and approved by the County.

4. Any violation of the provisions contained in this Chapter or any violation of any condition of approval for a permit to test cannabis is considered a public nuisance and may be grounds for revocation of the permit, fines, and civil or criminal prosecution.

5. The applicant for the testing facility and property owner shall agree to a condition indemnifying the County.

## **21.65.080 – Cannabis Transportation and Distribution**

A. Purpose: The purpose of this Section is to protect the public health, safety, and welfare, protect neighborhood character, and minimize potential for negative impacts on people and communities in the unincorporated areas of Monterey County by establishing minimum requirements for the commercial cannabis transportation and distribution facilities.

B. Applicability: The provisions of this Section are applicable to all cannabis transportation and distribution facilities. Cannabis transportation and distribution facilities may be permitted only in zoning districts that allow Wholesale distributors. Cannabis transportation and distribution facilities shall be subject to a Use Permit in each case. The Planning Commission is the Appropriate Authority to approve a Use Permit pursuant to this Section.

C. Regulations:

1. In reviewing an application for a Use Permit to operate a cannabis transportation and/or distribution facility, the Director of Planning or his or her designee, in addition to the application requirements contained in Section 21.67.020 of this Chapter, may request any information deemed necessary to carry out the purposes of this chapter including but not limited the following:

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. Truck parking and loading areas;

d. Storage and handling plans; and

e. Any other information requested by the Director of Planning.

2. A maximum of 5 commercial cannabis transportation or distribution facilities may be permitted in the unincorporated area of Monterey County pursuant to these regulations. The Planning Commission and Board of Supervisors shall consider amending this limitation within two (2) years of adoption of this ordinance or by the end of the 2018 calendar year, whichever occurs first. Cultivation permits will be considered on a first come, first served basis.

3. The permittee, owner, and operator shall agree to, and pay for, inspections of the transportation and distribution facility operations as well as all relevant records or documents necessary to determine compliance with this Chapter upon request from any enforcement officer of the County or their designee.

4. Transportation and distribution facilities shall adhere to all the terms of Use Permit and other entitlements and licenses issued by the County or State.

D. Location Limitations.

1. Transportation and Distribution facilities shall be located only in zones that specifically provide for this use.

2. Transportation and Distribution facilities shall not be located within six hundred (600) feet from any school, public park or playground, recreation area, or a drug recovery facility.

E. Appearance.

1. No cannabis products or graphics depicting cannabis shall be visible from the exterior of the property.

2. Signage shall comply with Chapter 21.60 of this Title.

3. Comply with applicable exterior lighting and landscaping requirements.

F. Required Findings and Conditions.

1. In order to approve a Use Permit or General Development Plan for a cannabis transportation and/or distribution facility, in addition to any other findings required, the Appropriate Authority shall make the following additional findings:

a. The facility, as proposed, meets all of the requirements of Chapter 21.67 and is not located within six hundred (600) feet from any school, public park or playground, recreation area, or a drug recovery facility.

b. The owner, operators, and employees have not been convicted of a felony or a drug related misdemeanor within the last ten (10) years.

c. Approval of the Use Permit for a transportation and/or distribution facility will not exceed the limitations established in Section 21.67.050.C of the Monterey County Code.

2. In addition to any other condition or mitigation recommended by the Director of Planning, the following conditions shall be added to a permit for a cannabis transportation and/or distribution facility:

a. The transporter and/or distributor shall allow access to their facilities and records if requested by the County, its officers, or agents and from any licensing authority of the State.

b. The transporter and/or distributor shall pay for inspections and submit to inspections from the County or its officers to verify compliance with all relevant rules, regulations, and conditions.

3. The transportation and/or distribution of cannabis shall occur only in accordance with the operating plans reviewed and approved by the County.

4. Any violation of the provisions contained in this Chapter or any violation of any condition of approval for a permit to transport and/or distribute cannabis is considered a public nuisance and may be grounds for revocation of the permit, fines, and civil or criminal prosecution.

5. The applicant for a transporter and/or distributor facility and the property owner shall agree to a condition indemnifying the County.

### **21.65.090 – Enforcement**

A. Purpose: The purpose of this Section is to establish procedures and penalties that are sufficient to deter unpermitted and illegal cannabis activities in order to protect the public health, safety, welfare, neighborhood character, and minimize potential for negative impacts on people and the environment in the unincorporated areas of Monterey County.

B. Applicability: This Section is applicable in all zoning districts.

C. Regulations.

1. All permitted commercial cannabis activities shall post all required permits and licenses required to operate in a central location at the operating site.

2. All permitted commercial cannabis activities shall maintain clear and adequate records demonstrating that all cannabis or cannabis products have been obtained from and are provided to other permitted and licensed cannabis operations. These records shall be made available for inspection to any enforcement officer of the County upon request.

3. All permitted commercial cannabis activities shall operate in compliance with the plans approved by the County, the requirements of the State issued licenses, and shall pay any and all required inspection fees, permit fees, and taxes.

4. Violations of the terms and conditions of a commercial cannabis activity permit, or any of the requirements of this Chapter, or any other applicable local or state rules, regulations, and laws shall be unlawful and is deemed a public nuisance. Violations shall be grounds for revocation of the permit and/or for nonrenewal of other applicable permits and licenses. In addition, at the discretion of the County, a cause of action for injunctive relief or other applicable civil remedies shall be brought or commenced against the owner of the property where the violation occurred.

5. The Director of Planning is the Appropriate Authority to revoke a permit for breach of conditions or violation of the requirements of this Chapter. The decision of the Director of Planning to revoke a permit pursuant to this Section is appealable to the Planning Commission pursuant to Chapter 21.80 of this Title.

6. In addition to any other fines or remedies, the County shall charge fees to recover all costs incurred as a result of enforcement of this Chapter.

7. Each day that a violation exists is a separate violation. Each violation is a separate violation. Fines and penalties may be assessed to each violation for each day that that violations remain on the property.

8. Violations of this Section are subject to Chapter 1.20 and 1.22 of the Monterey County Code in addition to the provisions of this Section.

SECTION 15. 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.

SECTION 16. EFFECTIVE DATE. This Ordinance shall become effective on the 31st day following its adoption.

PASSED AND ADOPTED on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by the following vote:

AYES: Supervisors  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Chair  
Monterey County Board of Supervisors

A T T E S T:

GAIL T. BORKOWSKI  
Clerk of the Board

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

APPROVED AS TO FORM BY:

\_\_\_\_\_  
Wendy S. Strimling  
Senior Deputy County Counsel

# DRAFT

ORDINANCE NO. \_\_\_\_\_

## AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, ADDING CHAPTER 7.90 TO THE MONTEREY COUNTY CODE RELATING TO MEDICAL CANNABIS BUSINESS PERMITS

### County Counsel Summary

*This ordinance adds Chapter 7.90 to the Monterey County Code to implement state law by providing a means for regulating the operation of medical cannabis businesses in a manner that is consistent with state law and which promotes the health, safety and general welfare of the residents and businesses with the unincorporated areas of Monterey County....TO BE ADDED TO WHEN ORDINANCE IS COMPLETE...*

The Board of Supervisors of the County of Monterey ordains as follows:

SECTION 1. Chapter 7.90 is added to the Monterey County Code to read as follows:

### Chapter 7.90 MEDICAL CANNABIS BUSINESS PERMIT

#### Sections:

- 7.90.010 Purpose**
- 7.90.020 Definitions**
- 7.90.030 Medical cannabis business permit required**
- 7.90.040 Application, notice, term of permit, and renewal**
- 7.90.050 Contents of application**
- 7.90.060 Fees**
- 7.90.070 Review of application and grounds for denial**
- 7.90.080 Medical cannabis business permit is nontransferable**
- 7.90.090 Operating requirements**
- 7.90.100 Cultivation, manufacture, waste, and storage requirements**
- 7.90.110 Packaging and labeling requirements**
- 7.90.120 Grounds for permit revocation or denial of renewal**
- 7.90.130 Judicial Review**
- 7.90.140 Enforcement and penalties**

#### **7.90.010 Purpose.**

The purpose and intent of this Chapter is to implement state law by providing a means for regulating the operation of medical cannabis businesses in a manner that is consistent with state

law and which promotes the health, safety and general welfare of the residents and businesses within the unincorporated areas of Monterey County.

**7.90.020 Definitions.**

The following words and phrases shall have the following meanings when used in this Chapter:

A. “Agricultural Commissioner” means the Monterey County Agricultural Commissioner.

B. “Applicant” for purposes of this Chapter, means the following:

1. Owner or owners of a proposed medical cannabis business, including all persons or entities having ownership interest other than a security interest, lien, or encumbrance on property that will be used by the medical cannabis business.

2. If the owner is an entity, “owner” includes within the entity each person participating in the direction, control, or management of, or having a financial interest in, the proposed medical cannabis business.

3. If the applicant is a publicly traded company, “owner” means the chief executive officer or any person or entity with an aggregate ownership interest of five percent (5%) or more.

C. “Application” means that form provided by the Permitting Official in accordance with this Chapter for the purpose of seeking a medical cannabis business permit.

D. “Cannabis” means 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 cannabis. “Cannabis” also means cannabis as defined by Section 11018 of the Health and Safety Code as enacted by Chapter 1407 of the Statutes of 1972. “Cannabis” does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this Chapter, “cannabis” does not mean “industrial hemp” as defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the Health and Safety Code.

E. “County” means the County of Monterey.

F. “Delivery” means the commercial transfer of medical cannabis or medical



cannabis products from dispensary, up to an amount determined by state law, or any of its departments or divisions, to a qualified patient or primary caregiver, or a testing laboratory.

G. “Environmental Health Bureau” means the Environmental Health Bureau of the Monterey County Health Department.

H. “Identification card” has the same definition as in Section 11362.7 of the California Health and Safety Code, as it may be amended.

I. “Medical cannabis business” means any type of business licensed by the State of California under section 19300.7 of the California Business & Professions Code, which includes the following state license classifications: Type 1, Type 1A, Type 1B, Type 2, Type 2A, Type 2B, Type 3, Type 3A, Type 3B, Type 4, Type 6, Type 7, Type 8, Type 10, Type 10A, Type 11, and Type 12.

J. “Medical cannabis,” “medical cannabis product,” or “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 chapter, “medical 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.

K. “Permit” means a permit issued by the County to a medical cannabis business under this Chapter.

L. “Permittee” means a person issued a County permit under this Chapter to operate a medical cannabis business.

M. “Permitting Official” means the official appointed by the County Administrative Officer who is responsible for implementing the provisions of this Chapter.

N. “Person” means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit and includes the plural as well as the singular number.

O. “Premises” means the building in which a medical cannabis business is operated and, in addition, any accessory structures and appurtenant areas.

P. “Primary caregiver” has the same definition as in Section 11362.7 of the Health and Safety Code, as it may be amended.

Q. “Qualified patient” has the same definition as in Section 11362.7 of the Health and Safety Code, as it may be amended.

- R. “RMA” means Monterey County Resource Management Agency.
- S. “Sheriff’s Office” means the Monterey County Sheriff’s Office.
- T. “State” means the state of California.
- U. “State license” means any type license classification under section 19300 *et seq.* of the California Business & Professions Code.

**7.90.030 Medical cannabis business permit required.**

A. It is unlawful for any person to conduct, engage in or allow to be conducted or engaged in the operation of a medical cannabis business in the unincorporated portion of Monterey County, unless such medical cannabis business has been granted a legally effective permit issued under this Chapter. Notwithstanding the above, the permits issued under this Chapter do not provide any protection or immunity for any person from state or federal laws, or from prosecution pursuant to any applicable state or federal laws.

B. No person shall conduct, engage in or allow to be conducted or engaged in the operation of a medical cannabis business without possessing a state license, a County issued land use permit, a County issued business license, and a permit issued under this Chapter. A permittee shall not commence activity under the authority of a County permit until the applicant has obtained the appropriate state license.

C. The revocation of a state license shall terminate the ability of the medical cannabis business to operate until the state reinstates or reissues its license.

D. The owner, managing partner, officer of a corporation or such other person who shall be primarily responsible for the operation of a proposed medical cannabis business shall apply for a permit under this Chapter and, if granted, shall maintain the operation of the medical cannabis business in conformity with the terms of this Chapter.

E. The fact that an applicant possesses other types of state or County permits or licenses, shall not exempt the applicant from obtaining a medical cannabis business permit under this Chapter, nor shall the terms and conditions of any other such permit or license modify the requirements of a permit granted under this Chapter.

F. It is unlawful for any person to conduct, engage in or allow to be conducted or engaged in the delivery of medical cannabis or medical cannabis products in the unincorporated portion of Monterey County, unless such delivery is performed by a permitted dispensary.

G. A qualified patient, as defined in Section 11362.7 of the Health and Safety Code, who cultivates, possesses, stores, manufactures, or transports cannabis exclusively for his or her personal medical use but who does not provide, donate, sell, or distribute cannabis to any other

person is not thereby engaged in medical cannabis business activities and is therefore exempt from obtaining a permit pursuant to this Chapter.

H. A primary caregiver who cultivates, possesses, stores, manufactures, transports, donates, or provides cannabis exclusively for the personal medical purposes of no more than five (5) specified qualified patients for whom he or she is the primary caregiver within the meaning of Section 11362.7 of the Health and Safety Code, but who does not receive remuneration for these activities except for compensation in full compliance with subdivision (c) of Section 11362.765 of the Health and Safety Code, is exempt from obtaining a permit pursuant to this Chapter.

**7.90.040 Application, notice, term of permit, and renewal.**

A. Each application for the establishment of a medical cannabis business permit or renewal of an existing permit shall be filed with the Permitting Official and the Permitting Official shall be responsible for administering the application process as set forth in this Chapter.

B. Wherever this Chapter requires the County to give notice to an applicant, appellant or permittee, such notice shall be given by the Permitting Official, in writing, and shall be delivered either by personal delivery or by certified U.S. mail, postage prepaid, return receipt requested. In addition, any such notice may be posted at the physical address of the medical cannabis business on the date of the mailing of notice.

C. Each medical cannabis business permit shall expire one (1) year after the date of its issuance. Any permit may be renewed by the Permitting Official upon the submission of a renewal application by the permittee. At the time of consideration of a renewal application, the Permitting Official shall consider compliance with conditions in the prior term.

D. Any application for renewal shall be filed at least sixty (60) calendar days before expiration of the permit.

E. Any application for renewal shall be rejected if:

1. The application is filed less than sixty (60) calendar days before its expiration.
2. The medical cannabis business authorized by the permit has not been in regular operation in the four (4) months prior to the renewal application.
3. The medical cannabis business fails to conform to the criteria set forth in this Chapter.
4. The permittee fails to renew its state license.
5. The permit is suspended or revoked at the time of the application.

F. If a renewal application is rejected, an applicant may file a new application pursuant to this Chapter.

**7.90.050 Contents of application.**

A. Each application shall set forth or incorporate by reference the following information in a standard form adopted by the Permitting Official:

1. Address of the proposed medical cannabis business and the name and address of the premises where the medical cannabis business will be located and, if different, the owner of the premises which the medical cannabis business is intended to be located.
2. The full name, date of birth, social security number, present address and telephone number for the applicant.
3. The address to which notice of action on the application is to be mailed.
4. All residential addresses of the applicant for the five (5) years immediately prior to the date of the application.
5. Written proof that the applicant is eighteen (18) years of age or older (i.e., California driver's license, California identification card, or certified birth certificate).
6. Photographs of the applicant for identification purposes to be taken by the Permitting Official.
7. The names and addresses of all businesses operated by and the employment of the applicant for the five (5) years immediately prior to the date of the application.
8. The address of any medical cannabis businesses currently being operated by the applicant, or that had previously been operated by the applicant and a statement of whether the authorization for any such operation had been revoked or suspended and, if so, the reason therefor.
9. The names and telephone numbers of the person or persons to be regularly engaged in the operation of the proposed medical cannabis business, whether an employee, volunteer or contractor. The application shall also identify those persons, including telephone numbers having management and supervisory responsibilities for the proposed medical cannabis business. Every person listed as owner, manager, supervisor or employee must submit fingerprints and other necessary information for a LiveScan background check by the Sheriff's Office.

10. Any new employees, independent contractors, other persons and/or volunteers who will work at the proposed medical cannabis business must submit their information to the Permitting Official within five (5) days prior to their employment, including fingerprints and other necessary information for a LiveScan background check by the Sheriff's Office.

11. A description of products to be grown, manufactured, tested, sold, distributed, and/or transported by the medical cannabis business.

12. The approximate number of licensed patients, primary caregivers, and/or qualified patients who will be served by the medical cannabis business.

13. A detail of the procedures to be utilized at the premises including a description of how chemicals, pesticides and fertilizers will be stored, handled, used and disposed of; and if applicable, manufacturing methods, the transportation process, inventory procedures, and quality control procedures.

14. Proposed hours of operation.

15. Waste disposal information.

16. Provide the applicant's seller's permit number issued pursuant to Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code or indicate that the applicant is currently applying for a seller's permit.

17. If the applicant does not own the premises where the medical cannabis business is located, the application shall include the signature(s) of all landowners where the use will occur and all owners of buildings where the medical cannabis business will be located, indicating such owners knowledge and consent to such use of the premises.

18. A statement by the applicant that it has the ability to comply with all laws regulating businesses in the State of California and that it shall maintain compliance during the term of the permit.

19. Authorization for the County, its agents and employees to seek verification of the information contained in the application.

20. Certification, under penalty of perjury, that all the information contained in the application is true and correct.

B. The filing of an application shall be deemed complete upon the submission of an application in conformance with this section and payment of the application fees required by this Chapter.

C. An application may be reviewed and copied by any member of the public in accordance with the California Public Records Act; provided, however, the Permitting Official shall keep confidential, to the extent reasonable and authorized by law, any information revealed during the application process that is: (1) protected under privacy or trade secret laws of the state; (2) information that, if disclosed, would pose a substantial risk to the safety or welfare of the community; or (3) when requested by the applicant, any proprietary project and program information.

**7.90.060 Fees.**

A. Every application or renewal of a permit shall be accompanied by a nonrefundable fee, as adopted by the Board of Supervisors, in order to reimburse the County for the cost of reviewing and acting upon the application or renewal.

B. In addition to any application or renewal fee, each medical cannabis business shall pay an annual fee, as adopted by the Board of Supervisors, for the administration of the permit, including monitoring and enforcing compliance with terms of the medical cannabis business permit.

C. The Board of Supervisors may enact such other fees as may be necessary to recover the County's costs of inspection, enforcement and corrective actions in relation to medical cannabis business.

**7.90.070 Review of application and grounds for denial.**

A. The Permitting Official shall commence review of any application immediately upon its filing. Within forty-five (45) calendar days after the filing of an application, the Permitting Official shall make a determination on whether to issue the medical cannabis business permit and shall notify the applicant of his or her determination.

B. Upon completion of the application review, the Permitting Official shall reject any application that meets any of the following criteria:

1. The proposed medical cannabis business does not comply with requirements of this Chapter.

2. The applicant has knowingly made a false statement of material fact or has knowingly omitted a material fact from the application.

3. The operation of the proposed medical cannabis business at the proposed location is prohibited by any federal, state, local law or regulation.

4. Any person who is listed on the application has been convicted of a felony within the past ten (10) years. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere.

5. Any person who is listed on the application is a licensed physician making patient recommendations for medical cannabis pursuant to Section 11362.7 of the Health and Safety Code.

6. The applicant or the operator listed in the application failed to obtain or maintain a valid seller's permit required pursuant to Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code.

7. The applicant or the operator listed in the application is less than eighteen (18) years of age.

C. The Permitting Official shall keep confidential, to the extent reasonable and authorized by law, any information revealed during the application process that is: (1) protected under privacy laws of the state; (2) information that, if disclosed, would pose a substantial risk to the safety or welfare of the community; or (3) when requested by the applicant, any proprietary project and program information.

D. No application for a permit which has been denied wholly or in part by the Permitting Official shall be resubmitted for a period of one (1) year from the date the order of denial became final, except on grounds of new evidence or proof of changed conditions found to be valid by the Permitting Official.

**7.90.080 Medical cannabis business permit nontransferable.**

A. A permit issued under this Chapter does not create any interest of value. A permit is not transferable, and automatically terminates upon transfer of ownership of a medical cannabis business.

B. No person shall operate a medical cannabis business under a permit issued pursuant to this Chapter at any place or location other than that identified on the permit.

**7.90.090 Operating requirements.**

A. Throughout the term of the permit, each permittee shall not violate this Chapter and shall comply with the following:

1. It shall be a violation of this Chapter for a medical cannabis business to distribute, provide or allow to be provided cannabis to any person except those persons who are primary caregivers or qualified patients who are in possession of an identification card, or have a verifiable written recommendation from a licensed physician for medical cannabis.

2. Medical cannabis business hours of operation are limited to and shall be between 8:00 a.m. and 7:00 p.m., seven days a week.

3. The total quantity of marijuana located at any premises shall not exceed the maximum quantity limits set by state law.
4. No cannabis shall be smoked, ingested or otherwise consumed on the premises.
5. No person who is less than eighteen (18) years of age may be employed or otherwise engaged in the operation of the medical cannabis business. No person under the age of eighteen (18) shall be allowed on the premises.
6. There shall not be a physician located in or around any medical cannabis business at any time for the purpose of evaluating patients for the issuance of a medical marijuana recommendation or card.
7. Each medical cannabis business shall conspicuously display its permit on the premises.
8. Odor control devices and techniques shall be incorporated in all commercial cannabis businesses to ensure that odors from marijuana are not detectable off-site.
9. No medical cannabis business may hold a license from the State Department of Alcoholic Beverage Control to sell alcoholic beverages, nor may it include a business that sells alcoholic beverages. No alcohol may be stored, sold, dispensed or used on the premises.
10. No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of the premises.
11. All cannabis and cannabis products shall be stored in a secured and locked safe room, safe or vault, and in a manner to prevent diversion, theft, and loss, except for limited amounts of cannabis used for display purposes, samples or immediate sale.
12. Each medical cannabis business shall allow County officials to have access to the medical cannabis business' books, records, accounts, financial data, and any and all data relevant to its permitted activities for the purpose of conducting an audit or examination.
13. Each permittee shall be responsible and liable for safety and security in and around the medical cannabis business, and shall provide adequate security on the premises, including lighting and alarms, to insure the safety of persons and to protect the premises from theft and other crimes. Medical cannabis businesses shall install and maintain in proper working order, video monitoring equipment capable of providing surveillance of both interior and exterior areas of the permitted establishment. Medical cannabis businesses shall maintain such surveillance video tapes for a period of at least



thirty (30) days and shall make such video tapes available to the Permitting Official or Sheriff's Office upon demand.

14. Each permittee shall notify the Sheriff's Office immediately after discovering any of the following: division, theft, loss, or any criminal activity involving the medical cannabis business; significant discrepancies identified during inventory; or any other breach of security.

15. The permittee shall provide the Permitting Official with the name, telephone number and facsimile number of a community relations contact to whom one can provide notice of problems associated with the medical cannabis business. The permittee shall make a good faith effort to resolve problems without the need for intervention by the County.

16. No person who has been convicted of a felony within the past ten (10) years may be actively engaged in the operation of any medical cannabis business. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere.

17. A medical cannabis businesses shall not be delinquent in the payment of fees required by this Chapter.

18. A medical cannabis businesses shall comply with all applicable federal, state and local laws, ordinances and regulations, including without limitation, County building, zoning and health codes.

B. At any time during the business hours of a medical cannabis business and without notice, the Permitting Official, acting in conjunction with other appropriate County officials, may enter the premises for the purpose of observing compliance of the medical cannabis business with this Chapter.

C. It is unlawful for any person having any responsibility over the operation of a medical cannabis business to refuse to allow, impede, obstruct, or interfere with an inspection, or the review of the copying of records and monitoring (including recordings) including, but not limited to, the concealment, destruction, and falsification of any recordings or records.

#### **7.90.100 Cultivation, manufacture, waste, and storage requirements.**

A. Permittee must follow all pesticide use requirements of local, state and federal law. The Agricultural Commissioner may inspect the permittee's premises at any time during business hours to ensure compliance with this Section.

B. Permittee must maintain all weighing devices in compliance with local, state or federal law and comply with Chapter 7.60 regarding device registration with the Agricultural Commissioner.

C. Permittee must follow all local, state and federal requirements for waste disposal. The Environmental Health Bureau may inspect the permittee's premises at any time during business hours to ensure compliance with this Section.

D. In no case shall any hazardous, flammable or explosive substances be used to process or manufacture cannabis products on site. The Sheriff's Office and Environmental Health Bureau may inspect the permittee's premises at any time during business hours to ensure compliance with this Section.

E. All food products, food storage facilities, food-related utensils, equipment and materials shall be approved, used, managed and handled in accordance to the provisions of the California Retail Food Code, and California Health and Safety Code Sections 113700 – 114437. All food products shall be protected from contamination at all times, and all food handlers must be clean, in good health and free from communicable diseases. The Environmental Health Bureau may inspect the permittee's premises at any time during business hours to ensure compliance with this Section.

F. Baked products (e.g., brownies, bars, cookies, etc.), tinctures, and other non-refrigerated type items may be sold or distributed at a medical cannabis business. The Environmental Health Bureau may inspect the permittee's premises at any time during business hours to ensure compliance with this Section.

#### **7.90.110 Packaging and labeling requirements.**

Prior to the sale or the delivery of cannabis or cannabis product the same shall be labelled and in a tamper-evident packaging. Labels and packages shall at least meet the following minimum requirements:

- A. Packages and labels shall not be made to be attractive to children.
- B. Product labels shall include the following information displayed in a clear and legible font:
  - 1. Manufacture date and source.
  - 2. The statement "SCHEDULE I CONTROLLED SUBSTANCE"
  - 3. The statement "KEEP OUT OF REACH OF CHILDREN AND ANIMALS" in bold type face.
  - 4. The statement "FOR MEDICAL USE ONLY"
  - 5. The statement "THE INTOXICATING EFFECTS OF THIS PRODUCT MAY BE DELAYED BY UP TO TWO HOURS"

6. The statement “THIS PRODUCT MAY IMPAIR THE ABILITY TO DRIVE OR OPERATE MACHINERY. PLEASE USE EXTREME CAUTION”

- C. For packages containing only dried flowers, the net weight of cannabis in the package.
- D. A warning if nuts or other known allergens are used.
- E. List of pharmacologically active ingredients including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total.
- F. Clear indication, in bold typeface, that the product contains cannabis.
- G. Identification of the source and date of cultivation and manufacture.
- H. Only generic food names may be used to describe edible cannabis products.
- I. The Environmental Health Bureau may inspect the permittee’s products at any time during business hours to ensure compliance with this Section.

**7.90.120 Grounds for permit revocation or denial of renewal.**

Grounds for revocation of a permit or denial of a renewal of a permit include, but are not limited to:

- A. For conducting the medical cannabis business in an unlawful manner, or in such a manner as to be a nuisance to the health, safety or welfare of the public.
- B. Allowance of any person 18 years of age or younger to enter the premises.
- C. Failure to maintain and produce to the Permitting Authority all books, records, accounts, financial data, and any and all data relevant to a medical cannabis business’ permitted activities.
- D. Failure to contain all irrigation runoff, fertilizers, pesticides, and other contaminants on the premises.
- E. Use of any hazardous, flammable or explosive substances on the premises.
- F. Failure to allow unannounced inspections of the premises by the Permitting Official or any other appropriate County official, at any time during business hours, without notice.

G. Failure to pay any State or local tax associated with the medical cannabis business.

H. Use of water from any water source that is not located on the parcel where the medical cannabis business is located.

I. The possession, storage or use of any firearm on the parcel where the medical cannabis business is located.

J. Failure to follow the operational requirements of Section 7.90.900 of this Chapter.

K. Failure to follow the cultivation, manufacture, waste and storage requirements of Section 7.90.100 of this Chapter.

L. Failure to follow the labeling requirements of Section 7.90.110 of this Chapter.

M. Revocation or suspension of any State license.

#### **7.90.130 Judicial review.**

A. The Permitting Official's denial of a permit application, a permit renewal, or the revocation of a permit is a final action that is not subject to any further administrative remedy. The only legal remedy available to appeal the Permitting Official's action is to file a petition for writ of mandate in a superior court under California Code of Civil Procedure 1085.

B. Under no circumstances shall a cause of action for monetary damages be allowed against the County, the Permitting Official, or any County employee as a result of a denial or revocation of a permit.

#### **7.90.140 Enforcement and penalties.**

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 unlawful and a public nuisance and shall, at the discretion of County, create a cause of action for penalty pursuant to Chapters 1.20 and 1.25 of this Code.

B. Each and every violation of this Chapter shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the Monterey County Code. Additionally, as a nuisance per se, any violation of this Chapter shall be subject to injunctive relief, any permit issued pursuant to this Chapter being deemed null and void, disgorgement any payment to the County of any and all monies unlawfully obtained, costs of abatement, costs of investigation, attorney fees, and any other relief or remedy available at law or in equity. The County may also pursue any and all remedies and actions available and applicable

under state and local laws for any violations committed by the medical cannabis business or persons related thereto, or associated with, the medical cannabis business. Additionally, when the Sheriff or his designee determines there is an imminent threat to public health, safety or welfare, the medical cannabis business permit, issued by the County pursuant to this Chapter, shall immediately become null and void.

C. Any person violating any of the provisions or failing to comply with this Chapter shall be guilty of a misdemeanor. Each person shall be guilty of a separate offense for each and every day during any portion of which any violation of any provision of this Chapter or the permit is committed, continued or allowed in conjunction with the operation of a medical cannabis business and shall be punishable accordingly.

SECTION 2. 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.

SECTION 3. EFFECTIVE DATE. This ordinance shall become effective on the thirty-first day following its adoption.

**PASSED AND ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2015, by the following vote:

AYES:  
NOES:  
ABSENT:

\_\_\_\_\_  
Simon Salinas, Chair  
Monterey County Board of Supervisors

**A T T E S T :**

GAIL T. BORKOWSKI  
Clerk of the Board

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

**APPROVED AS TO FORM:**  
  
WENDY S. STRIMLING  
Senior Deputy County Counsel



# DRAFT

ORDINANCE NO. \_\_\_\_\_

## AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA, ADDING CHAPTER 7.02 TO THE MONTEREY COUNTY CODE TO IMPLEMENT BUSINESS LICENSES FOR CERTAIN DESIGNATED BUSINESSES

### County Counsel Summary

*This ordinance adds Chapter 7.02 to the Monterey County Code to provide for necessary regulations of certain lawful businesses being conducted within the unincorporated area of Monterey County and to set the procedure for the administration of business licenses, which is in the interest of the public health, safety, and welfare of the people of Monterey County. This ordinance authorizes the Board of Supervisors to adopt fees for the licenses and also provides for enforcement and penalties for violations of this ordinance.*

The Board of Supervisors of the County of Monterey ordains as follows:

SECTION 1. Chapter 7.02 is added to the Monterey County Code to read as follows:

### Chapter 7.02 BUSINESS LICENSES

#### Sections:

- 7.02.010 Purpose.**
- 7.02.020 Definitions.**
- 7.02.030 Time of procurement and term.**
- 7.02.040 Business licenses required for certain designated businesses.**
- 7.02.050 Businesses requiring licenses.**
- 7.02.060 Separate license required for each place of business.**
- 7.02.070 Fictitious names.**
- 7.02.080 Land use regulations.**
- 7.02.090 Form of application.**
- 7.02.100 Application, renewal, and required fee payment.**
- 7.02.110 Information to be shown in licenses.**
- 7.02.120 License display.**
- 7.02.130 Right of entry.**
- 7.02.140 Licenses nontransferable**
- 7.02.150 Grounds for refusal and appeal.**
- 7.02.160 Grounds for revocation and appeal.**
- 7.02.170 Penalty for violation.**

**7.02.010 Purpose**

The purpose of this Chapter is to provide for necessary regulation of certain lawful businesses being conducted within the unincorporated area of Monterey County, in the interest of the public health, safety, and welfare of the people of the Monterey County. Business license fees charged under the provisions of this Chapter shall be revenue-neutral such that they may not exceed the reasonable costs of providing for registration and licensing services. No business license fee charged under the provisions of this Chapter shall be construed as a business license tax.

#### **7.02.020 Definitions**

A. For the purposes of this Chapter, the following terms shall be defined as follows:

“Applicant” means the individual, partnership, association, limited liability company, or corporation that will operate and conduct a business for which a license is required pursuant to the provisions of this Chapter.

“Business” means the operation or carrying on of any activity, whether for profit or gratuitously, for which a license is required by this Chapter. "Business" also means the soliciting of orders and the delivery of goods at a fixed physical location and those that are operated on a mobile basis.

“County” means the County of Monterey.

“Fixed place of business” means any establishment, store, office or central place for carrying on regular activities.

“Medical Cannabis Business” means any type of business licensed by the State of California under section 19300.7 of the California Business & Professions Code, which includes the following state license classifications: Type 1, Type 1A, Type 1B, Type 2, Type 2A, Type 2B, Type 3, Type 3A, Type 3B, Type 4, Type 6, Type 7, Type 8, Type 10, Type 10A, Type 11, and Type 12.

“Person” and “party” mean person, party, firm, association, corporation, partnership or profession for which a business license must first be procured.

B. Wherever the principal is designated in this Chapter, it shall include clerks, agents, servants, representatives and employees; it being the intention to license the business and not separate any individual acts or activities which are integral parts of a business.

#### **7.02.030 Time of procurement and term.**

A. Business licenses required by this Chapter shall be procured before the commencement of business or, if the business is in operation and a license possessed, prior to the expiration of such license.



B. Unless otherwise specifically provided, the license period shall be for one (1) year and shall commence September 1 of each year and expire August 31 of the following year. Applicable fees will be prorated if a business is started within the annual license period.

**7.02.040 Business registration and license required for certain designated businesses.**

Every person conducting or carrying on a business as defined in this Chapter anywhere in the unincorporated area of the County shall register by obtaining a business license. It is unlawful for any person to maintain, conduct, operate, or carry-on within the unincorporated area of the County any business defined in this Chapter, unless such person has a valid license for such business.

**7.02.050 Businesses requiring licenses.**

Business licenses shall be required to operate or maintain the following businesses:

A. Medical Cannabis Businesses.

**7.02.060 Separate license required for each place of business.**

A separate license is required for each separate place of business even though the businesses are owned or operated by the same person. Where a combination of two (2) or more classes of businesses as herein classified are carried on at the same fixed place of business by the same owner and under one (1) management, only one (1) license shall be required.

**7.02.070 Fictitious names.**

A. A license may be issued pursuant to this Chapter to a corporation duly authorized to transact business in this state, or to a person operating under a fictitious name who has complied with all of the provisions of Section 17900 *et seq.* of the Business and Professions Code. Otherwise, all such licenses shall be issued in the true name of the individual or individuals applying therefor.

B. Except as provided in subsection A. of this section, no business so licensed may operate under any false or fictitious name.

C. A license issued to a corporation shall designate such corporation by the exact name that appears in the articles of incorporation of such corporation.

**7.02.080 Land use regulations.**

A. The Treasurer-Tax Collector shall not issue any license to carry on any business at a specific location where such business is inconsistent with the land use regulations of the County.

B. Resource Management Agency – Planning zoning clearance is required prior to the issuance of any new business license where the fixed place of business is situated in the unincorporated area of the County.

**7.02.090 Form of application.**

Every application for a business license required by this Chapter shall be signed by the applicant and shall contain the following:

A. The name and mailing address of the applicant. If the applicant is a corporation, the name shall be exactly as set forth in its articles of incorporation. If the applicant is a partnership, the name and address of each general partner shall be stated. If one or more of the partners is a corporation, the provisions of this Section as to a corporate applicant apply. The names of all other persons having an interest in the enterprise shall be listed;

B. If the applicant is a corporation, the name and mailing address of an officer who is duly authorized to accept the service of legal process;

C. The applicant's social security number if an individual, or the corporate number if the applicant is a corporation;

D. The driver's license or identification card if the applicant is an individual;

E. The telephone number of the applicant;

F. The name under which the applicant will be doing business;

G. The exact nature of the business;

H. The exact location of the business or the route or territory to be covered if no fixed place of business;

I. The residence of the applicant or, if a corporation, the principal place of business;

J. The name and address of the owner of the premises;

K. The name and address of the lessee of the premises;

L. A copy of the current sales tax permit issued by the State of California Board of Equalization as required by Revenue and Taxation Code Section 6066;

M. A copy of all applicable permits and licenses required by the State of California to engage in the business;

N. A copy of all applicable permits and licenses required by the County to engage in the business; and

O. Per Labor Code section 3711, proof of workers compensation insurance or exemption thereto.

**7.02.100 Application, renewal and required fee payments.**

A. All business licenses required by this Chapter shall be issued by the Office of the Treasurer-Tax Collector upon completion of the business license application, including copies of required state and County documents as described herein in Section 7.02.090 A. through O., and the payment of the proper fees.

B. All business licenses required by this Chapter shall be obtained annually and be valid from the date of issue to August 31, and prior thereto, application shall be made for renewal of the license. All renewal applications must be received by the Treasurer-Tax Collector by August 1 of each year. New licenses issued during any period after September 1, will be issued for the remainder of the annual license period up to August 31, at a pro-rated cost based on the date of issuance and the immediately pending annual renewal period beginning on August 1.

C. Every application or renewal of a business license shall be accompanied by a nonrefundable fee, as adopted by the Board of Supervisors, in order to reimburse the County for actual costs of reviewing and acting upon the application.

D. In addition to any application or renewal fee, each business shall pay an annual license fee, as adopted by the Board of Supervisors, for the administration of the business license, including monitoring and enforcing compliance with terms of the business license.

E. The Board of Supervisors may enact such other fees as may be necessary to recover the County's costs of inspection and corrective actions in relation to the licenses.

**7.02.110 Information to be shown in licenses.**

The business license shall be in the form prescribed by the Treasurer-Tax Collector and must contain, at a minimum, the licensee's name, the business name, the type of business, the location of the business, commencement and expiration dates of the license, and the fee remitted.

**7.02.120 License display.**

A. Every licensee having a fixed place of business shall display the valid license in a conspicuous place in such place of business.

B. Every licensee not having a fixed place of business shall carry such license on their person at all times while during any actions related to the conduct of carrying on the licensed business, and shall exhibit it, whenever requested, to any person.

**7.02.130 Right of entry.**

It shall be the duty of all peace officers, appropriate code enforcement officials, and other designees of the Treasurer-Tax Collector to exercise due diligence in the enforcement of this Chapter, and to that end they shall be permitted, at any reasonable time and place, to enter all types and classes of business establishments regulated by this Chapter.

**7.02.140 Licenses nontransferable.**

No license granted under the provisions of this Chapter shall be transferable or removable to another location, another person, or entity.

**7.02.150 Grounds for refusal and appeal.**

A. The Treasurer-Tax Collector must refuse to issue a license for any of the following reasons:

1. For fraudulent representations in the application;
2. For failure to furnish all information required by the application; and
3. For failure to pay the required license fees.

B. The Treasurer-Tax Collector's denial of a license application is a final action that is not subject to any further administrative remedy. The only legal remedy available to appeal the Treasurer-Tax Collector's action is to file a petition for writ of mandate in superior court under California Code of Civil Procedure 1085.

C. Upon rejection of any license application, all annual license fees received in connection therewith shall be refunded to the applicant. The application fee shall not be refunded.

**7.02.160 Grounds for revocation and appeal.**

A. The Treasurer-Tax Collector must revoke a license issued under this Chapter for any of the following reasons:

1. For violation of any conditions of the license;
2. For violation of any provisions of this Chapter;

3. If such license was obtained by fraud; and
4. For conducting business in an unlawful manner, or in such a manner as to be a nuisance to the health, safety or welfare of the public.

B. The Treasurer-Tax Collector's revocation of a license is a final action that is not subject to any further administrative remedy. The only legal remedy available to appeal the Treasurer-Tax Collector's action is to file a petition for writ of mandate in superior court under California Code of Civil Procedure 1085.

C. Upon revocation of any license, no part of the fee paid therefor may be refunded.

D. No person may secure any license who has had any license issued under this Chapter revoked within the preceding six (6) months.

**7.02.170 Penalty for violation.**

A. Licenses not renewed by August 31 each year will become delinquent and will be canceled. Persons who fail to renew their license during the prescribed renewal period will be required to submit a new application, obtain all appropriate approvals, and pay the application and license fee.

B. Any person violating any of the provisions or failing to comply with this Chapter shall be guilty of a misdemeanor. Each person shall be guilty of a separate offense for each and every day during any portion of which any violation of any provision of this Chapter or the license is committed, continued or allowed.

C. 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 administrative penalty pursuant to Chapters 1.20 and 1.25.

**SECTION 2. 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.

**SECTION 3. EFFECTIVE DATE.** This ordinance shall become effective on the thirty-first day following its adoption.

**PASSED AND ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2016, by the following vote:

AYES:  
NOES:  
ABSENT:

\_\_\_\_\_  
Jane Parker, Chair  
Monterey County Board of Supervisors

A T T E S T :

GAIL T. BORKOWSKI  
Clerk of the Board

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

APPROVED AS TO FORM:  
  
WENDY S. STRIMLING  
Senior Deputy County Counsel

DRAFT

## Spencer, Craig x5233

---

**From:** Aaron Johnson [Aaron@lg-attorneys.com]  
**Sent:** Monday, November 30, 2015 2:35 PM  
**To:** Spencer, Craig x5233; Novo, Mike x5192; DonlonK@co.monterey.ca.us  
**Cc:** Stratton, Josh Q. x5022; Jeff Lind; Liz Tiliaia  
**Subject:** Suggested Provisions of Cannabis Ordinance by Coastal Grower's Association  
**Attachments:** MontereyCountyOrdinance113015(AJ).docx; ATT00001.htm

Hi Craig, Mike and Kelly,

I am writing this on behalf of Coastal Growers Association. I sympathize with you on drafting the cannabis ordinance with the County. There are a lot of things to consider and we hope that you will find the attached draft ordinance helpful in your endeavors in drafting it.

Although we have met every week for the last 6 months, twice a week on most weeks, we still have some language to work out. With that said, we encourage you to use what we have prepared and we feel the best way to go forward is to get the language on paper, let all interested in these rules have the chance to review and weigh in, and then work with the language and supervisors as they decide on this important policy.

Highlights from our ordinance include:

1. We support a number of dispensaries throughout the County, based on a Point Evaluation System. This is largely due to the fact that delivery services must operate out of them according to the new state law. We therefore suggest spreading the number of dispensaries out by Districts of the Supervisors, excluding District 1 because Salinas may allow 3 in the city.
2. We support cultivation across a broad spectrum of growers: from existing, small boutique grows that provide diversity in strains and medicine, to larger production growers focused on meeting California's robust demand. The footprint for cannabis cultivation is relatively small. We do not believe the policies contained herein will result in large cannabis farms or an environment that will impact the public because of view shed policies we incorporated into this draft.
3. We limited cultivation permits to 100 for properties that are undeveloped that are converting to this agricultural use. We are concerned about environmental impacts, and want to limit the number available to an amount that will not have significant adverse impacts to the environment. We could use a baseline number, but that number is difficult to ascertain. So, we ask that you credit grows against the 100 limit that have demonstrated they are part of the baseline (existing as of July 7, 2015), or for those that are abandoning those sites for a new, permitted one. We did not limit the number on farmlands because the impacts have already been assessed.
4. We support immediate permits for non-volatile extraction methods (Type 6 Manufacturing under the new state law) and we are looking to lay the foundation for Type 7 Manufacturing. Like wineries, this use is important to add value to our agricultural product before it leaves Monterey County and it can be done safely. We therefore encourage its adoption locally, and we will work on safe standards with you as this segment of the business moves forward.
5. The structure of the attached ordinance is such that if you do not want to decide on issues related to future state law provisions, at least we've provided the overall outline of where they would be and they are just placeholders for now. We will know more soon as clean up bills are introduced and regulations promulgated under the new state law. I hope the general outline and structure of this ordinance helps you.
6. We advise using this in zoning, but it's not necessary. It could also be developed in Health and Safety, but we'll leave that up to you.

I hope this is helpful and we look forward to working with you in the next weeks and months to come.

Thanks,



**COASTAL GROWERS ASSOCIATION  
SUGGESTED DRAFT LANGUAGE FOR  
A MEDICAL CANNABIS ORDINANCE  
FOR  
THE COUNTY OF MONTEREY**

**Suggested Recitals:**

**WHEREAS**, on November 5, 1996, California voters passed Proposition 215, which decriminalized the cultivation and use of cannabis by seriously ill individuals upon a physician's recommendation; and

**WHEREAS**, Proposition 215, which was codified as section 11362.5 of the California Health and Safety Code was enacted to “ensure that seriously ill Californians have the right to obtain and use cannabis for medical purposes where that medical use is deemed appropriate and has been recommended by a physician who has determined that the person’s health would benefit from the use of cannabis,” and to “ensure that patients and their primary caregivers who obtain and use cannabis for medical purposes upon the recommendation of a physician are not subject to criminal prosecution or sanction”; and

**WHEREAS**, on January 1, 2004, Senate Bill 420, the Medical Marijuana Program Act, became law and was codified in sections 11362.7 to 11362.83 of the California Health and Safety Code; and

**WHEREAS**, the Medical Marijuana Program Act, among other things, requires the California Department of Public Health to establish and maintain a program for the voluntary registration of qualified medical cannabis patients and their primary caregivers through a statewide identification card system; and

**WHEREAS**, the Federal Controlled Substances Act, which was adopted in 1970, established a federal regulatory system designed to combat recreational drug abuse by making it a federal criminal offense to manufacture, distribute, dispense, or possess any controlled substance which includes cannabis; and

**WHEREAS**, the Department of Justice of the State of California in the August 2008 Guidelines for the Security and Non-Diversion of cannabis Grown for Medical Use (“2008 Attorney General Guidelines”) has opined that neither Proposition 215 nor the Medical Marijuana Program Act conflict with Federal Controlled Substances Act since “California did not ‘legalize’ medical cannabis, but instead exercised the state's reserved powers to not punish

certain cannabis offenses under state law when a physician has recommended its use to treat a serious medical condition”; and

**WHEREAS**, the federal government has issued guidelines for states and local governments that have enacted laws authorizing cannabis-related conduct, requiring them to “implement strong and effective regulatory and enforcement systems that will address the threat those state laws could pose to public safety, public health, and other law enforcement interests,” and recognizes that where such strong and effective regulatory and enforcement systems are in place, conduct in compliance with those regulatory and enforcement systems is less likely to threaten federal priorities and thus less likely to require federal enforcement intervention; and

**WHEREAS**, on September 11, 2015, the California Assembly and Senate passed Assembly Bill 243, Assembly Bill 266, and Senate Bill 643, the Medical Marijuana Regulation and Safety Act (“MMRSA”), which has been chaptered and codified in sections 19300 et seq. of the California Business and Professions Code; and

**WHEREAS**, in *County of Riverside v. Inland Empire Patients Health & Wellness Ctr., Inc.* (2013) 56 Cal.4<sup>th</sup> 729, the California Supreme Court ruled unanimously that the Compassionate Use Act and the Medical Marijuana Program Act do not preempt local ordinances that completely and permanently ban medical cannabis facilities, but recognized that the local police power, which derives from California Constitution Art XI, Section 7, “includes broad authority to determine, for purposes of public health, safety, and welfare, the appropriate uses of land within a local jurisdiction’s borders”; and

**WHEREAS**, the MMRSA confers upon local jurisdictions that same broad authority to determine, for purposes of public health, safety, and welfare, the appropriate uses of land within a local jurisdiction’s borders; and

**WHEREAS**, if medical cannabis facilities and cultivation were permitted to be established or if existing business were permitted to distribute, sell or cultivate medical cannabis without appropriate regulation, such uses might place the County in jeopardy of being noncompliant with guidelines issued by the State Attorney General and the U.S. Department of Justice; and

**WHEREAS**, such unregulated uses might be established in areas that would conflict with the requirements of the General Plan, be inconsistent with surrounding uses, or be detrimental to the public health, safety and welfare; and

**WHEREAS**, the County Board of Supervisors desires to enact strong and effective regulations pertaining to medical cannabis facilities and cultivation to ensure that qualified

patients and their caregivers are afforded safe and convenient access to medical cannabis, while at the same time ensuring that such uses do not conflict with the General Plan, are not inconsistent with surrounding uses, and are not detrimental to the public health, safety and welfare, and to ensure that conduct in compliance with these regulations does not threaten federal drug enforcement priorities and, therefore, is not likely to require federal enforcement intervention.

**Section 1. EVIDENCE**

The County Board of Supervisors has considered all of the evidence submitted into the administrative record, which includes, but is not limited to, public comments, both written and oral, received and/or submitted at, or prior to the County Board of Supervisor's consideration of this ordinance.

**Section 2. ADDING CHAPTER 21.92 "REGULATIONS FOR CANNABIS BUSINESSES" TO TITLE 5 "ZONING REGULATIONS" OF THE MONTEREY COUNTY CODE**

Title 21 "Zoning Regulations" of the Monterey County Code shall be amended as follows:

**Chapter 21.92  
REGULATIONS FOR CANNABIS BUSINESSES**

**21.92.010 - Purpose.**

The purpose of this Section is to establish land use regulations concerning the commercial cultivation, distribution, testing, transportation, manufacturing and dispensing of cannabis for medical use within the County of Monterey in order to limit and control such activities in coordination with the State of California in the implementation of the Medical Marijuana Regulation and Safety Act (the "MMRSA")(SB 643, AB 266, and AB 243). It is intended to address the County of Monterey's land use authority to license, permit, and control the cannabis-related facilities for medical use as set forth in the MMRSA, including, but not limited to the provisions of Business and Professions Code Sections 19315, 19316, 19320, 19322, 19332, and 19360 and Health and Safety Code Section 11362.777, in conjunction with state licensing requirements, in order to protect the public health, safety, and welfare of the residents of the County of Monterey, and enact reasonable regulations to reduce or eliminate any adverse environmental effects of existing cannabis operations in the County of Monterey, and to prevent adverse environmental effects of any new commercial cannabis cultivation operations which may be permitted in the future in accordance with this Chapter and state law, and to ensure that qualified patients and their caregivers are afforded safe and convenient access to medical cannabis. This Section is not intended to supersede any provisions of this Code concerning cultivation of medical cannabis for personal use by patients or caregivers.

## 21.92.020 - Applicability.

- A. The regulations of this Chapter shall apply to the location and permitting of medical cannabis businesses, as that term is defined below, in zoning districts within which such use is authorized, as specified in this Chapter.
- B. The commercial cultivation of cannabis for medical use within the jurisdiction of the County of Monterey shall be controlled by the provisions of this Chapter, regardless of whether the cultivation existed or occurred prior to the adoption of this Chapter.
- C. All commercial cultivation, manufacturing, testing, distributing or dispensing of cannabis for medical use, as defined herein, regardless of whether the use was previously approved by any agency or department of the County of Monterey, the Monterey County Planning Commission, or the Monterey County Board of Supervisors, shall use best efforts to come into full compliance with these regulations. Best efforts may be shown by approval of a permit within one (1) year of the adoption of the ordinance establishing this Chapter or approval of a permit after one (1) year of adoption of the ordinance establishing this Chapter if a cannabis business submits an application pursuant to this Chapter within ninety (90) days of this Chapter's implementation and the application is deemed complete.
- D. Nothing in this Chapter is intended, nor shall it be construed, to exempt the commercial cultivation of cannabis for medical use, from compliance with all other applicable Monterey County zoning and land use regulations, as well as other applicable provisions of the County Code, or compliance with any applicable state laws.
- E. Nothing in this Chapter is intended, nor shall it be construed, to exempt the commercial cultivation of cannabis for medical use, as defined herein, from any and all applicable local and state construction, electrical, plumbing, land use, water rights, waste water discharge, streambed alteration, or any other environmental, building or land use standards or permitting requirements.
- F. Nothing in this Chapter is intended, nor shall it be construed, to preclude a landlord or property owner from limiting or prohibiting cannabis facilities, as defined in this Chapter for medical use.
- G. The definitions in this Chapter are intended to apply solely to the regulations in this Chapter. Applicable definitions in all other Sections of Monterey County Code Title 21 may also apply to this Chapter.
- H. Notwithstanding the fact that Health and Safety Code Section 11362.777 declares that medical cannabis is an agricultural product for purposes of that Section and the MMRSA, Business and Professions Code Section 19300, et. seq., the commercial cultivation of cannabis for medical use shall not be allowed as a principal permitted use under the General Agriculture use type classification applicable within the County of Monterey, unless an administrative permit or conditional use permit is first obtained from the County of

Monterey, and the person engaged in such activity has obtained all state licenses and permits which may be required by the applicable state licensing authorities if and when such licenses are available.

### **21.92.030 - Definitions.**

This ordinance shall be known and may be cited as the Medical Marijuana Regulation and Safety Ordinance (the "MMRSO"). For purposes of this chapter, the following definitions shall apply:

- A. "Applicant," means the following:
  - 1. Owner or owners of a proposed facility, including all persons or entities having ownership interest other than a security interest, lien, or encumbrance on property that will be used by the facility.
  - 2. If the owner is an entity, "owner" includes within the entity each person participating in the direction, control, or management of, or having a financial interest in, the proposed facility.
  - 3. If the applicant is a publicly traded company, "owner" means the chief executive officer or any person or entity with an aggregate ownership interest of 5 percent or more.
- B. "Appropriate Authority" means that person, official, or body designated to hear, grant, deny, modify, condition, revoke or otherwise act on permits required by Title 21 of the Monterey County Code.
- C. "Batch" means a specific quantity of medical cannabis or medical cannabis products that is intended to have uniform character and quality, within specified limits, and is produced according to a single manufacturing order during the same cycle of manufacture.
- D. "Bureau" means the Bureau of Medical Marijuana Regulation within the Department of Consumer Affairs (or "BuMMR").
- E. "Cannabinoid" or "phytocannabinoid" means a chemical compound that is unique to and derived from cannabis.
- F. "Cannabis" means 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 as enacted by Chapter 1407 of the Statutes of 1972. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, "cannabis" does not mean "industrial hemp" as defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the Health and Safety Code

- G. “Cannabis business” means a person or entity engaged in the cultivation, possession, manufacture, manufacturing, storing, laboratory testing, labeling, transporting, distribution, or sale of medical cannabis or a medical cannabis product, except as set forth in Section 19319 of the Business and Professions Code, related to qualifying patients and primary caregivers.
- H. “Cannabis concentrate” means manufactured cannabis that has undergone a process to concentrate the cannabinoid active ingredient, thereby increasing the product’s potency. An edible medical cannabis product is not considered food, as defined by Section 109935 of the Health and Safety Code, or a drug, as defined by Section 109925 of the Health and Safety Code.
- I. “Cannabis facility” means a that portion of real property dedicated for use in the cultivation, possession, manufacture, manufacturing, storing, laboratory testing, labeling, transporting, distribution, or sale of medical cannabis or a medical cannabis product.
- J. “Caregiver” or “primary caregiver” has the same meaning as that term is defined in Section 11362.7 of the Health and Safety Code.
- K. “Certificate of accreditation” means a certificate issued by an accrediting body to a licensed testing laboratory, entity, or site to be registered in the state.
- L. “Chief” means Chief of the Bureau of Medical Marijuana Regulation within the Department of Consumer Affairs.
- M. “Commercial cannabis activity” includes cultivation, possession, manufacture, manufacturing, storing, laboratory testing, labeling, transporting, distribution, or sale of medical cannabis or a medical cannabis product, except as set forth in Section 19319, related to qualifying patients and primary caregivers.
- N. “Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.
- O. “Cultivation site” means a facility where medical cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or that does all or any combination of those activities.
- P. “Delivery” means the commercial transfer of medical cannabis or medical cannabis products from a dispensary, up to an amount determined by the bureau to a primary caregiver or qualified patient as defined in Section 11362.7 of the Health and Safety Code or a testing laboratory. “Delivery” also includes the use by a dispensary of any technology platform owned and controlled by the dispensary, or independently licensed under this chapter, that enables qualified patients or primary caregivers to arrange for or facilitate the commercial transfer by a licensed dispensary of medical cannabis or medical cannabis products.
- Q. “Dispensary” means a facility where medical cannabis, medical cannabis products, or devices for the use of medical cannabis or medical cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers, pursuant to express authorization by local ordinance, medical cannabis and medical cannabis products as part of a retail sale.
- R. “Dispensing” means any activity involving the retail sale of medical cannabis or medical cannabis products from a dispensary.
- S. “Distribution” means the procurement, sale, and transport of medical cannabis

- and medical cannabis products between entities licensed pursuant to this chapter.
- T. “Distributor” means a person licensed under this chapter to engage in the business of purchasing medical cannabis from a licensed cultivator, or medical cannabis products from a licensed manufacturer, for sale to a licensed dispensary.
- U. “Dried flower” means all dead medical cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and stems.
- V. “Edible cannabis product” means manufactured cannabis that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum. An edible medical cannabis product is not considered food as defined by Section 109935 of the Health and Safety Code or a drug as defined by Section 109925 of the Health and Safety Code.
- W. “Identification program” means the universal identification certificate program for commercial medical cannabis activity authorized by this chapter.
- X. “Licensing authority” means the state agency responsible for the issuance, renewal, or reinstatement of the license, or the state agency authorized to take disciplinary action against the license.
- Y. “Licensee” means a person issued a state license under this chapter to engage in commercial cannabis activity.
- Z. “Live plants” means living medical cannabis flowers and plants, including seeds, immature plants, and vegetative stage plants.
- AA. “Lot” means a batch, or a specifically identified portion of a batch, having uniform character and quality within specified limits. In the case of medical cannabis or a medical cannabis product produced by a continuous process, “lot” means a specifically identified amount produced in a unit of time or a quantity in a manner that ensures its having uniform character and quality within specified limited.
- BB. “Manufactured cannabis” means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product.
- CC. “Manufacturer” means a person that conducts the production, preparation, propagation, or compounding of manufactured medical cannabis, or medical 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 at a fixed location that packages or repackages medical cannabis or medical cannabis products or labels or relabels its container, that holds a valid state license pursuant to this chapter and that holds a valid local license or permit.
- DD. “Manufacturing site” means a location that produces, prepares, propagates, or compounds manufactured medical cannabis or medical cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and is owned and operated by a licensee for these activities.
- EE. “Medical cannabis,” “medical cannabis product,” or “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 chapter, “medical 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.

- FF. “Nursery” means a licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of medical cannabis.
- GG. “Permit,” “local license,” or “local permit” means an official document granted by a local jurisdiction that specifically authorizes a person to conduct commercial cannabis activity in the local jurisdiction.
- HH. “Permit Type” means permit classifications as follows:
- (a) Type 1 = Cultivation; Specialty outdoor; Small.
  - (b) Type 1A = Cultivation; Specialty indoor; Small.
  - (c) Type 1B = Cultivation; Specialty mixed-light; Small.
  - (d) Type 2 = Cultivation; Outdoor; Small.
  - (e) Type 2A = Cultivation; Indoor; Small.
  - (f) Type 2B = Cultivation; Mixed-light; Small.
  - (g) Type 3 = Cultivation; Outdoor; Medium.
  - (h) Type 3A = Cultivation; Indoor; Medium.
  - (i) Type 3B = Cultivation; Mixed-light; Medium.
  - (j) Type 4 = Cultivation; Nursery.
  - (k) Type 6 = Manufacturer 1.
  - (l) Type 7 = Manufacturer 2.
  - (m) Type 8 = Testing.
  - (n) Type 10 = Dispensary; General.
  - (o) Type 10A = Dispensary; No more than three retail sites.
  - (p) Type 11 = Distribution.
  - (q) Type 12 = Transporter.
- II. “Person” means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit and includes the plural as well as the singular number.
- JJ. “State license,” “license,” or “registration” means a state license issued pursuant to this chapter.
- KK. “Testing laboratory” means a facility, entity, or site in the state that offers or performs tests of medical cannabis or medical cannabis products and that is both of the following:
- 1. Accredited by an accrediting body that is independent from all other persons involved in the medical cannabis industry in the state.
  - 2. Registered with the State Department of Public Health.
- LL. “Topical cannabis” means a product intended for external use. A topical cannabis product is not considered a drug as defined by Section 109925 of the Health and Safety Code.
- MM. “Transport” means the transfer of medical cannabis or medical 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 this chapter.

- NN. “Transporter” means a person issued a state license by the bureau to transport medical cannabis or medical cannabis products in an amount above a threshold determined by the bureau between facilities that have been issued a state license pursuant to this chapter.

Words and phrases not specifically defined in this Code shall have the meaning ascribed to them as defined in the following sources:

1. The Compassionate Use Act of 1996 (California Health and Safety Code Section 11362.5);
2. The Medical Marijuana Program Act (California Health and Safety Code Sections 11362.7 through 11362.83);
3. The Medical Marijuana Regulation and Safety Act of 2015 (“MMRSA”, enacted by Assembly Bill 243, Assembly Bill 266, and Senate Bill 643); and,
4. The California Attorney General’s Guidelines for the Security and Non-Diversion of Cannabis Grown for Medical Use issued in August, 2008.

#### **21.92.040 Application Requirements for all Cannabis Facilities.**

- A. Prior to initiating operations at a cannabis facility and as a continuing requisite to operating a cannabis business, the persons or legal representative of the persons wishing to operate a cannabis business shall first obtain either an Administrative Use Permit, or a Conditional Use Permit as the case may be, from the Appropriate Authority in the process and manner prescribed in Monterey County Code Chapter 21.70 and Chapter 21.72, respectively, under the terms and conditions set forth in this Ordinance, based upon information obtained by an applicant as required in this Section. Within one (1) year of the enactment and implementation of this Chapter, and within one (1) year of the enactment and implementation of the MMRSA, and as a continuing requisite to operating a cannabis business, the persons or legal representatives of the persons wishing to operate a cannabis business shall, in addition to the use permit required herein, obtain a state license from the state of California, as necessary, in order to continue operating a cannabis business.
- B. Each use permit shall require a renewal every year from its date of issuance. Renewal of use permits shall be as provided for in section 21.92.180 of this chapter.
- C. Cannabis related use permits are not transferable and any assignment or transfer of such permits shall be considered null and void without prior approval from the County of Monterey.
- D. The applicant or legal representative shall file an application for a use permit to the Appropriate Authority, in accordance with Chapter 21.70 “Administrative Use Permits”

and Chapter 21.74 “Use Permits”, upon forms provided by the County and shall pay an “application fee” and a “processing fee” as required by this chapter and as established by resolution adopted by the Board of Supervisors as amended from time to time. An application for a use permit shall include, but shall not be limited to, the following information:

1. The legal name, and any other names, under which the facility will operate.
2. The address of the location and the on-site telephone number, if known, of the cannabis business. If the cultivation site is separate from the dispensary location, the address and on-site telephone number, if known, must be identified for each facility location.
3. The following information for each owner, officer, director, and manager of the cannabis business:
  - (a) Complete legal name and any alias(es), address, and telephone number;
  - (b) Date and place of birth;
  - (c) Copy of a valid California government issued photo identification card or license;
  - (d) Copy of the owner’s and manager’s medical cannabis identification card or copy of the attending physician’s recommendation for the member, until the requirements of a collective are no longer needed after implementation of the MMRSA, at which time this paragraph will not be required;
  - (e) One set of fingerprints in a form acceptable to the sheriff’s office; and
  - (f) A detailed explanation of the owner’s or manager’s involvement with any other California cannabis business, including, but not limited to, the name and address of the cannabis business and the county in which the owner or manager is or was involved with the cannabis business.
4. The approximate number of licensed patients, primary caregivers and/or qualified patients who will be served by the cannabis business.
5. An operations plan which shall be in conformance with the requirements of this chapter and shall include:
  - (a) A list of the names, addresses, telephone numbers, and responsibilities of each owner, cannabis business, and manager of the facility;
  - (b) The hours and days of operation for the facility;
  - (c) Designation of the dispensing, manufacturing, testing, distribution, storing and cultivation locations of the cannabis business;
  - (d) Whether delivery service of medical cannabis to any location outside the cannabis business will be provided and the extent of such service;
  - (e) A site plan and floor plan of the cannabis facility denoting the layout of all areas of the cannabis business, including storage, cultivation, manufacturing, testing, distributing, reception/waiting, dispensing, and all ancillary support spaces, and the relationship of the facility to adjacent properties and land uses;

- (f) A security plan, including lighting, alarms, and video cameras, to ensure the safety of persons, and to protect the premises from theft, vandalism, and fire. The security plan shall address both interior and exterior areas of the facility and its premises;
  - (g) The medical cannabis cultivation procedures to be utilized at the facility, including a description of how chemicals and fertilizers will be stored, handled, used and disposed of; manufacturing methods, the transportation process, inventory procedures, and quality control procedures;
  - (h) Procedures for identifying, managing, and disposing of contaminated, adulterated, deteriorated or excess medical cannabis product; and,
  - (i) Procedures for inventory control to prevent diversion of medical cannabis to nonmedical use, employee screening, storage of medical cannabis, personnel policies, and recordkeeping procedures.
6. Consent for onsite inspection of the parcel by County officials at a prearranged date and time in consultation with the applicant prior to issuance of any permit, and once annually thereafter.
  7. The name and address of the owner and lessor of the premises and a copy of the lease or other such proof of the cannabis business's right to possess the premises and the owner's acknowledgement/agreement that a cannabis business will be operated on his/her property.
  8. Authorization for the Director of Planning or designee to seek verification of the information contained within the application, including, but not limited to, a criminal history investigation by the sheriff's office with the California Department of Justice and any other law enforcement agencies.
  9. Until the implementation of the MMRSA, evidence that the organization operating the cannabis business is organized as a bona fide not for profit corporation, affiliation, association, or licensee of persons comprised exclusively and entirely of qualified patients and the primary caregivers of those patients in strict accordance with the Compassionate Use Act of 1996, the Medical Marijuana Program Act and the 2008 Attorney General Guidelines.
  10. A statement in writing by the applicant that he or she certifies under penalty of perjury that all the information contained in the application is true and correct.
  11. Before any fees are collected, any such additional and further information as is deemed necessary by the Director of Planning or designee to administer this section or to show that the cannabis business is in compliance with the provisions of this chapter.

#### **21.92.050 - Background Check.**

All applicants for a use permit for a cannabis business, including any owner or manager responsible for the day-to-day operations and activities of the cannabis business, and every

employee or individual member of the cannabis business who participates in the dispensing, cultivation, processing, manufacturing, or transporting of medical cannabis or who participates in the daily operations of the cooperative, licensee, or cannabis business shall be required to submit to a Fingerprint-Based Criminal History Records Check conducted by the County Sheriff's Department.

**21.92.060 – Regulations applicable to all Cannabis Facilities.**

1. All medical cannabis facilities shall pay any applicable sales, use, business or other tax, and all license, registration, or other fees pursuant to federal, state, and local law.
2. All medical cannabis facilities and their related licensees or cooperatives shall fully comply with all the provisions of the Compassionate Use Act of 1996, the Medical Marijuana Program Act, the 2008 Attorney General Guidelines, the MMRSA, any subsequently enacted state law or regulatory, licensing, or certification requirement, all applicable provisions of this code, and any specific, additional operating procedures and measures as may be imposed as conditions of approval of the use permit.
3. Nothing in this chapter shall be construed as authorizing any actions which violate state or local law with regard to the cultivation, transportation, manufacture, provision, sale, transfer, or disposition of medical cannabis.
4. The applicant shall prohibit loitering by persons outside the facility, either on the premises or within fifty feet of the premises.
5. So long as SB420 is in effect, and until implementation of the MMRSA, members of the applicant authorized to possess medical cannabis shall sign an agreement with the cannabis business that states that members shall not distribute medical cannabis to nonmembers or in violation of the "Memorandum for all United States Attorneys," issued by the U. S. Department of Justice, from James M. Cole, Deputy Attorney General.
6. The cannabis business shall terminate the membership of any member violating any of the provisions of this chapter until the MMRSA has been implemented.
7. A copy of the use permit issued by the County, and any conditions thereof, shall be posted on the premises in a prominent place where it may be readily viewed by any member of the general public.
8. Consistent with the "Memorandum for all United States Attorneys," issued by the U. S. Department of Justice, from James M. Cole, Deputy Attorney General (known as the "Cole Memo"), the licensee or cooperative shall take all necessary and reasonable steps, including the immediate termination of any member of the cannabis business, to prevent:
  - a. The distribution of cannabis to minors.

- b. Revenue from the sale or distribution of cannabis from going to criminal enterprises, gangs and cartels;
- c. The diversion of cannabis from California to any other state;
- d. State-authorized cannabis activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity;
- e. Violence and the use of firearms in the cultivation and distribution of cannabis;
- f. Drugged driving and the exacerbation of other adverse public health consequences associated with cannabis use;
- g. Growing of cannabis on public lands and the attendant public safety and environmental dangers posed by cannabis production on public lands; and
- h. Preventing cannabis possession or use on federal property.

Any violation of this provision shall result in the immediate suspension of any permit authorized under this chapter, and pending investigation and a hearing, shall result in revocation of the permit at the election of the Director of Planning or designee.

**21.92.070 - Regulations for Medical cannabis Cultivation.**

- A. Purpose. The purpose of this Section is to establish the regulations, standards and circumstances under which medical cannabis cultivation may be established. Such facilities are intended for the cultivation of medical cannabis for qualified patients under Health and Safety Code Section 11362.7.
- B. Applicability. The provisions of this Section are applicable to the following zoning districts, subject to setback requirements and other limitations of this Section: low density residential, rural density residential, light commercial, heavy commercial, agricultural industrial, light industrial, heavy industrial, farmlands, rural grazing, permanent grazing, and resource conservation. The commercial cultivation of cannabis for medical use in any other zoning district in the County of Monterey other than prescribed in this Section is prohibited. The provisions of this Section are applicable to the following Permit Types:
  - 1. Type 1, or “specialty outdoor,” for outdoor cultivation using no artificial lighting of less than or equal to 5,000 square feet of total canopy size on one premises, or up to 50 mature plants on noncontiguous plots.
  - 2. Type 1A, or “specialty indoor,” for indoor cultivation using exclusively artificial lighting of less than or equal to 5,000 square feet of total canopy size on one premises.
  - 3. Type 1B, or “specialty mixed-light,” for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the

licensing authority, of less than or equal to 5,000 square feet of total canopy size on one premises.

4. Type 2, or “small outdoor,” for outdoor cultivation using no artificial lighting between 5,001 and 10,000 square feet, inclusive, of total canopy size on one premises.
5. Type 2A, or “small indoor,” for indoor cultivation using exclusively artificial lighting between 5,001 and 10,000 square feet, inclusive, of total canopy size on one premises.
6. Type 2B, or “small mixed-light,” for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the appropriate authority, between 5,001 and 10,000 square feet, inclusive, of total canopy size on one premises.
7. Type 3, or “outdoor,” for outdoor cultivation using no artificial lighting from 10,001 square feet to one acre, inclusive, of total canopy size on one premises.
8. Type 3A, or “indoor,” for indoor cultivation using exclusively artificial lighting between 10,001 and 22,000 square feet, inclusive, of total canopy size on one premises.
9. Type 3B, or “mixed-light,” for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, between 10,001 and 22,000 square feet, inclusive, of total canopy size on one premises.
10. Type 4, or “nursery,” for cultivation of medical cannabis solely as a nursery. Type 4 licensees and/or permittees may transport live plants.
11. Administrative Use Permit Required: The commercial cultivation of cannabis may be permitted upon approval of an administrative use permit by the Appropriate Authority in the following zoning districts for the following Permit Types:
  - a. Outdoor Permit Types, specifically Permit Types 1, 2 and 3, shall be permitted after first obtaining an administrative use permit, in the following zoning districts established by section 21.08.010 of the Monterey County Code: Agricultural Industrial (AI), Farmlands (F), Rural Grazing (RG), and Permanent Grazing (PG), subject to the setback requirements in Section 21.92.070(C).
  - b. Indoor Permit Types, specifically Permit Types 1A, 2A and 3A, shall be permitted after first obtaining an administrative use permit in the following zoning districts established by section 21.08.010 of the Monterey County Code: AI, F, RG, PG, RC, LC, HC, LI, HI, LDR, and RDR. Indoor permit shall not be subject to the same setback requirements of 21.92.070(C), so long as odor is addressed using carbon filters within the facility as part of the site plan.
  - c. Mixed-light Permit Types, specifically Permit Types 1B, 2B, and 3B, and Nursery Permit Type 4, shall be permitted after first obtaining an administrative use permit, in the following zoning districts established by section 21.08.010 of the Monterey County Code: AI, F, RG, PG, RC, LI, and

HI, subject to the setback requirements in section 21.92.060(C). The use of carbon filters in the greenhouse, its relation to other uses and neighbors who agree with the use are all factors that may allow for reduced setbacks from greenhouses on a case by case basis.

12. Conditional Use Permit Required: The commercial cultivation of cannabis may be permitted upon approval of a conditional use permit by the Appropriate Authority in the following zoning districts for the following Permit Types:
  - a. Outdoor Permit Type 1, 2 and 3, Indoor Permit Types 1A, 2A and 3A, Mixed-light Permit Types 1B, 2B and 3B, and Nursery Type Permit 4, shall be permitted after first obtaining a conditional use permit, in the following zoning districts established by section 21.08.010 of the Monterey County Code: Low Density Residential (LDR), and Rural Density Residential (RDR), subject to the setback requirements in Section 21.92.060(C).
13. Except for the personal cultivation of a qualified patient, licensee or qualified caregiver for personal use, the commercial cultivation of cannabis shall not be permitted or licensed, regardless of size or Permit Type, in the following zoning districts established by section 21.08.010 of the Monterey County Code: High Density Residential (HDR), Medium Density Residential (MDR), Visitor Serving/Office (VO), Public/Quasi-Public (PQP), and Open Space (O).
14. Multiple Permit Types may be located on one legal lot of record and covered under one administrative use permit so long as that Permit Type is allowed in the zoning district and all buildings are contained within the declared development building envelope for said Permit Types on the application site plan.

C. Regulations: A medical cannabis Cultivation site shall be subject to the following standards:

1. The number of existing cultivation facilities at the time of adoption of this ordinance is unknown. The agricultural impacts of farming have been analyzed in prior County documentation, including the 2010 General Plan Update and its accompanying environmental impact report. Therefore, to address the environmental impacts of converting undeveloped land to a new agricultural use in the RG, PG RC, LDR, and RDR zoning districts, the maximum number of use permits for new cultivation in those zoning districts shall be limited to a maximum cumulative total of 100 new permits. An applicant who can demonstrate cultivation on properties that were exempt from the moratorium as of July 7, 2015, shall not be considered new cultivation for purposes of converting undeveloped land to agricultural use and shall not be counted against the 100 permits allowed under this section. Similarly, an applicant who can demonstrate cultivation on another property with a similar zoning designation, who was cultivating as of July 7, 2015, may abandon the older growing site in favor of establishing a new cultivation site on a different parcel, and upon agreement to abandon the older site, may apply for a new permit and not count it against the 100 permits allowed under this section. Applications for cultivation facilities on Farmland (not requiring conversion of undeveloped farmland) shall not be limited in numbers.

2. The applicant shall include a site plan showing the building envelope and area for proposed canopy coverage for the cultivation operation. Setbacks, in addition to the site development standards within each zoning district, shall be required for outdoor and mixed-light permits within the LDR, RDR, and RG zoning districts, and applicable as follows:

Minimum Setbacks.

Front: fifty (50) feet;

Side: fifty (50) feet;

Rear: fifty (50) feet.

Notwithstanding the minimum setback requirements above:

- i. A variance may be granted if there are no buildings on adjacent properties within 100 of the adjacent property's property line; or
  - ii. The minimum property line setback required may be waived in the event that adjacent property owners consent to the establishment of cultivation areas immediately adjacent to that on the adjoining property.
3. So long as SB420 is in effect, no cannabis business shall allow more medical cannabis or plants per member, other than the amounts permitted pursuant to state law, to be cultivated at the licensee's premises and/or location.
  4. All applicants for cultivation shall submit the following information in addition to the information required for all cannabis businesses:
    - a. The applicant shall provide Photographs of any current cultivation activities existing on the parcel as of the date of application, including:
      - i. Ground level views of the cultivation activities from at least three different vantage points, and
      - ii. The most recent available aerial views from Google Earth, Bing Maps, Terraserver, the County of Monterey GIS mapping program, or other comparable service.
    - b. The applicant shall provide a cultivation and operations plan that meets or exceeds minimum legal standards for water storage, conservation and use; drainage, runoff and erosion control; watershed and habitat protection; and proper storage of fertilizers, pesticides, and other regulated products to be used on the parcel, and a description of cultivation activities (outdoor, indoor, mixed light), the approximate date(s) cannabis cultivation activities have been conducted on the parcel prior to the effective date of this ordinance, and schedule of activities during each month of growing and harvesting, or explanation of growth cycles and anticipated harvesting schedules for all-season harvesting (indoor or mixed-light cultivation).
    - c. A description of legal water source, irrigation plan, and projected water usage.
    - d. If any on-site or off-site component of the cultivation facility, including access roads, water supply, grading or terracing impacts the bed or bank of any



- stream or other watercourse, a copy of the Streambed Alteration Permit obtained from the Department of Fish & Wildlife.
- e. For indoor cultivation facilities, identify the source of electrical power and plan for compliance with applicable Building Codes.
  - f. Acknowledge that the County reserves the right to reduce the size of the area allowed for cultivation under any permit issued in accordance with this Section in the event that environmental conditions, such as a sustained drought or low flows in the watershed in which the cultivation area is located will not support diversions for irrigation.
  - g. If the source of water is a well, a copy of the well permit.
5. The cannabis business shall terminate the membership of any member violating any of the provisions of this chapter.
  6. A copy of the use permit issued by the County, and any conditions thereof, shall be posted on the premises in a prominent place in public view.
  7. A cannabis business may have more than one cultivation site upon which medical cannabis is cultivated, produced, harvested, stored, manufactured or packaged, so long as each site is permitted. A cannabis business may have more than one state license on the property subject to the use permit, so long as the licenses are contained within the area of the development footprint as defined in the use permit application.
  8. No cannabis business shall be located within 600 feet of a school.
  9. All medical cannabis cultivation, including all cannabis plants at any stage of growth, shall not be visible from a public right-of-way.
- D. The fact that an applicant possesses other types of state or county or city permits, licenses or other entitlements does not exempt the applicant from the requirement of obtaining proper permitting from the County of Monterey to engage in the commercial cultivation of cannabis for medical use within the jurisdiction of the County.
- E. The commercial cultivation of cannabis for medical use shall at all times be operated in such a way as to ensure the health and safety of employees, independent contractors, visitors to the area, neighboring property owners, and end users of medical cannabis, to protect the environment from harm to streams, fish, and wildlife; to ensure the security of the medical cannabis; and to safeguard against the diversion of medical cannabis for non-medical purposes.

#### **21.92.080 - Standard Conditions of Approval for all Cultivation Operations**

- A. Compliance with all laws, except if upon inspection for the initial application, violations of any building or other health, safety, or other state or county statute, ordinance, or regulation are discovered, compliance with a written approved remediation plan signed by the applicant and the relevant enforcement agency or agencies, to abate or cure violations at the earliest feasible date, but in no event no more than one (1) year of date of issuance of the clearance or permit.

- B. Possession of a current, valid required license, or licenses, issued by any agency of the State of California in accordance with the MMRSA, and regulations promulgated thereunder, as soon as such licenses become available.
- C. Compliance with all statutes, regulations and requirements of the California State Water Resources Control Board, Division of Water Rights, including the statement diversion of surface water from a stream, river, underground stream, or other watercourse required by Water Code Section 5101, or other applicable permit, license, or registration.
- D. The area of cannabis cultivation shall be located as shown on the application site plan, in compliance with all requirements of this Chapter.
- E. Comply with the terms of any applicable Streambed Alteration Permit obtained from the Department of Fish & Wildlife.
- F. Consent to an annual on-site compliance inspection, with at least 24 hours prior notice, to be conducted by appropriate County officials during regular business hours (Monday – Friday, 9:00 am – 5:00 pm, excluding holidays).
- H. Refrain from the improper storage or use of any fertilizer, pesticide, fungicide, rodenticide, or herbicide.
- I. Pay all applicable application and annual inspection fees.
- J. Where surface water diversion provides any part of the water supply for irrigation of cannabis cultivation, consent to forebear from any such diversion during the period from March 1 to October 30 of each year. Establish on-site water storage for retention of wet season flows or imported water deliveries sufficient to provide adequate irrigation water for the size of the area to be cultivated.
- K. Comply with any special conditions applicable to that permit or parcel which may be imposed as a condition of any special or conditional use permit.

**21.92.090 - Regulations for Medical Cannabis Dispensaries.**

- A. Purpose: The purpose of this Section is to establish the regulations, standards and circumstances under which medical cannabis dispensaries may be established. Such facilities are intended for the dispensing of medical cannabis to qualified patients under Health and Safety Code Section 11362.7.
- B. Applicability: The provisions of this Section are applicable in the following zoning districts: Light Commercial (LC), Heavy Commercial (HC), Visitor Serving/Office (VSO), Agricultural Industrial (AI), Light Industrial (LI), Heavy Industrial (HI) and Farmlands (F). A dispensary in any other inland zoning district in the County of Monterey other than prescribed in this Section is prohibited.

C. Regulations: Initial Number of Dispensaries; application guidelines and standards. A medical cannabis dispensary site shall be subject to the following regulations and standards:

1. The number of medical cannabis dispensaries permitted in the County shall be limited to three (3) dispensaries each in the 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> supervisorial districts (1<sup>st</sup> district is in Salinas and they are allowing 3), unless and until modified by a subsequent resolution duly adopted by the Board of Supervisors of the County of Monterey.
2. The County will accept applications for regulatory permits for medical cannabis medical dispensaries, commencing April 1, 2016, through May 30, 2016, after which time the application period shall close.
3. A cannabis facility that serves as a Permit Type 10 or Permit Type 10A Dispensary may have cultivation on-site upon which medical cannabis is cultivated, produced, harvested, stored, manufactured and/or packaged. A dispensary site may be separate from the location at which medical cannabis is cultivated, produced, harvested, stored, manufactured and/or packaged.
4. No medical cannabis facility shall be located within 600 feet of a school.
5. All medical cannabis shall be contained only in the interior of enclosed structures, facilities and buildings, and all dispensary operations, including all marijuana plants at any stage of growth if included on-site, shall not be visible from the exterior of any structure, facility or building.
6. Medical cannabis transfers shall only occur inside the premises of the medical cannabis facility.
7. No medical cannabis transfers shall be made to a person under the age of eighteen, and no such person shall be allowed in the facility or at its location (this does not apply to primary caregivers for qualified patients that are children).
8. No medical cannabis provided to a primary caregiver may be provided by the primary caregiver to any person other than the primary caregiver's qualified patient for whose care the primary caregiver is responsible.
9. No medical cannabis shall be provided to any patient in excess of what is allowed for possession under California law per day.
10. No cooperative or collective shall allow more medical cannabis or plants per member, other than the amounts permitted pursuant to state law, to be stored or provided at the collective's premises and/or location.
11. Each applicant shall complete the Application Priority Point Evaluation System Worksheet, provided by the County. The Director of Planning or designee shall independently review and evaluate the worksheet and all information submitted as part of the applicant's regulatory permit application, conduct additional investigation, review, and evaluation as the Director of Planning deems appropriate to thoroughly review and evaluate the qualifications, experience, and ability of the applicant to operate the medical cannabis facility for which it has applied for a regulatory permit. The Director of Planning or designee shall then independently score the worksheet and rank each applicant based on the points assigned to each criteria set forth in the Application Priority Point System Worksheet. The resulting ranking will determine

the order in which applicants will be processed to determine final eligibility for issuance of a regulatory permit for operation of a medical cannabis dispensary.

12. Once all available regulatory permits have been issued, all remaining unprocessed applications shall be placed on a wait list in order of their scoring on the Application Priority Point Evaluation System Worksheet and any Investigation Fee paid by the application to the County will be refunded. The initial Application Fee and the Processing Fee submitted with the registration application are nonrefundable.

- D. Point Evaluation System Worksheet: The purpose of this worksheet is to rank applications for a medical cannabis regulatory permit to determine the ranking of those applications that will be selected for further application processing and consideration for issuance of a medical cannabis regulatory permit (or make it applicable to dispensaries only).

Item #	Criteria – Business Organization	Yes	No	Points
A-1	California Corporation Status – Cooperative/Collective (Application Pending – Corporations Code §§ 12201, 12300)	5	0	
A-2	California Corporation Status – Cooperative/Collective (Approved – Corporations Code §§ 12201, 12300)	10	0	
A-3	Registered with Secretary of State	2	0	
A-4	Currently Suspended (Non-Profit Status)	0	-10	
A-5	Suspended in Past (Non-Profit Status)	0	-5	
A-6	Articles of Incorporation (Filed with Secretary of State)	5	0	
A-7	Corporation Purpose – Limited to Medical cannabis (Articles of Incorporation)	5	0	
A-8	Compassionate Use Act, Health and Safety Code § 11362.5 (Referenced in Articles of Incorporation)	2	0	
A-9	Medical Marijuana Program Act, Health and Safety Code §§ 11362.7 – 11362.83 (Referenced in Articles of Incorporation)	2	0	
A-10	Applicant is Primary Caregiver or Qualified Patient (Proof Required)	10	0	
A-11	Non-Profit Board of Directors (Required by Bylaws)	1	0	
A-12	Non-Profit Board of Directors (Currently in Place)	2	0	
A-13	Bylaws (Pending Approval)	1	0	
A-14	Bylaws (Approved)	2	0	
A-15	Compassionate Use Act, Health and Safety Code § 11362.5 (Referenced in Bylaws)	1	0	
A-16	Medical Marijuana Program Act, Health and Safety Code §§ 11362.7 – 11362.83 (Referenced in Bylaws)	1	0	
A-17	Attorney General Guidelines – Security and Non-Diversion of Marijuana Grown for Medical Use (Referenced in Bylaws)	1	0	
A-18	President of the Board (Required by Bylaws)	2	0	
A-19	Treasurer/Chief Financial Officer of the Board (Required by Bylaws)	2	0	

A-20	Officers of the Board Elected (Required by Bylaws)	2	0	
A-21	Minutes of Meetings (Required by Bylaws)	2	0	
A-22	Annual Meeting (Required by Bylaws)	5	0	
A-23	Sellers Permit (Application Pending)	5	0	
A-24	Sellers Permit (Approved by State Board of Equalization)	7	0	
	<b>Total Business Organization</b>	<b>75</b>	<b>-15</b>	

Item #	Criteria – Patients/Caregivers	Yes	No	Points
B-1	Marijuana to be Provided Only to Patients/Caregivers (Required by Written Policy)	10	0	
B-2	Marijuana to be Provided to Patients/Caregivers No More than Once per Day (Required by Written Policy)	5	0	
B-3	Physician Recommendation of Qualified Patient Status (Written Proof Required per Written Policy)	5	0	
B-4	Primary Caregiver Status (Written Proof Required per Written Policy)	5	0	
B-5	Physician's Eligibility Checked (Possesses Medical or Osteopathy License Issued by Medical board of California or the Osteopathic Medical Board)	5	0	
B-6	Patients/Caregivers Required to Possess Membership Identification Cards (Written Policy)	5	0	
B-7	Proof of Patient Membership Required to be Shown for Each Transaction (Written Policy)	1	0	
B-8	Proof of Primary Caregiver Membership Required to be Shown for Each Transaction (Written Policy)	2	0	
B-9	Tracking Expiration Dates of Memberships (Written Policy)	1	0	
B-10	Members Agree in Writing to Not Distribute Marijuana to Non-Members (Written Policy)	5	0	
B-11	Members Agree in Writing Not to Use Marijuana for Other than Medicinal Purposes (Written Policy)	5	0	
B-12	Membership Revocation Policies (Written Policy)	1	0	
B-13	Volunteers (Required to be Members)	5	0	
B-14	Marijuana Provided for Veterans, Disabled or Indigent Patients for free or at a discount.	10	0	
B-15	Number of Patients (50 – 100)	5	0	
B-16	Number of Patients (100+)	10	0	
B-17	Percentage of Patients – County of Monterey Residents (25% - 50%)	5	0	
B-18	Percentage of Patients – County of Monterey Residents (50%+)	10	0	
	<b>Total Patients/Caregivers</b>	<b>90</b>	<b>0</b>	

Item #	Criteria – Business Operations	Yes	No	Points
--------	--------------------------------	-----	----	--------

C-1	General Ledger of all Sales/Distribution Transactions (Maintained On-Site)	10	0	
C-2	All Cannabis and Transactions Tracked on Point of Sale System (Maintained Off-Site).	10	0	
C-3	Dispensary Location in Proper Zoning District	5	0	
C-4	Dispensary Location (Greater than 600 Feet from K-12 School)	5	0	
C-5	Sale/Distribution (Only to California Residents)	5	0	
C-6	Security Plan to Ensure Safety of Persons and Protect Premises from Theft, Vandalism and Fire	40	0	
C-7	Appropriate Site and Floor Plan	5	0	
C-8	Operations Plan Documents Operational Procedures at Facility	5	0	
C-9	Operations Plan Describes how Chemicals and Fertilizers will be Stored, Handled and used	5	0	
C-10	Appropriate Odor Management Plan	25	0	
C-11	Marijuana Dispensed Only in Opaque Childproof Containers (Written Policy)	5	0	
C-12	Loitering Prohibited (Written Policy)	5	0	
	<b>Total Business Operations</b>	<b>125</b>	<b>0</b>	

Item #	Criteria – Personal/Business Background	Yes	No	Points
D-1	Owner – Resident of County of Monterey	10	0	
D-2	Manager – Resident of County of Monterey	10	0	
D-3	Number of Employees (1 – 10)	5	0	
D-4	Number of Employees (10 – 20)	10	0	
D-5	Number of Employees (20+)	15	0	
	<b>Total Personal/Business Background</b>	<b>50</b>	<b>0</b>	

Item #	Criteria – Financial Background	Yes	No	Points
E-1	Subject to Any Local, State or Federal Tax Liens (Applicant – Last 10 Years)	0	-20	
E-2	Subject to Any Local, State or Federal Tax Liens which Remain Unpaid (Applicant)	0	-10	
E-3	Filed Personal or Business-Related Bankruptcy Petition (Applicant – Last 10 Years)	0	-10	
	<b>Total Financial Background</b>	<b>0</b>	<b>-40</b>	

Item #	Criteria – Criminal Background	Yes	No	Points
F-1	Consent to Fingerprint-Based Criminal History Records Check (Applicants/Management Personnel)	5	0	
F-2	Consent to Fingerprint-Based Criminal History Records Check	5	0	

	(All Other Employees/Volunteers)			
F-4	Convicted of Any State or Federal Tax-Related Crimes (Felonies Only – Applicants/Management Personnel)	0	-20	
F-5	Convicted of Any Firearms-Related Crimes (Felonies Only – Applicants/Management Personnel)	0	-20	
F-6	Convicted of Any Crimes Related to Bribery, Fraud, Embezzlement, or Theft (Felonies Only – Applicants/Management Personnel)	0	-20	
F-7	Convicted of Unlawful, Fraudulent, Unfair or Deceptive Business Acts or Practices (Applicants/Management Personnel)	0	-20	
	<b>Total Criminal Background</b>	<b>10</b>	<b>-80</b>	

Item #	Criteria – Personal Interview with Applicant; Qualitative assessment of truth, candor, knowledge and experience.	Max	No	Points
G-1	Experience In Industry	25	0	
G-2	Professionalism	25	0	
G-3	Truthfulness	15	0	
G-4	Active Member of Trade Association	15	0	
G-5	Depth of Knowledge of Industry	10	0	
G-6	Interview Attended by 100% of Owners	10	0	
	<b>Total Financial Background</b>	<b>100</b>	<b>0</b>	

	<b>Maximum Points</b>	<b>450</b>	<b>-135</b>	
--	-----------------------	------------	-------------	--

- F. Any violation of this provision shall result in the immediate suspension of any permit authorized under this chapter, and pending investigation and a hearing, shall result in revocation of the permit at the election of the Director of Planning or designee.

**21.92.100 - Regulations for Medical Cannabis Manufacturing Facilities.**

- A. Purpose. The purpose of this Section is to establish the regulations, standards and circumstances under which medical cannabis manufacturing facilities may be established. Such facilities are intended for the manufacturing of medical cannabis to qualified patients under Health and Safety Code Section 11362.7.
- B. Applicability. The provisions of this Section are applicable in the following zoning districts: low density residential, rural density residential, light commercial, heavy commercial, agricultural industrial, light industrial, heavy industrial, farmlands, rural grazing, permanent grazing, and resource conservation. The provisions of this Section are applicable to state licensees applying for Permit Type 6 (non-volatile solvents) and Permit Type 7 (volatile solvents) Manufacturing license.

C. Regulations. A medical cannabis manufacturing facility shall be subject to the following standards:

1. An administrative permit shall be required for all Type 6 Manufacturing permits.
2. A conditional use permit shall be required for all Type 7 Manufacturing permits.
3. So long as SB420 is in effect, no cannabis business shall allow more medical cannabis or plants per member, other than the amounts permitted pursuant to state law, to be stored or provided at the licensee's premises and/or location.
4. MORE REGULATIONS/STANDARDS TO BE DEVELOPED AS STATE LAW BECOMES MORE CLEAR ON TYPE 7 LICENSES.
5. The application requirements and standards are the same as a dispensary license.
6. This section needs development, especially with regard to using volatile solvents. It is important to get this activity out of residential homes and into controlled laboratory type of environments. We suggest discussing further to create standards (or go by ISO's already developed for using volatile solvents or using high pressure materials).
7. We believe that using heat and compression, or ice water extraction methods, without the use of volatile solvents, is allowable under current law and we encourage the County to allow this activity (Permit Type 6), and we can work with the County on developing this language and identifying standards.

Any violation of this Section shall result in the immediate suspension of any permit authorized under this chapter, and pending investigation and a hearing, shall result in revocation of the permit at the election of the Director of Planning or designee.

**21.92.110 - Regulations for Medical Cannabis Testing Facilities.**

- A. Purpose: The purpose of this Section is to establish the regulations, standards and circumstances under which medical cannabis testing facilities may be established. Such facilities are intended for the testing of medical cannabis before distribution to qualified patients under Health and Safety Code Section 11362.7.
- B. Applicability: The provisions of this Section are applicable in the following zoning districts: light commercial, heavy commercial, visitor serving/office, agricultural industrial, light industrial, heavy industrial, farmlands, rural grazing, permanent grazing, and resource conservation. The provisions of this Section are applicable to state licensees applying for a Type 8 Testing license.
- C. Regulations: A medical cannabis manufacturing facility shall be subject to the following standards:



1. TO BE DEVELOPED AS STATE LAW DEVELOPS.

Any violation of this Section shall result in the immediate suspension of any permit authorized under this chapter, and pending investigation and a hearing, shall result in revocation of the permit at the election of the Director of Planning or designee.

**21.92.120 - Regulations for Medical Cannabis Distribution Facilities.**

- A. Purpose: The purpose of this Section is to establish the regulations, standards and circumstances under which medical cannabis distribution facilities may be established. Such facilities are intended for the testing of medical cannabis before distribution to qualified patients under Health and Safety Code Section 11362.7.
- B. Applicability: The provisions of this Section are applicable in the following zoning districts: light commercial, heavy commercial, agricultural industrial, light industrial, heavy industrial, farmlands, rural grazing, permanent grazing, and resource conservation. The provisions of this Section are applicable to state licensees applying for a Type 11 Distribution license.
- C. Regulations: A medical cannabis manufacturing facility shall be subject to the following standards:

1. TO BE DEVELOPED AS STATE LAW DEVELOPS.

Any violation of this Section shall result in the immediate suspension of any permit authorized under this chapter, and pending investigation and a hearing, shall result in revocation of the permit at the election of the Director of Planning or designee.

**21.92.130 - Regulations for Medical Cannabis Transporting Facilities.**

- A. Purpose: The purpose of this Section is to establish the regulations, standards and circumstances under which medical cannabis distribution facilities may be established. Such facilities are intended for the testing of medical cannabis before distribution to qualified patients under Health and Safety Code Section 11362.7.
- B. Applicability: The provisions of this Section are applicable in the following zoning districts: light commercial, heavy commercial, visitor serving/office, agricultural industrial, light industrial, heavy industrial, farmlands, rural grazing, permanent grazing, and resource conservation. The provisions of this Section are applicable to state licensees applying for a Type 12 Transporting license.

- C. Regulations: A medical cannabis manufacturing facility shall be subject to the following standards:

1. TO BE DEVELOPED AS STATE LAW DEVELOPS.

Any violation of this Section shall result in the immediate suspension of any permit authorized under this chapter, and pending investigation and a hearing, shall result in revocation of the permit at the election of the Director of Planning or designee.

**21.92.140 - Standard Conditions of Approval for all Cannabis Business Operations**

- A. Compliance with all laws, except if upon inspection for the initial application, violations of any building or other health, safety, or other state or county statute, ordinance, or regulation are discovered, compliance with a written approved remediation plan signed by the applicant and the relevant enforcement agency or agencies, to abate or cure violations at the earliest feasible date, but in no event no more than one (1) year of date of issuance of the clearance or permit.
- B. Possession of a current, valid required license, or licenses, issued by any agency of the State of California in accordance with the MMRSA, and regulations promulgated thereunder, as soon as such licenses become available.
- C. The area of cannabis business activity shall be located as shown on the application site plan, in compliance with all requirements of this Chapter.
- D. Comply with the terms of any applicable Streambed Alteration Permit obtained from the Department of Fish & Wildlife.
- E. Consent to an annual on-site compliance inspection, with at least 24 hours prior notice, to be conducted by appropriate County officials during regular business hours (Monday – Friday, 9:00 am – 5:00 pm, excluding holidays).
- F. Refrain from the improper storage or use of any fertilizer, pesticide, fungicide, rodenticide, or herbicide.
- G. Pay all applicable application and annual inspection fees.
- H. Comply with any special conditions applicable to that permit or parcel which may be imposed as a condition of any administrative or conditional use permit.

**21.92.150 - Term of Cannabis Facility Use Permit.**

- A. Any Commercial Cannabis permit issued pursuant to this section shall expire after one (1) year after date of issuance, and on the anniversary date of such issuance each year

thereafter, unless an annual compliance inspection has been conducted and the permitted site has been found to comply with all conditions of approval.

- B. If the inspector or other County official determines that the site does not comply with the conditions of approval, the inspector shall serve the clearance certificate or permit holder with a written statement identifying the items not in compliance, and the action that the permit holder may take to cure the non-compliance, or file an appeal within ten (10) days of the date that the written statement is delivered to the permit holder. Personal delivery or mailing the written statement to the mailing address listed on the application by regular mail, plus three (3) days after date of mailing, shall constitute delivery. The permit holder may request a reinspection to determine whether or not the permit holder has cured all issues of non-compliance. Failure to request reinspection or to cure any items of non-compliance shall terminate the administrative permit, or use permit, immediately upon the expiration of any appeal period, or final determination of the appeal if an appeal has been timely filed.
- C. Within ten (10) days after delivery of the statement of non-compliance, the determination by the inspector that the site is or is not in compliance may be appealed by any interested party to the Zoning Administrator, acting as the Appropriate Authority. The appeal shall be made, in writing, on a form provided by the County. The fee for filing the appeal is \$100.00. The appeal shall be heard by the Appropriate Authority within ten (10) business days following the filing of the appeal. The Appropriate Authority shall render a written ruling on the appeal within three (3) business days following the hearing. The decision of the Appropriate Authority may be appealed to the Board of Supervisors.
- D. The County shall notify any state license authority, as defined by the MMRSA, whenever the County administrative permit or conditional use permit has been revoked or terminated.

#### **21.92.160 - Grounds for Denial.**

- A. The Director of Planning or designee may reject an application upon making any of the following findings:
1. The applicant made one or more false or misleading statements or omissions on the registration application or during the application process;
  2. The cannabis business's related cannabis business is not properly organized in strict compliance pursuant to the Compassionate Use Act of 1996, the Medical Marijuana Program Act, the 2008 Attorney General Guidelines and any other applicable law, rules and regulations;
  3. The applicant is not a primary caregiver or qualified patient or the legal representative of the cannabis business;
  4. The applicant fails to meet the requirements of this chapter or any regulation adopted pursuant to this chapter;
  5. The cannabis business or its location is in violation of any building, zoning, health, safety, or other provision of this code, or of any state or local law which substantially affects the public health, welfare, safety, or morals, or the facility or its location is not

permitted in the proposed area, or the issuing or continuation of a use permit would be contrary to the public health, welfare, safety, or morals;

6. The applicant, or any of its officers, directors, or owners, or any person who is managing or is otherwise responsible for the activities of the cannabis business, or any employee or individual member of the cannabis business who participates in the dispensing, cultivation, processing, manufacturing, or transporting of medical cannabis or who participates in the daily operations of the cooperative, licensee, or cannabis business, has been convicted of a violent felony, a felony or misdemeanor involving fraud, deceit, or moral turpitude, or the illegal use, possession, transportation, distribution or similar activities related to controlled substances, as defined in the Federal Controlled Substances Act, with the exception of cannabis related offenses, for which the conviction occurred within the last seven (7) years;
  7. The applicant, or any of its officers, directors, owners, or managers, is a licensed physician making patient recommendations for medical cannabis;
  8. The applicant, or any of its officers, directors, owners, or managers has been sanctioned by the County, the State of California, or any county for unregistered medical cannabis activities or has had a registration revoked under this chapter in the previous three years;
  9. The applicant did not pay to the County the required application and processing fees as set forth in section 5.28.070.
- B. The Director of Planning or designee may place reasonable conditions upon registration if grounds exist for denial of the registration and those grounds may be removed by the imposition of those conditions.

#### **29.92.170 - Fees and Charges.**

Prior to operating in the County of Monterey, the operator of each cannabis business shall timely and fully pay all fees associated with the registration of that facility. The fees shall be as set forth in the schedule of fees and charges established by resolution of the County Board, including, but not limited to the following:

- A. "Application fee" for accepting a registration application; due and payable in full at the time a registration application is submitted;
- B. "Processing fee" for the cost to the County of processing a registration application and reviewing and investigating each application to determine eligibility for issuance of a use permit; due and payable in full at the time a registration application is submitted;
- C. "Annual operating fee" for the cost to the County of operating a medical cannabis regulatory program; due and payable in full at the time the County issues a use permit;

- D. “Amended registration fee” for the cost to the County of reviewing amendments or changes to the registration form previously filed on behalf of the cannabis business; due and payable in full at the time amendments or changes to a registration form are submitted to the County;
- E. “Regulatory permit renewal fee” for the cost to the County of processing an application to renew a use permit; due and payable in full at the time application is made to renew a use permit;
- F. “Permit relocation fee” for the cost to the County of processing an application to relocate a use permit; due and payable in full at the time application is made to relocate a use permit; and
- G. “Transfer of Ownership Fee” for the cost to the County for processing an application to change ownership of the owners declared in the original and subsequently approved application. A change of ownership means the transfer, sale or exchange of at least ten percent (10%) of the equity ownership in the property or entity conducting the cannabis related business.
- H. Any fees for inspection or investigation that are not included within the other fees associated with registration; due and payable in full upon request of the County.

**21.92.180 - Change in Location; Updated Registration Form.**

- A. Any time a cannabis business changes the dispensing or cultivation location specified in the use permit, it shall re-register with County Planning. The process and the fees for re-registration shall be the same as the process and fees set forth for registration in sections 5.28.040(D) and 5.28.070(F).
- B. Within fifteen calendar days of any other change in the information provided in the registration form or any change in status of compliance with the provisions of this chapter, including any change in the cannabis business's ownership or management members, the cannabis business shall file an updated registration form with the Director of Planning for review along with a registration amendment fee.

**21.92.190 - Renewal or Revocation of Regulatory Permit.**

- A. No use permit issued under this chapter may be renewed unless:

1. A new registration form has been filed with Planning as set forth in section 5.28.040 a minimum of sixty (60) days prior to the expiration date of the use permit;
  2. The annual renewal registration fee, as set forth in section 5.28.070, has been paid to the County; and
  3. The cannabis business and its owners and managers all meet the requirements of this chapter for registration.
- B. The Director of Planning or designee may elect not to renew a use permit issued under this chapter if:
1. The cannabis business and its owners and managers have not complied at all times with all the requirements for registration as set forth in this chapter;
  2. Any of the conditions or circumstances of section 5.28.230.D, singularly or in combination, of this chapter have occurred; or
  3. The Director of Planning or designee is aware of any other facts or circumstances which indicate that renewal of the use permit will be detrimental to the health, safety, and welfare of the residents of the County.
- C. The Director of Planning or designee may revoke a use permit issued under this chapter, upon such notice as deemed appropriate by the Director of Planning or designee, if:
1. The cannabis business and its owners and managers have not complied at all times with all the requirements for registration as set forth in this chapter;
  2. Any of the conditions or circumstances of section 5.28.230.D, singularly or in combination, of this chapter have occurred; or
  3. The Director of Planning or designee is aware of any other facts or circumstances which indicate that continued operation of the cannabis business will be detrimental to the health, safety, and welfare of the residents of the County.

#### **21.92.200 - Limitations on County's Liability.**

To the fullest extent permitted by law, the County shall not assume any liability whatsoever, with respect to approving any use permit pursuant to this chapter or the operation of any cannabis business approved pursuant to this chapter. As a condition of approval a use permit as provided in this chapter, the applicant or its legal representative shall:

- A. Execute an agreement indemnifying the County from any claims, damages, injuries, or liabilities of any kind associated with the registration or operation of the cannabis business or the prosecution of the cannabis business or its members for violation of federal or state laws;

- B. Maintain insurance in the amounts and of the types that are acceptable to the Director of Planning or designee;
- C. Name the County as an additionally insured on all County required insurance policies;
- D. Agree to defend, at its sole expense, any action against the County, its agents, officers, and employees related to the approval of a use permit; and
- E. Agree to reimburse the County for any court costs and attorney fees that the County may be required to pay as a result of any legal challenge related to the County's approval of a use permit. The County may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve the operator of its obligation hereunder.

**21.92.210 - Additional Terms and Conditions.**

Based on the information set forth in the application, the Director of Planning or designee may impose reasonable terms and conditions on the proposed operations of the cannabis business in addition to those specified in this chapter.

**21.92.220 - Signage.**

Notwithstanding other sections of the Monterey County Code, exterior signage for the facility shall be limited to one exterior building sign not to exceed fifteen square feet in area, and door and/or window signage not to exceed ten square feet in area; such signs shall not be directly illuminated. Signage shall otherwise be reviewed and approved by the County in accordance with chapter 21.60 of this code.

**21.92.230 - Packaging of Medical cannabis.**

Prior to delivery or sale at a dispensary, medical cannabis products shall be labeled in a tamper-evident package. Labels and packages of medical cannabis products shall meet the following requirements:

- A. Medical cannabis packages and labels shall not be made to be attractive to children.
- B. Only generic food names may be used to describe edible medical cannabis products.

- C. All medical cannabis product labels shall include the following information, prominently displayed and in a clear and legible font:
1. The statement "SCHEDULE I CONTROLLED SUBSTANCE", which shall no longer be required if cannabis is re-classified or re-scheduled under the Controlled Substances Act.
  2. The statement "KEEP OUT OF REACH OF CHILDREN AND AMINALS" in bold print.
  3. The statement "FOR MEDICAL USE ONLY."
  4. The statement "THE INTOXICATING EFFECTS OF THIS PRODUCT MAY BE DELAYED BY UP TO TWO HOURS."
  5. The statement "THIS PRODUCT MAY IMPAIR THE ABILITY TO DRIVE OR OPERATE MACHINERY. PLEASE USE EXTREME CAUTION."
  6. For packages containing only dried flower, the net weight of medical cannabis in the package.
  7. A warning if nuts or other known allergens are used.
  8. List of pharmacologically active ingredients, including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total.
  9. Clear indication, in bold type, that the product contains medical cannabis.
  10. Identification of the source and date of cultivation and manufacture.
  11. Any other requirement set by the County of Monterey.
  12. Information associated with the unique identifier issued by the Department of Food and Agriculture pursuant to Section 11362.777 of the Health and Safety Code.

**(NEED TO DEVELOP LANGUAGE ON EDIBLES, DOSAGE AND STANDARDS. IN PROGRESS...)**

**21.92.240 - Public Health and Safety.**

- A. Each cannabis business shall operate in a manner such that the cultivation of medical cannabis does not adversely affect the health or safety of nearby properties through creation of mold, mildew, dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, or other impacts.
- B. The cultivation of medical cannabis shall not create hazards due to the use or storage of materials, processes, products, chemicals, fertilizers, or wastes.
- C. The interior and exterior of the cannabis business, including driveways, sidewalks, parking strips, fire access roads and streets on or adjacent to the premises shall be kept in a clean and safe condition.
- D. Exterior lighting on the premises and location shall ensure the safety of the public and the members and employees of the cannabis business while not disturbing surrounding residential or commercial areas.



## 21.92.250 - Records.

- A. Medical cannabis facilities shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all medical cannabis products from the time of delivery to the dispensary until purchase by or distribution to a qualified patient or primary caregiver.
- B. Medical cannabis facilities shall have an electronic point of sale system that produces historical transactional data for review by the Director of Planning or designee for compliance and auditing purposes.
- C. Each licensee shall maintain at the premises all records and documents required by this chapter and all the information and records listed below:
  - 1. The name, address, and telephone number(s) of the owner, landlord and/or lessee of the location;
  - 2. The following information concerning each member of the cannabis business:
    - a. Name, address, telephone number, and a confidential member number unique to that individual which is used solely for the log identified in subsection B.9. below;
    - b. A copy of a valid government issued photo identification card or license;
    - c. A copy of the member's identification card or the attending physician's recommendation for the member; and
    - d. The date the member joined the licensee;
  - 3. The name, address, and telephone number of each primary caregiver member, along with a copy of the written documentation provided by each qualified patient designating the member as his or her primary caregiver;
  - 4. The name, business address, and telephone number of each attending physician who provided a physician's recommendation for any member of the licensee;
  - 5. The records of all qualified patients with a valid identification card and primary caregivers with a valid identification card may be maintained by the cannabis business using only the identification card number issued by the state pursuant to California Health and Safety Code Section 11362.7 et seq., in lieu of the information required by sections 5.28.190.B.2.a. through c., B.3, and B.4.;
  - 6. Complete and up-to-date records regarding the amount of medical cannabis cultivated, produced, harvested, stored, or packaged at its cultivation site;
  - 7. Complete and up-to-date records regarding medical cannabis transfers from the cannabis business's cultivation site to its dispensing location, including the date and time of the transfer; the name and address of the cultivation facility and the name and address of the supplier if different from the cultivation facility; the amount, form, type, batch and lot number of cannabis transferred; the time of departure from the

- cultivation facility; the time of arrival at the dispensing location; the names of the employees transporting the product; and the name of the employee who received the product at the dispensing location;
8. Complete and up-to-date records documenting each transfer of medical cannabis from the cannabis business's dispensing location to its members including the amount provided, the form or product category in which the medical cannabis was provided, the date and time provided, the name of the employee making the transfer, the member number to whom it was provided, and the amount of any related donation or other monetary transaction;
  9. All receipts of the licensee, including but not limited to all contributions and all expenditures incurred by the licensee for the cultivation and dispensing of medical cannabis;
  10. Proof of completed registration with the Director of Planning in conformance with this chapter;
  11. Records demonstrating compliance with state and federal rules and regulations regarding reporting and taxation of income received; and
  12. All medical cannabis facilities shall perform an inventory on the first business day of each month and shall record the total quantity of each form of cannabis on the premises.
- D. All records required by this section shall be maintained by the cannabis business for a period of seven (7) years and shall be made available by the cannabis business to the Director of Planning and any County official charged with enforcing the provisions of this code upon request.

#### **21.92.260 - Community Relations.**

- A. Each cannabis business shall provide the County with the name, telephone number, and email address of an on-site community relations or staff person or other representative to whom the County can provide notice if there are operating problems associated with the cannabis business or refer members of the public who may have any concerns or complaints regarding the operation of the cannabis business. Each cannabis business shall also provide the above information to all businesses and residences located within 50 feet of the cannabis business.
- B. During the first year of operation under this Ordinance, the owner, manager, and community relations representative from each cannabis business holding a valid use permit issued by the County shall attend a quarterly meeting with the Director of Planning and/or designee to discuss costs, benefits and other community issues arising as a result of implementation of the medical cannabis use permit program authorized by this

chapter. After the first year of operation, the owner, manager, and community relations representative from each such cannabis business shall meet with the Director of Planning and/or designee when and as requested by the Director of Planning or designee.

#### **21.92.270 - Inspections and Enforcement.**

- A. The inspector or other County official shall have the right to enter all medical cannabis facilities from time to time unannounced during the facility's hours of operation for the purpose of making reasonable inspections to observe and enforce compliance with this chapter, to inspect and copy records required to be maintained under this chapter, or to inspect and view recordings made by security cameras, all without requirement for a search warrant, subpoena, or court order.
- B. Nothing in this chapter requires the disclosure of any member's private medical record.
- C. Operation of the cannabis business in non-compliance with any conditions of approval or the provisions of this chapter shall constitute a violation of the County Code and shall be enforced pursuant to the provisions of this code.
- D. The County of Monterey may summarily suspend or revoke a medical cannabis use permit, or disqualify an applicant from the registration process, or elect not to renew a use permit if any of the following, singularly or in combination, occur:
  - 1. The inspector or County official determines that the cannabis business has failed to comply with any requirement of this chapter or any condition of approval or a circumstance or situation has been created that would have permitted the County to deny the use permit under section 21.92.160;
  - 2. The cooperative, licensee, or cannabis business has conducted itself or is being conducted in a manner that creates or results in a public nuisance;
  - 3. Ownership is changed without the new owners securing the appropriate permit;
  - 4. The cannabis business relocates to a different location or premises without first securing the appropriate permit;
  - 5. The cannabis business fails to allow inspection, activity logs and records required under this chapter, or the premise by authorized County officials.

#### **21.92.290 - Appeals.**

Any decision regarding or pertaining to the use permit process set forth in this chapter, or any action taken by the Director of Planning or designee pursuant hereto, may be appealed to the County Board. Such appeal shall be taken by filing with the County clerk, within ten (10) days

after notice of the action or decision complained of has been issued, a written statement setting forth the grounds for the appeal. The County clerk shall transmit the written statement to the County Board and at its next regular meeting the council shall set a time and place for a hearing on the appeal. Notice of the time and place of such hearing shall be mailed to the appellant. The decision of the County Board on such appeal shall be final and binding on all parties concerned.

### **21.92.300 - Violations.**

- A. Any violation of any of the provisions of this chapter is unlawful and a public nuisance.
- B. Any violation of any of the provisions of this chapter shall constitute a misdemeanor violation and upon conviction thereof any violation shall be punishable by a fine not to exceed one thousand dollars (\$1,000.00), or by imprisonment in the county jail for a period of not more than six months, or by both such fine and imprisonment. Each day a violation is committed or permitted to continue shall constitute a separate offense.
- C. In lieu of issuing a misdemeanor citation, the County may issue an administrative citation, and/or assess an administrative fine of up to one thousand dollars (\$1,000.00) for each violation of this ordinance.
- D. A separate offense occurs for each day any violation of this chapter is continued and/or maintained.
- E. The remedies provided herein are not to be construed as exclusive remedies, and in the event of violation, the County may pursue any proceedings or remedies otherwise provided by law.

### **Section 3. SEVERABILITY**

The County Board of Supervisors declares that, should any provision, section, paragraph, sentence or word of this ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this ordinance as hereby adopted shall remain in full force and effect.

### **Section 4. EXECUTION AND CERTIFICATION**

The County Clerk is directed to do all things necessary to cause the execution of this ordinance immediately upon its adoption and shall thereafter certify to the passage of this ordinance and cause the same to be published and posted according to law.

**Section 5. EFFECTIVE DATE**

Pursuant to California Government Code section 36937, this ordinance shall take effect thirty (30) days after its final passage and adoption by the County Board of Supervisors.

COASTAL GROWERS ASSOCIATION DRAFT



Salvatore Palma  
Higher Level of Care  
26555 Carmel Rancho Blvd., Ste. #3  
Carmel, CA 93923  
[spalma.pbs@gmail.com](mailto:spalma.pbs@gmail.com)  
(310) 261-4809

March 6, 2016

Simon Salinas  
Monterey County Supervisor – District 3  
168 West Alisal St., 3<sup>rd</sup> Floor  
Salinas, CA 93901  
[district3@co.monterey.ca.us](mailto:district3@co.monterey.ca.us)

RE: Monterey County Medical Cannabis Draft Ordinance - Dispensary Zoning

Dear Mr. Salinas,

My name is Salvatore Palma and I am the proprietor of Higher Level of Care, a Medical Cannabis Collective located in Carmel Rancho. In September of 2015, we were issued an exemption from the County's current moratorium regarding medical cannabis operations. I would like to address (1) the section of our exemption letter that refers to the operation as "similar to retail or pharmacy" and (2) the draft ordinance language that allows for dispensaries in Light Commercial and Heavy Commercial zoning, but not Visitor Serving/Professional Office.

**Our operation is very distinct from both retail and pharmacy.** First, we are not open to the public. In order to enter and utilize the services of our facility, one must be a member. Further, only a very small percentage of society (2-3%) qualify for membership. One must be referred our services by a physician licensed to practice medicine by the State of California prior to qualifying for membership. This membership can be revoked at any time if one violates any of the Rules and Regulations set forth in our membership agreement. Second, pharmacies as they operate today are not standalone operations. In today's world (at least in the United States), pharmacies operate as small departments located within large retail outlets. Be it Rite Aid, CVS or Walmart, less than 10% of their square footage and foot traffic are associated with the pharmacy located within. The vast majority is associated with the over the counter items located on the retail floor. We are very specific in the services that we provide and do not offer any ancillary goods that would increase the intensity of our operation beyond that of a normal medical office. Higher Level of Care averages 3-4 patients per hour on any given day. Given this fact, any parallels drawn between a dispensary and traditional pharmacy and/or retail with regard to nature and intensity are flawed.

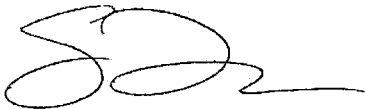
**Light Commercial and Heavy Commercial are not the ideal zoning designations for dispensaries.** By allowing dispensaries to be zoned in Visitor Serving/Professional Office, the issue of unaccompanied minors is mitigated. Though the draft ordinance accounts for distance requirements from schools, public parks, playgrounds and recreation areas, by designating approved dispensary zoning as Light Commercial and Heavy Commercial, this would allow for dispensaries to be located near and even adjacent to convenience stores, pizza parlors, toy stores, candy shops, dance studios, bike shops, fast food establishments, comic book stores, arcades, etc. Visitor Serving/Professional Office, on the other

hand, is a destination zoning. It offers discrete, non-descript locations with little or no walk-by traffic which are isolated from areas frequented by minors while still being accessible to the elderly and those with disabilities and transportation restrictions. Dispensaries are purely medical operations and belong in medical office zoning and not in locations where they will be adjacent to businesses frequented by the general public.

As you know, there is a single permitted dispensary within the boundaries of Monterey County – Monterey Bay Alternative Medicine in Del Rey Oaks. It operates in professional office space and has done so without incident since April 2015. Similarly, there is a single collective that has applied for and been issued an exemption from the County's moratorium and operates as a quasi-storefront/delivery service – Higher Level of Care in Carmel. It too is located in professional office space and has operated without incident since June 2015. These are operations that I would recommend the County observe as case studies before finalizing the ordinance. It is impossible to anticipate all issues that could arise by allowing dispensaries in Light Commercial and Heavy Commercial zoning because it has never been done locally. On the other hand, dispensaries operating in Visitor Serving/Professional Office has been done locally and has been successful and non-disruptive.

I appreciate your time and thank you for taking these issues into consideration. I invite and urge you to visit our space in Carmel Rancho so that you can see the operation firsthand. You will get a clear picture of how similar a dispensary is to a medical office versus a retail operation.

Respectfully,

A handwritten signature in black ink, appearing to read 'SP', with a long horizontal flourish extending to the right.

Salvatore Palma

CC: Fernando Armenta, John M. Phillips, Jane Parker, Dave Potter, Mike Novo, Craig Spencer



#23 for  
7/28/2015

TODD BESSIRE  
ATTORNEY AT LAW  
510 LAURELES GRADE ROAD  
CARMEL VALLEY, CA 93924  
831-682-2843  
[BESSIRELAW@YAHOO.COM](mailto:BESSIRELAW@YAHOO.COM)

RECEIVED  
MONTEREY COUNTY

2015 JUL 27 AM 11:49

CLERK OF THE BOARD

  
DEPUTY

**HAND DELIVERED TO CLERK OF THE BOARD**

January 5, 2015

Supervisor John M. Phillips  
Supervisor Dave Potter  
Supervisor Simon Salinas  
Supervisor Jane Parker  
Supervisor Fernando Armenta

RE: **Ordinance 5253; Legistar Ordinance Number Ord.15-011**

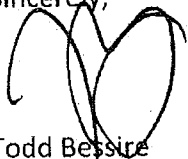
Dear Members of the Board of Supervisors,

I represent several property owners who have relied on and continue to rely on the Compassion Use Act as the legal framework for their business which is conducted in Monterey County. That is to say, the Cannabis farmers in the unincorporated areas of Monterey County that I represent use an allocation of patients from a Cooperative or Collective as a legal means of cultivating Cannabis. The proposed extension of Ordinance 5254 will make their operations illegal for the next year and require them to file bankruptcy or immediately change their profession.

I urge you to remove the prohibitions from cultivating Cannabis from your Ordinance. I believe the concern is large cultivation practices that could lead to environmental damage. This concern may be alleviated by restricting cultivation of cannabis to no more than 1,000 plants per parcel, prohibit any growing that is not organic and require growers to follow best management practices.

Thank you for your consideration of my suggestions.

Sincerely,



Todd Bessire

Cc: Mike Novo; Carl Holm

## Spencer, Craig x5233

---

**From:** Anthony A [anthony@calvetmeds.org]  
**Sent:** Wednesday, March 09, 2016 5:05 PM  
**To:** Spencer, Craig x5233  
**Cc:** Novo, Mike x5192  
**Subject:** Re: Bradley Town Hall Event

Sounds reasonable to me. I've sketched some rough ideas below:

As discussed in person, we'd like to see a portion of permits reserved for "specialized populations" that can show existing need and/or inadequate access to medical cannabis. Some examples could include veterans, AIDS patients, cancer patients or senior citizens.

An exemption for existing compliant farms in permanent grazing areas on an individual basis.

For the purpose of covering the costs of enforcement, a "Made in Monterey County" stamp could be imposed at the point of distribution. This would also be an opportunity to create a regional brand awareness that some advocated at the town hall.

Again these are just a handful of ideas. Hopefully they resonate with others who have provided input throughout this process.

Thanks again and hopefully we can be a sounding board as you continue to develop sound regulations in the weeks ahead.

Anthony

On Wed, Mar 9, 2016 at 3:38 PM, Spencer, Craig x5233 <[SpencerC@co.monterey.ca.us](mailto:SpencerC@co.monterey.ca.us)> wrote:

Hello Anthony,

Thank you for reaching out on the ordinances.

For the sake of efficiency it would be helpful if you could put your considerations in writing.

Once you have your thoughts written down, I would be happy to talk to you more about it.

Thank you

Craig W. Spencer

RMA - Planning Department

County of Monterey

phone: (831) 755-5233

e-mail: spencerc@co.monterey.ca.us

---

**From:** Anthony A [mailto:[anthony@calvetmeds.org](mailto:anthony@calvetmeds.org)]

**Sent:** Wednesday, March 09, 2016 1:49 PM

**To:** Spencer, Craig x5233

**Cc:** Novo, Mike x5192

**Subject:** Bradley Town Hall Event

Craig & Mike,

Great meeting you both on Monday evening and congrats on running a respectful town hall event. From previous experience I know that's an accomplishment in and of itself.

If possible, I'd like to meet again to discuss potential considerations in the permitting process.

In speaking with Craig I know you get at least 20 calls and/or emails a day regarding permits but hopefully there's a date that works in the near future to discuss our individual concerns.

Thanks again for your time and look forward to working with you both in the future.

Best Regards,

Anthony

**Spencer, Craig x5233**

---

**From:** Darin Woodfill [dgwoodfill70@gmail.com]  
**Sent:** Wednesday, March 02, 2016 9:53 AM  
**To:** Spencer, Craig x5233  
**Subject:** Re: ORD 16-004 "Attachment A" draft amendment proposal

Goodmorning Craig,

It was expressed in the previous meeting that if 500 sq ft. were allowed under the exempt status. Then people would set up multiple sites, and for go the permit process. This is not a valid argument for the issue at hand. First of all, the state will be implementing a seed to sale tracking system. This is to prevent diversion into the unregulated market. As small farmer on rural permanent grazing land, I am fighting for the right to obtain a type 1A or 1B cultivation permit. This is so I can move forward, and comply with state requirements. Cheating the county permit process and going backwards toward an unregulated market, was not the intention of the bills passed by the state. It currently seems that large business and wealthy stakeholders are buying the legislation to exclude the small farmer. Thus creating less competition for them, and encouraging the continuance of an unregulated market. Which no doubt, will cause more criminal activity. Not less.

Your consideration on these issues is greatly appreciated.

Thank you,

Darin

On Mon, Feb 8, 2016 at 10:13 AM, Spencer, Craig x5233 <[SpencerC@co.monterey.ca.us](mailto:SpencerC@co.monterey.ca.us)> wrote:

Mr Woodfill,

Thank you for your comments.

We were able to open the document and we will consider your comments as we move forward.

Craig W. Spencer

RMA - Planning Department

County of Monterey

phone: [\(831\) 755-5233](tel:(831)755-5233)

e-mail: [spencerc@co.monterey.ca.us](mailto:spencerc@co.monterey.ca.us)

---

**From:** Darin Woodfill [mailto:[dgwoodfill70@gmail.com](mailto:dgwoodfill70@gmail.com)]  
**Sent:** Monday, February 08, 2016 8:37 AM  
**To:** Spencer, Craig x5233  
**Subject:** ORD 16-004 "Attachment A" draft amendment proposal

Hi Craig,

Attached are a few ideas, I'd like the county to consider including or amending in the upcoming commercial mmj ordinance. Please let me now that you have received this email, and that you were able to open the word doc. I appreciate your time and consideration on this matter.

Thank you,

Darin Woodfill

831 676 8177

## Spencer, Craig x5233

---

**From:** Darin Woodfill [dgwoodfill70@gmail.com]  
**Sent:** Monday, February 08, 2016 11:22 AM  
**To:** Spencer, Craig x5233  
**Subject:** Re: ORD 16-004 "Attachment A" draft amendment proposal

Hi Craig,

I would like to add something if I may? In my opinion, these proposals seem like a fair compromise for the smaller farms of unincorporated monterey county. And I dont think its asking for anything too large or unreasonable. In the past, its been said that small farmers will need to expand and scale up in order to stay competative. I disagree. And at any rate, I would like to see the market dictate that, Rather than stifling unreasonable zoning restrictions. The current draft seems to benefit only large businesses and wealthy stakeholders. Thanks again for your consideration. Please share my input at future board meetings.

Darin Woodfill

On Mon, Feb 8, 2016 at 10:13 AM, Spencer, Craig x5233 <[SpencerC@co.monterey.ca.us](mailto:SpencerC@co.monterey.ca.us)> wrote:

Mr Woodfill,

Thank you for your comments.

We were able to open the document and we will consider your comments as we move forward.

Craig W. Spencer

RMA - Planning Department

County of Monterey

phone: [\(831\) 755-5233](tel:(831)755-5233)

e-mail: [spencerc@co.monterey.ca.us](mailto:spencerc@co.monterey.ca.us)

---

**From:** Darin Woodfill [mailto:[dgwoodfill70@gmail.com](mailto:dgwoodfill70@gmail.com)]  
**Sent:** Monday, February 08, 2016 8:37 AM  
**To:** Spencer, Craig x5233  
**Subject:** ORD 16-004 "Attachment A" draft amendment proposal

Hi Craig,

Attached are a few ideas, I'd like the county to consider including or amending in the upcoming commercial mmj ordinance. Please let me know that you have received this email, and that you were able to open the word doc. I appreciate your time and consideration on this matter.

Thank you,

Darin Woodfill

831 676 8177

## Spencer, Craig x5233

---

**From:** Darin Woodfill [dgwoodfill70@gmail.com]  
**Sent:** Monday, February 08, 2016 8:37 AM  
**To:** Spencer, Craig x5233  
**Subject:** ORD 16-004 "Attachment A" draft amendment proposal  
**Attachments:** Document.odt

Hi Craig,

Attached are a few ideas, I'd like the county to consider including or amending in the upcoming commercial mmj ordinance. Please let me know that you have received this email, and that you were able to open the word doc. I appreciate your time and consideration on this matter.

Thank you,

Darin Woodfill  
831 676 8177



Dear Mr. Craig Spencer,

As a small farmer, I'm interested in entering the "boutique or cottage" style of commercial cannabis farming in monterey county. The current ordinance as drafted, appears to benefit only large businesses or investors. The limited zoning and locations make it impossible for the small family farm to enter the emerging legal medical cannabis market.

The inland microclimates of the Carmel Valley, Jolon, the San Antonio Valley, and Bryson-Hesperia Area, are some of the best places in California to cultivate cannabis.

First of all,

I would like the Monterey County Planing Department to consider adding the following zones to Attachment A for commercial cannabis cultivation. Please note that I have included a use permit recommendation for each parcel size :

1. Rural and Permanent Grazing

between 5-10 acres      Type 1A, Type 1B, Type 4 w/ a maximum of 1,800 sq. ft.

10+ acres                Type 1A, Type 1B, Type 4 up to 5,000 sq. ft.

Secondly,

I'd like to address the initial 100 commercial cannabis cultivation permit maximum.

I strongly feel that through soil recycling with organic amendments, the use of omri listed pesticides/fungicides, beneficial insects, and zero to minimal water run off. The small family farm has very little environmental impact.

I believe the only certifications available at this time, are "Clean Green Certified" and a "Better Practices Certification." I would ask that those farmers who are currently operating under those cerifications. Or those planning to operate under either during the permit process, be exempt if the 100 permit maximum has been reached. And would ask that the county consider case by case variances.

Third,

I would like to address the inconsistency in the Non-Commercial Cannabis Cultivation proposal. A patient can cultivate 100 sq. ft. for his/her personal medical use. A primary caregiver can cultivate for the personal medical use of no more than 5 specified qualified patients. Therefore, the primary caregiver SHOULD be able to cultivate a canopy of no more than 500 sq. ft. Or 100 sq. ft. per individual specified

qualified patient, whichever is least.

In closing, I'd like to say that I understand that this is a very complex issue. With compliance and enforcement being the toughest tasks. My hope is that all of us that want to have a place in this new industry, can work together on a compromise and achieve our goals.

Sincerely,

Darin Woodfill

## Spencer, Craig x5233

---

**From:** Heidi Park [heidipark@razzolink.com]  
**Sent:** Monday, March 07, 2016 7:02 AM  
**To:** Spencer, Craig x5233  
**Subject:** Cottage Industry

Dear Craig,

I've been planning on coming to today's Stakeholders meeting in Bradley but had an unexpected meeting today that I can not get out of in Carmel and would not be there in time.

I am writing you today to voice my concerns again about the small Cannabis Industry like myself. There is nothing in the Proposed Ordinance that protects us or even allows us to continue business.

The new proposed ordinance has nothing for the small Cottage Industry. Not allowing or even addressing this makes it very difficult to get to continue getting my small amount of medicine out there by growing my own cannabis at my RDR-20 zoned home which each neighbor has 10+ acres. I've been growing at my location for over 30 years. I became a Non-profit Collective 2 years ago and have been making a salve for people suffering cancer, Parkinson's, sciatica, and ailments. I've donated most all of my product for these people. After having Oncologist asking me to get my product legal, I went to research this and have spent thousands of dollars of mine to do this. If the proposed draft passes, this will force me to do this against Monterey County's laws and regulations which I can't do. I want to be legal. I want to be able to get my product tested and out into the market.

If there was zoning added in as well as a paragraph on Cottage Industries, we still have to have to go through the permit process and use permit. But give us a chance to do legal business and not just keep it for 5 lucky patients.

Another issue is outdoor grows and allowing it to only be a grow of 100 square feet. Impossible unless it is a vertical grow. This does not sound like it is being thought about wisely.

Our area is ideal for outdoor grows and they could be done without damage to the land and allowing possibly like a 50 - 60 plant grow in a 5000 sq ft footprint.

Please let me know what your thoughts are on possibly addressing Cottage Industries too. This proposed draft ordinance looks as though it ONLY addresses Commercial grows and nothing else.

Thank you Craig.

Heidi Park  
Heidromama, Inc.

Sent from my iPad

**Spencer, Craig x5233**

---

**From:** heidi t park [heidromama@gmail.com]  
**Sent:** Monday, February 08, 2016 2:16 PM  
**To:** Spencer, Craig x5233  
**Subject:** Monterey County Ordinance of Cannabis  
**Attachments:** Board of Supervisors Letter.pdf

Please see my attached letter for tomorrows Ordinance Hearing.

Thank you,  
Heidi Park

January 8, 2016

Dear Monterey County Board of Supervisors,

Hello my name is Heidi Park. I have a Collective, am a cultivator and manufacture as well as being on the Board of Coastal Grower's Association.

I have lived in the Unincorporated Area of Monterey County most of my life. I was born and raised in Salinas; with a family second home in Cachagua, Carmel Valley.

I have grown cannabis outdoors more than half of my life. Never selling it but making medicine for people. I, as a child, had epilepsy and had the experience with cannabis with it ending my seizures.

I've been a caregiver and volunteered to the Hospice for many years. I have had many family and friends pass away from cancer and was by their side.

I do not like most Western Medicine, but when we need it, we need it.

This leads me up to the Proposed Draft of The Monterey Ordinance for Cannabis.

I have made and gifted in donation form all of my product by making a balm that you would apply on to your feet, or body area where the pain or injured is. It soothes the pain by going deep into the bone or tissue with out any kind of side effect. The balm has sun grown cannabis, Distilled water, Organic Olive Oil, Organic Coconut Oil, Organic Beeswax and over 333 drops of essential oils. I infuse the water with healing energy and crystals. This is the magic of my product.

I also make personalized CBD, Indica, Sativa and Hybrid Tinctures to help someone that has PTSD or digestion issues, sleep issues or anxiety.

My home is located in an area that is zoned RDR-20 and is in a Cottage Industry Zoning. I have had my collective here for many years with neighborhood approval.

I think it is very important to allow cultivation in different zonings or make special circumstances.

I have ALWAYS wanted to be legal and do what is right; to get my medicine to people and to help them in anyway I could. I've spent thousands of dollars to do so.

I am crushed with your decisions to force us to stop our business to help our people that need outdoor grown medicine.

Please reconsider the zoning and the outdoor cultivation ban to allow the smaller grower and manufacture an opportunity to get their medicine out for the people too.

Thank you, Heidi Park

**Spencer, Craig x5233**

---

**From:** Info@bigsurcannabotanicals.com  
**Sent:** Monday, February 08, 2016 4:54 PM  
**To:** 100-District 1 (831) 647-7991; 100-District 2 (831) 755-5022; 100-District 3 (831) 385-8333; 100-District 4 (831) 883-7570; 100-District 5 (831) 647-7755  
**Cc:** Novo, Mike x5192; Holm, Carl P. x5103; Spencer, Craig x5233; McKee, Charles J; Strimling, Wendy; Lee, Kathleen M. 647-7755; Stratton, Josh Q. x5022; Lopez, Christopher M. x5729; 112-Clerk of the Board Everyone  
**Subject:** Cannabis Ordinance

Chairwoman Parker, Members of the Board of Supervisors and Monterey County staff,

My name is Aram Stoney and I am a lifelong Monterey County resident, registered voter, member of the Coastal Growers Association and co-owner of Big Sur Cannabotanicals.

First off I would like to thank Craig, Mike and all the members of the county staff for their hard work on getting the rough draft of the proposed ordinance this far.

The one thing that is noticeably missing is the input from the people in the industry that currently exists here in Monterey County.

It is clear that the language in this draft ignores this fact.

Of primary concern is the section that will prohibit all outdoor cultivation, especially since the majority of the cultivation that is taking place now is in fact done outdoors. We understand the concerns, but to prohibit it completely will not produce the outcome that you may be looking for. There would be a significant economic impact to many families and to our local communities, in the loss of jobs and the recirculation of funds to other local businesses.

The proposed zoning would essentially turn the current local industry upside down and force the small business owners, who are the primary providers for the current industry, out of business and it would be handing over the industry to those who happen to own property in the right place and happen to own greenhouses, and with far less experience.

Although I agree that rehabilitating the dilapidated greenhouses of the Salinas Valley is a great idea, it should not be the only option.

The proposed ordinance sites the importance of using green building techniques and sustainable operating practices, outdoor cultivation is the best model for this practice.

I would like there to be some consideration for the existing industry of outdoor cultivators in Big Sur, Carmel Valley (Cachagua), and Lockwood. Specifically, by adding other zones such as PG -Permanent Grazing, RG-Rural Grazing, RC- Resource Conservation, and perhaps even LDR-Low Density Residential or by having "special" areas that are outside of the zoning mentioned in the ordinance. Many County ordinances and local land use plans have areas of special consideration, outside of the normal zoning. One would hope that the Board of Supervisors and County staff could think outside the Salinas Valley box, by enacting special areas outside of the current farm zoning mentioned in the draft ordinance. Special rules and regulations could apply to these special zones, such as size of property, proximity to neighborhoods, no environmental concerns, etc. To only allow cultivation in the farming zones will force small business out and will make it a corporate farming model. The County of Monterey has a local preference ordinance and we feel that individuals who are local, who have been operating in accordance with State law without incident and who have created a successful business model should be preferred over outside entities or at least be given serious consideration.

Our own growing operations are done in accordance with strict environmental and safety controls and we take great pride in the medical cannabis that we cultivate and provide for our members. We have been operating in accordance with State law and have a perfect record. The ordinance as it is currently written will force us out of business and destroy the community relations that we have worked so hard to create over the years.

I look forward to the stakeholder meetings this month where we can work together to create a final draft that works for everyone.

I would like to ask if staff has set a date for that yet?

Thank you for your consideration on this matter.

Sincerely,  
Aram Stoney  
Big Sur Cannabotanicals  
[www.bigsurcannabotanicals.com](http://www.bigsurcannabotanicals.com)  
[info@bigsurcannabotanicals.com](mailto:info@bigsurcannabotanicals.com)  
[831-272-0100](tel:831-272-0100)

## Spencer, Craig x5233

---

**From:** Inthe Woods [ventanablacksmithing@gmail.com]  
**Sent:** Monday, February 08, 2016 12:59 PM  
**To:** 100-District 5 (831) 647-7755; Holm, Carl P. x5103; Novo, Mike x5192; Spencer, Craig x5233; McKee, Charles J; Strimling, Wendy; Lee, Kathleen M. 647-7755; Stratton, Josh Q. x5022; Lopez, Christopher M. x5729  
**Subject:** Fwd: Concerns with Cannabis Draft Ordinance

----- Forwarded message -----

**From:** **Inthe Woods** <ventanablacksmithing@gmail.com>  
**Date:** Mon, Feb 8, 2016 at 12:51 PM  
**Subject:** Concerns with Cannabis Draft Ordinance  
**To:** [district1@co.monterey.ca.us](mailto:district1@co.monterey.ca.us), [district2@co.monterey.ca.us](mailto:district2@co.monterey.ca.us), [district3@co.monterey.ca.us](mailto:district3@co.monterey.ca.us),  
[district4@co.monterey.ca.us](mailto:district4@co.monterey.ca.us), [district5@co.monterey.ca.us](mailto:district5@co.monterey.ca.us)

Dear Monterey County Supervisors,

As a legal cannabis cultivator in the Carmel Valley/Cachagua area I welcome the recent regulations that have been proposed in the current cannabis ordinance, but I have great concerns with strict limitations banning outdoor cultivation for commercial use. Outdoor cultivation by responsible growers should never be confused with illegal hidden gardens, such as those commonly associated with cartels in or near National Forests, where poisonous chemicals are used in excess, garbage is spread throughout the area, and little respect is given to the land or those people and animal who inhabit the area. Outdoor cannabis cultivation needs to be better understood and there a few points that I would like to address:

- Myself, and many other outdoor growers, conduct our business using environmentally friendly practices such as the use of organic fertilizers that will not harm the environment or contaminate ground water. With the abundant California sunshine, we lack the need for high powered growing lights and constant use of fans which require a lot of electricity and can be noisy.
- Many growers have organized and aesthetically pleasing gardens that are not visible to the public and have never been a nuisance to those living in the surrounding area.
- Properly placed and maintained these gardens create more wild space for beneficial insects, birds, and animals.
- Promoting outdoor cannabis cultivation will create a larger economy- more jobs and a higher income for the state- than if growing were restricted to indoors.
- Banning outdoor cultivation will encourage more people to grow illegally and an large unregulated black market will result, which becomes a detriment to all those who in the field who conduct their business legally.

My request is for the ordinance to allow at least 150 permits for outdoor cultivation with a growing space of 5,000 square feet per permit.

Thank you for your time,  
Greg Deaton  
Thunder Canyon Collective



**Spencer, Craig x5233**

---

**From:** Jody Pemberton [jpemberton777@gmail.com]  
**Sent:** Wednesday, March 09, 2016 3:02 PM  
**To:** Spencer, Craig x5233  
**Subject:** proposal for mixed-light cultivation  
**Attachments:** Input on the draft Medical Marijuana Ordinance REF150048.docx

Craig,

Thank you for hosting the stakeholder meeting in South County on Monday and taking the time to personally meet with us after the meeting.

After attending the stakeholder meeting, we better understand that the County is proposing a pilot project to regulate medical cannabis. We believe our proposal offers a reasonable compromise to the draft proposal that will include PG zoning in a very limited manner consistent with the County's pilot approach.

I have attached our one page proposal. We also spoke with Supervisor Potter just prior to the stakeholder meeting. Supervisor Potter asked for us to send him our one page proposal, which we have done. Again, we really appreciate you taking the time to personally listen to our suggestions. Please feel free to contact us with any questions or comments.

Jody Pemberton

(831) 207-8740

Jarod Ottley

(831) 466-6313

**INPUT ON MIXED-LIGHT CULTIVATION (from Medical Marijuana Ordinance REF150048)**

Draft 21.65.050 for Commercial (Medical) Cannabis Cultivation includes the following allowances for mixed-light cultivation on F (Farmland). Outdoor cultivation would not be allowed on Farmland:

	Type 1	Type 1A	Type 1B	Type 2	Type 2A	Type 2B	Type 3	Type 3A	Type 3B	Type 4
Type: Canopy: (s.f.)	Outdoor <5,000	Indoor <5,000	Mixed-light <5,000	Outdoor 5,001- 10,000	Indoor 5,001- 10,000	Mixed-light 5,001- 10,000	Outdoor 10,001- 1 acre	Indoor 10,001- 22,000	Mixed-light 10,001- 22,000	Nursery
F			UP*			UP*			UP*	UP*

UP = Use Permit pursuant to Chapter 21.74

\*Conversion of Farmland to cannabis cultivation is not permitted. Cannabis may be cultivated only in existing greenhouses, warehouses, and agricultural processing facilities.

C. Regulations 1. It is the intent of the County to provide for the adaptive reuse of greenhouses in Monterey County and to restrict the proliferation of greenhouses or other structures on productive agricultural lands. To this end, within the Farmland (“F”) zoning district indoor and mixed-light commercial cannabis cultivation and nurseries (Type 1B, 2B, 3B, and 4 state license types) may be permitted with a Use Permit in each case provided that the cultivation occurs only within a greenhouse or other legally permitted industrial building that legally existed prior to January 1, 2016. Greenhouses and industrial buildings may be improved after January 1, 2016 provided that the footprint of the existing greenhouse(s) or industrial building(s) does not change.

**PROPOSAL: THE SAME ALLOWANCES FOR FARMLAND (MIXED-LIGHT CULTIVATION) BE EXTENDED TO PERMANENT GRAZING.**

**Rationale:**

- 1. The regulations for F and PG zones are nearly identical. Both F and PG zoning regulations state “uses allowed: all soil dependent agricultural uses, including crop and tree farming, dry land farming, livestock farming, greenhouses and vineyards”. Because the zoning regulations are virtually identical, it stands to reason that any mixed-light cultivation allowed on F should also extend to PG.**
- 2. The draft proposal allows for “a maximum of 100 commercial cannabis cultivation sites” in the unincorporated area of Monterey County. Extending the zoning district to PG for mixed-light cultivation will not increase the number of medical marijuana cultivators in Monterey County beyond the proposed cap of 100.**
- 3. For both F and PG, essential requirements in the application process for security, proper waste disposal, odor prevention, water management, standard operating procedures, etc. will ensure that the County avoid any potential adverse impacts on the health, safety, and welfare of Monterey County citizens.**

We believe our proposal offers a reasonable compromise to the draft proposal that will include PG zoning in a very limited manner consistent with the County’s pilot approach. Thank you.



# PATIENT FOCUSED CERTIFICATION



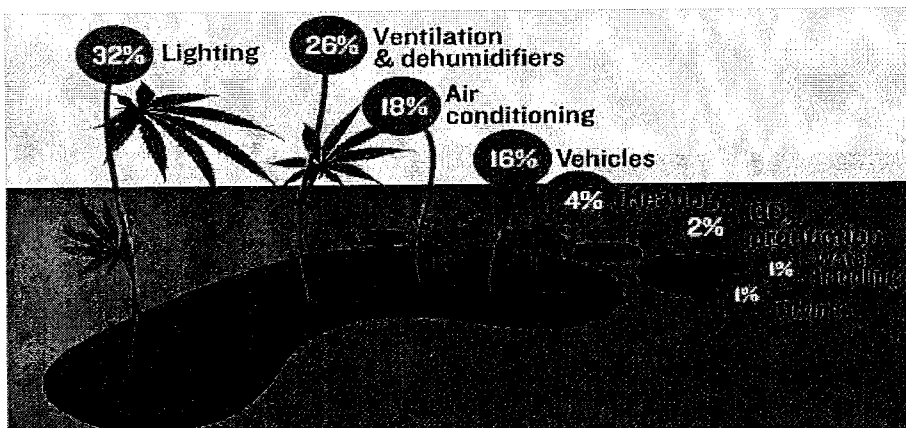
a project of Americans for Safe Access Foundation

Dear Chairwoman Parker, Members of the Board of Supervisors and County Staff,

Americans for Safe Access (ASA), founded in 2002, is the nations largest organization of patients, medical professionals, scientists and concerned citizens promoting safe and legal access to medical cannabis. We write to you today to express concern regarding Monterey County’s proposed ordinance which acts to prohibit all commercial outdoor cannabis cultivation. The act of prohibiting commercial outdoor cannabis cultivation raises three primary concerns for ASA: 1) the criminalization of a large portion of Monterey County’s existing cannabis cultivators; 2) the potential environmental impacts associated with encouraging indoor cannabis cultivation; and 3) product safety concerns.

By prohibiting outdoor cultivation, long time medical cannabis farmers in the Big Sur, Carmel Valley (Cachagua) and Lockwood areas will be criminalized. The outdoor cannabis farming community in Monterey county represents the vast majority of the County’s existing medical cannabis cultivators and patients have come to rely on these farms as a source of safe, high quality medicine that is produced in an environmentally friendly manner. While we understand the County’s desire to direct commercial cannabis cultivation into agriculturally appropriate areas, such as greenhouses in the Salinas Valley and elsewhere, we respectfully request that the Supervisors acknowledge that the Big Sur, Carmel Valley and Lockwood areas are also, in many cases, zoned as appropriate for agricultural activities.

In addition, the County is proposing that indoor cultivation be permitted while outdoor cultivation become prohibited. By encouraging the indoor cultivation of cannabis, the County will inevitably increase the amount of greenhouse gas emissions produced locally. According to the 2011 study by Dr. Evan Mills, entitled Energy Up in Smoke indoor cannabis production and distribution energy is around \$5 billion dollars annually, resulting in approximately 17 million tons of green house gas emissions. The Mill’s study goes on to explain that 1 kilogram of cannabis, the equivalent of 2.2 pounds, produced indoors using national-average grid power results in 2.8 tons of green house gas emissions meaning that each cannabis cigarette produced using indoor cultivation techniques results in roughly 2 pounds of green house gas emissions during production. The infographic below describes the activities associated with indoor cultivation that were considered during the Mills study.



Headquarters 1806 Vernon St. NW, Suite 300  
Washington, DC 20009

Toll Free: 888-929-4367  
patientfocusedcertification.org



## PATIENT FOCUSED CERTIFICATION



a project of Americans for Safe Access Foundation

Based on the information provided by the Mills study, we can see that outdoor cannabis cultivation dramatically reduces the amount of greenhouse gas emissions associated with the cultivation of cannabis. When cannabis is grown outdoors, the use of lighting, ventilation & dehumidifiers, air conditioning, and CO2 production are all eliminated, reducing the amount of greenhouse gas emissions by nearly 78%.

As Patient Focused Certification auditors have inspected cultivation sites throughout the County, as well as in Europe, we have experienced notable differences in contamination issues between cultivation sites utilizing natural sunlight verses cultivation sites using 100% artificial light. Unfortunately, indoor cultivated cannabis is subject to high levels of humidity and warm temperatures that support the growth of micro-organisms. This environment is extremely vulnerable to development and spread of pathogens whereas cultivation sites that utilize natural sunlight are less susceptible to pathogenic development due to the fact that the fore mentioned pathogens are killed when exposed to direct sunlight.

We strongly recommend that the County reconsider the proposed prohibition on outdoor cannabis cultivation and welcome existing cultivators into a regulated environment while acting to limit environmental concerns and preserving product quality for patients.

Respectfully,

Kristin Nevedal  
Director, Patient Focused Certification



Headquarters 1806 Vernon St. NW, Suite 300  
Washington, DC 20009

Toll Free: 888-929-4367  
[patientfocusedcertification.org](http://patientfocusedcertification.org)

February 26, 2016

Dear Supervisors and Staff,

I'm writing in opposition to the approval of collective or cooperative cannabis cultivation in unincorporated areas of Monterey County – specifically in Big Sur which is the community and local culture I know firsthand and best. And so I'm also writing in support of amending and extending Interim Ordinance No. 5254. The recognition of the need for “the County to study and develop appropriate land use regulations” regarding this issue is *exactly* right.

Introducing myself: my wife and I are landowners in Palo Colorado Canyon, and we've had deep ties in the Big Sur community for nearly 40 years. We both serve on the prior's Advisory Council at New Camaldoli Hermitage, and I'm also on the board of directors at the Henry Miller Memorial Library and a member of the Four Winds Council (a cooperative association among Esalen Institute, New Camaldoli, Tassajara, and the Esselen people). I'm also a writer who's been engaged for these nearly forty years in a close, firsthand study of the cultural history of Big Sur.

Some of my observations/recommendations regarding collective or cooperative marijuana in unincorporated areas of Monterey County – and specifically in Big Sur which I know best...

1. Legalizing commercial cultivation of marijuana in residential neighborhoods in Big Sur won't decrease illegal marijuana cultivation, *it will increase illegal cultivation* by providing a veneer of greater legal cover. Already many growers use their “patient” identification cards or “primary caregiver” status as a front for far more substantial hidden illegal cultivation. And oftentimes growers aggregate a collection of “identification cards” to produce a much larger scale (and fully commercial) impact than the personal use provision ever intended.

Legalizing collective commercial growing in residential neighborhoods in a place like Big Sur – by extending the range or number of permissible plants – will only help assure many growers (especially in remote areas near public lands) that they can now go even more safely beyond whatever legal limits are established.

2. Historically, growers in places like Big Sur often refer to where they live during the growing-season as a “staging area” since from that place they can readily access and provision illegal hidden cultivation nearby (often, historically, in public lands). Again, legalizing collective commercial marijuana cultivation in residential neighborhoods in places like Big Sur will only make those “staging areas” more of a safe “front” and more lucrative in and of themselves.
3. I’ve read the apologia Michael Linder emailed to our Palo Colorado listserver arguing “for the right to legally cultivate medical cannabis in a small scale, sustainable and artisanal fashion.”

Wouldn’t it be pretty to think so?

While some individual growers would self-regulate and choose to follow healthy environmental guidelines, there is no evidence whatsoever that the majority of cultivation enterprises would do so. In fact, there’s dramatic ongoing historical evidence to the contrary. The marijuana industry in Big Sur overall has had a straightforwardly appalling and destructive environmental record. Rat poisons have been fed into the food chain and caused bird die-offs. Fertilizers and pesticides are left on-site to leak into watersheds. PVC pipe gets pinned under boulders in creekbeds with other plastics like remnants of doughboy pools used as water tanks. All and every form of debris gets left behind and abandoned at grow-sites and in and near water sources. I’m a member of the Ventana Wilderness Alliance, too, which among other things has staged massive volunteer clean-ups of grow-sites in the Ventana wilderness – packing out tons of debris. And volunteers like the VWA can barely scratch the surface of what’s needed to rehabilitate innumerable grow-sites in Big Sur.

It is extremely naive – if not downright intentionally misleading – to suggest that legalizing commercial cultivation in residential neighborhoods in a place like Big Sur will lead to less clearing, only responsible and community-approved water use in a watershed, and “only organic and natural forms of gardening”!

Again, wouldn’t it be pretty to think so?

If advocates of commercial marijuana were sincere and truly dedicated to environmental responsibility, they'd begin by cleaning up the extensive environmental damage that their industry has already done.

4. Another great danger, of course, lies in the commercialization of our neighborhoods. It's one thing to keep one form or another of a private garden. But it's another thing to run a commercial operation that brings into a residential neighborhood a work-force that impacts road use and conditions and that exploits for personal economic gain the common water source in a watershed.

There's a very good reason why neighborhoods are zoned "residential." And after an individual or family has moved into a zoned residential neighborhood and lived there gratefully and lovingly for years, they don't deserve to have the rug suddenly pulled out from under them and find out that now they're living instead among commercial impacts.

5. I'm currently working with Magnus Toren at the Henry Miller Memorial Library to create (over this summer and next) a writers and speakers series on the impacts of the new internet-driven "natural amenities" economy not only in Big Sur itself but all across the New West in both rural and urban communities. Everyone's aware of local issues related to this new economic wave: lack of workers' housing, short-term rentals, the commercialization of neighborhoods, traffic congestion along the Highway 1 corridor, helicopters and drones and the intrusion of other electronic devices in the backcountry and in backcountry neighborhoods.

I'll attach an overview of this program which we're calling: "Nowhere Is Our Real Home: Community and Identity in the New West." Its aim – before we realized you shared the same aim – is to generate a healthy dialogue about these issues not only within Big Sur itself but also in coordination with other communities in the West. So, again, your recognition of the need for the time "to study and develop appropriate land use regulations" is exactly the kind of "study" and discussion that our "Nowhere" program is also hoping to encourage.

And commercial cultivation of marijuana in residential neighborhoods is one more great pressure and threat to local communities. I have a neighbor who's been offered \$5,000 a month for the growing season to rent her one room off-grid cabin two miles up a dirt road – for the exact purpose of aggregating individual “identification cards” for a commercial marijuana cultivation enterprise. This isn't uncommon, and it's just the tip of the iceberg. One can already imagine where this would go, let alone if such commercial enterprises in residential neighborhoods became legal. That one-room remote cabin would otherwise rent for maybe \$500-600 a month.

Linder's wishful (or misleading) thinking that legalized commercial marijuana cultivation wouldn't spike residential rental costs and land cost is patently false on the face of it. There's another person/group in our neighborhood – not a “neighbor” and that's exactly the problem – whom, I've been told, only bought his 40 acre parcel in order to create exactly the “staging area” I mention above.

Linder mentions that “limiting the number of cultivation sites will limit the potential negative problems.”

No, it won't. It would create what Latin Americans call “invidia” – a hostile envy and acrimony and contention that ensues when one or a few members of a community receive gratuitous outside benefits that others don't. Imagine the value of my property compared to yours if I have one of those privileged commercial marijuana grow permits and you don't. And do you think that all unpermitted neighbors – and/or outside renters and property buyers – are going to refrain from their own unpermitted growing when they see the profit, road impacts, and water-use that an immediate neighbor is extracting for his or her own personal income stream out of common watershed values (water, privacy, natural beauty, Big Sur “branding”)?

6. And “artisanal” and Big Sur “branding” are already problems themselves. My wife and I have friends in Napa and Sonoma (including her brother and his wife), and as you know, the impacts of perfectly legal vineyards are themselves dramatic and extensive. The full impacts along the Napa and Russian Rivers, for example, are only now beginning to be fully



recognized. Loss of oak grassland (and so loss of predators, too), erosion, fertilizer and pesticide run-off, over-watering and depletion of aquifers.

And Napa and Sonoma aren't wilderness areas per se. A wilderness interface like Big Sur would be damaged even more grievously by commercial agriculture.

Big Sur is a place and a community. Its residential neighborhoods shouldn't be jeopardized and exploited by individuals who want to use the Big Sur "brand" as a "value-added" attempt to raise the price of their own cash-crop.

7. The insinuation that legal commercial marijuana cultivation in a place like "Salinas Valley" would necessarily be limited to "agri-business" is another misleading premise. It's clear where in Monterey County legitimate small-scale and sustainable commercial farms can and do thrive. Parts of Carmel Valley come readily to mind as do places along the Salinas and San Antonio Rivers and the Santa Lucia highlands and other traditional farming and ranching communities. Anywhere zoned and permitted for "boutique" wineries and farming would be fit zones for the application for "collective cannabis cultivation."

And in such openly agricultural zones, county oversight of cannabis farms would be as openly accessible as they are for other legitimate agricultural enterprises. And even the "artisanal" and "branding" advantages someone like Linder is pitching for are already readily available in these existing agricultural zones. One need only think of Santa Lucia highlands pinot noirs or Carmel Valley chardonnays or Earthbound Farms or any other number of legitimate small-scale and sustainable agricultural ventures in existing agricultural zones.

8. There are no good reasons to invade Big Sur residential communities with commercial cannabis cultivation. The current protocol for allowing cultivation for personal use suits Big Sur's backcountry homesteading values perfectly. In Big Sur, commercial enterprises have always been limited to the coastal zone—such as at Notley's Landing, at the limekiln at Mill Creek and Limekiln Creek, and in our current tourist economy. Wilderness values need to be preserved and respected. And equally so—and in direct connection with wilderness values—Big Sur's community

life and local cultural values need to be preserved and respected, too. And not just for Big Sur's own sake, but also because people everywhere need to feel that living such a community life is still possible. Just as Wallace Stegner said that even "the idea of wilderness" is important, so, too, is the "idea of local community" important. Big Sur has been an example of the possibility of both residents and visitors living in right relationship with a wild and beautiful coast. But that relationship is always fragile, and perhaps never more so than now. How mindfully and lovingly we attend to this relationship has never been more important. Thank you for your own thoughtful and attentive efforts – and for your attention to my own thoughts and feelings. Please let me know how I can stay connected with your future work on this and related issues.

Sincerely,

Chris Lorenc  
408.623.4978

## Spencer, Craig x5233

---

**From:** Paula Getzelman [paula@tregattvineyards.com]  
**Sent:** Wednesday, March 09, 2016 1:04 PM  
**To:** Novo, Mike x5192  
**Cc:** Spencer, Craig x5233; Lopez, Christopher M. x5729  
**Subject:** Medical Marijuana Ordinance

Mike,

Just a quick note to thank you and Craig for holding the two public meetings on the subject of Medical Marijuana. I'm seriously disheartened that there weren't more resident participants in either meeting, but rest assured we'll continue to encourage people to pursue education on this subject and will make as much information as possible about the proposed ordinance available through the local communication network. To this end, would someone like to attend the SMCRC meeting on the 16<sup>th</sup> and if not, would your slide-show be available to us? Also, we're holding our annual Town Hall meeting on Thursday, April 7<sup>th</sup>, another educational opportunity.

The proposed ordinance, in my opinion, presents a fair and balanced entry for this new and sometimes perplexing category. Perplexing because contrary to what the growers and their lawyers maintain, there are many potential questions for which solid, definable answers don't currently exist. Throughout the public input process, it seems apparent that a good deal of the available information from the growers/manufacturing contingent is subjective, especially as it relates to the effects of this industry on Monterey County's general public. There appear to be myriad questions without documented, quantifiable answers. Limiting the scope of the growing/manufacturing activities, at least temporarily, will allow for the gathering of thoroughly researched, carefully documented information rather than relying primarily on anecdotal information.

It's not unreasonable to assume the Board of Supervisors will get significant push-back from the growers and their lawyers, and I suspect we can also assume they won't be anxious to limit the potential revenue. To this end, I'm hoping the Planning Department will maintain the current limitations built into the ordinance when they present it to the Planning Commission. In that way there might be a better opportunity to actually achieve an adequate "information-gathering" period.

Cheers,

Paula

## Spencer, Craig x5233

---

**From:** Philip Anderson [phil.a@greencalgrowers.com]  
**Sent:** Monday, February 08, 2016 9:24 PM  
**To:** 112-Clerk of the Board Everyone; "district 1"@co.monterey.ca.us; "district 2"@co.monterey.ca.us; "district 3"@co.monterey.ca.us; "district 4"@co.monterey.ca.us; "district 5"@co.monterey.ca.us; Holm, Carl P. x5103; Novo, Mike x5192; Spencer, Craig x5233; McKee, Charles J; Strimling, Wendy; Lee, Kathleen M. 647-7755; Stratton, Josh Q. x5022; Lopez, Christopher M. x5729  
**Subject:** Monterey County Medical Cannabis Draft Ordinance

To Whom It May Concern,

I am a resident of Prunedale, CA. I am also the executive director of a legal medical cannabis business. I have been a cultivator for 15 years. I have legally cultivated cannabis for this whole time. As a member of the cannabis business community I have long hoped for regulations that will help to legitimize what I am passionate about. Let me start by telling you that I am and have been exclusively an indoor grower. That being said I appreciate the cultivation part of the ordinance in reference to indoor and greenhouse cultivation. I however think that it is a huge mistake to outlaw outdoor gardens. Outdoor cultivation, or sun grown cannabis, is not only hands down more environmentally friendly than indoor cultivation but can provide tons of extra income for the county in addition to indoor and greenhouse cultivation. Outdoor cultivation also allows the cannabis grower to be able to market their cannabis as a product of the local area, and therefore bringing a whole new tourist crowd to the area as does the winery industry. This will only grow with the passage of an adult use initiative.

I would suggest that you rethink the ban on outdoor cultivation. I would recommend that you allow up to 100 sun grown gardens of up to 22,000 square feet in addition to the 100 indoor and mixed light cultivation licenses recommended in the draft ordinance. I would also recommend that you allow new greenhouses to be built for cannabis cultivation up to the end of the year of 2016 in addition to revamping decrepit greenhouses, with perhaps a cap on the number of new greenhouses that could be built for cannabis cultivation. Thanks again for coming up with a very progressive draft ordinance for Monterey County. I believe that it's almost there and look forward to being able to help in anyway I can.

Sincerely,

Philip Anderson  
Green Cal Growers  
530.514.8302  
[phil.a@greencalgrowers](mailto:phil.a@greencalgrowers)

--

Sent with Postbox

## Spencer, Craig x5233

---

**From:** [REDACTED]  
**Sent:** Monday, March 07, 2016 10:04 AM  
**To:** Spencer, Craig x5233  
**Subject:** Pot

Hello Spencer,  
Please keep us anonymous for obvious reasons and know we appreciate the fight

Below are just a couple of frustrating letters I have sent regarding the pot grows. As I read and if I understand the draft cannabis ordinance correctly if passed as written commercial pot grows will no longer be allowed in AG40 zones ? This is truly the part we who love living here in Lockwood are counting on. Please do not give in to this incredible loud and funded lobby me my family and neighbors are counting on this.

Thank you !!

Hello

I have a ranch in Lockwood and have worn myself out venting in detail sending letters, emails and having conversations regarding the pot growers around my ranch. If you have any influence on the process I would just ask one question " how would you like these multi-million dollar illegal grows and the element they bring with them next to you and your family". These growers are not only arrogant but dangerous and I hope nothing serious happens around us. Most people don't have it in their back yards and don't care until it affects them and their property values. I don't know who I am sending this to or your political views but something must be done about at least the illegal business aspect of this or the building and safety code violations. It is absolutely ridiculous watching this as a business owner in this County and state. If something is not fixed soon I am selling or leasing my ranch to pot growers and leaving. I and the entire non pot smoking community will eventually do the same. If you heard some of the old timers anger in this area that have no voice you would understand. They are our parents and grandparents just trying to get to the end and now hippy vans full of jobless dreadlock jackasses are driving the roads 24/7 along with bus loads of labor running millions of dollars of pot down our roads it is time to stand up for us the people that actually vote not the lobby with all the cash what happened to our rights as tax paying citizens.

I do not know who else to forward this to if you have any suggestions or city council contacts I would appreciate that

Any update would be helpful. Now all the confusion has the last minute hoops popping up everywhere on the roads to meet the deadline. They don't care anymore who it offends just take a drive up Argyle Rd in Lockwood it's going to be a great place to raise the kids. They are buying every property with water and power and every property with some possible zoning that may allow them to grow they are confused but have all the money in the world (cash) for them to just invest in all the possibilities (nonprofit multimillion dollar cash pot grows) ?. I would be in jail if I ran my company in this manner. These guys make more cash in 1 year illegally than I do in 20 or more years legally. They have purchased everything on the market for full price or better which is great if you are leaving this area but sucks if you live here. My friend got offered over asking price with cash by an arrogant asshole either connected or just has too much money. When someone gets hurt or killed I wonder if the potential revenue will justify Monterey counties actions or inaction. Tell all the idiots in those meetings we are all going to just sell out or start growing pot because it is a lot easier than running a legitimate business in this State and County. How about allowing it to be grown anywhere including next to every county Representatives house that is in favor of this bullshit. Please let us know where this is headed so we can make a decision. This rant is not directed at you I know you are working hard at this I am just at the end of frustrated.

## Spencer, Craig x5233

---

**From:** Rich Tomlinson [sachsdrive@earthlink.net]  
**Sent:** Thursday, March 17, 2016 1:48 PM  
**To:** Spencer, Craig x5233  
**Subject:** in support of draft marijuana regs as proposed

Dear Mr. Spencer,

I am a South County resident that would like to go on record as supporting the draft ordinance, which addresses my concerns both environmentally and personally. I do not support large, corporate type of farming, of any product.

Thank you for noting my support. I regret that my business makes me unable to attend.

Best regards,

Rich Tomlinson