



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

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March 08, 2018

AGENDA: March 14, 2018

Item: 8

Planning Commission
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

SUBJECT: CONTINUED PUBLIC HEARING REGARDING PROPOSED REGULATIONS FOR A NON-RETAIL COMMERCIAL CANNABIS PROGRAM, CONSISTING OF AMENDMENTS TO SANTA CRUZ COUNTY CODE CHAPTERS 7.128, 13.10, 16.01 AND RELATED AMENDMENTS TO THE GENERAL PLAN / LOCAL COASTAL PROGRAM, FOR CANNABIS LICENSING AND LAND USE REGULATIONS FOR CANNABIS CULTIVATION, MANUFACTURING AND DISTRIBUTION ACTIVITIES

INTRODUCTION

This matter was considered by the Planning Commission at a public hearing held on February 28, 2018. At that meeting Commissioners raised several issues and voted to continue the public hearing in order to more thoroughly review the large packet and to receive additional information and/or clarification from staff.

This report includes information about issues raised by the Planning Commission, as well as about options that have come up in public discussion.

PARCEL ELIGIBILITY FOR NON-RETAIL COMMERCIAL CANNABIS BUSINESSES

Basic Site Eligibility- Zoning and Parcel Size

A number of questions were posed regarding the number of parcels countywide that are eligible for cannabis cultivation and associated manufacturing or distribution license types under the current proposal, and how various land use restrictions might impact that number. Maps, provided in Attachment 1, have been prepared by staff to show the geographical distribution of parcels meeting basic eligibility (through meeting minimum parcel size requirements) as currently proposed.

Given proposed SCCC 13.10 zoning ordinance amendments, parcels that meet basic zoning and minimum parcel size requirements located outside of the Coastal Zone plus 1 mile buffer involving the CA, A, RA, SU

and TP zone districts, and which are potentially eligible, are as follows:

CA over 1 acre: 892 parcels or 61% of all CA parcels

A over 10 acres: 246 parcels or 17% of all A zoned parcels

RA over 5 acres: 1,171 or 13% of all RA zoned parcels

SU over 5 acres (combined R and A GP designations): 1,988 or 30% of all SU zoned parcels

TP over 5 acres: 640 parcels or 65% of all TP zoned parcels

Detailed Site Review Requirements and License and Permit Processing

It is important to factor in that once an initial assessment of site eligibility based on zoning and parcel size is complete, additional parcel analysis will ensue. Once siting and site design requirements are applied as per the proposed ordinances and the Best Management and Operational Plan requirements (BMOP), and the site design restrictions such as riparian and residential setbacks, topography, grading limits, requirements to avoid sensitive habitat, water availability, cultivation history and fire code restrictions, would further reduce the number of eligible sites. It is also worth noting that special restrictions for the TP zone district currently proposed in SCCC 13.10.650.9(b) significantly reduce the quantity of TP parcels that would ultimately be eligible for permit and license consideration.

Beyond basic site assessments, detailed application requirements coupled with CEQA review (California Environmental Quality Act) will be required for all applications for cannabis business licenses and associated land use / environmental permits. Other counties, including Mendocino and Humboldt, have noted that while licensing and permitting processes have been open to the cannabis industry for many months, the level of application activity and of issuance of permits and licenses has been very limited.

Special Use (SU) Zoning and General Plan Designation

Staff would like to clarify questions pertaining to the SU zone district and General Plan designations, which have been a source of some confusion. Because of the implications, a discussion is prudent before the Commission finalizes its recommendations to the Board of Supervisors.

The first proposed cannabis ordinances that were evaluated in the Draft Environmental Impact Report (DEIR), included a "Class SU" license type governing cannabis business activities on SU-zoned parcels. The revised ordinances currently under consideration no longer include an SU license. In short, when the County shifted the CEQA approach from programmatic to site-specific environmental review, it was necessary to address the fact that there is not a specific zoning district use chart for SU zoned parcels. To fit SU parcels within the proposed scheme, the decision was made to eliminate the SU license type and instead provide that SU-zoned license parcels would be eligible for use with a Class A license, as long as the SU parcel had a General Plan land use designation of Agricultural or Residential. One of the impacts of this change was that it raised the canopy limits on SU-zoned parcels as compared to the earlier approach.

During its February 5, 2018 Special Meeting regarding the contemplated Cannabis Program, the Board of Supervisors discussed the Class SU zone district and directed staff to 1) return the canopy limits on SU-zoned parcels to what it was in previous versions of the proposed ordinance, and 2) remove SU parcels with any Residential General Plan designation (e.g. Mountain Residential, Rural Residential, etc.) from license eligibility. Accordingly, the currently proposed ordinance allows that only SU parcels with a General Plan designation of Agriculture are eligible for a license. Thus, under the proposed scheme, eligible SU-zoned parcels would be licenses with an "RA" license type.

Under this approach, a large number of SU parcels that previously could have been eligible would not be. Therefore, it seems prudent, in order to forward a clear recommendation to the Board on this topic, to review the implications of removing SU parcels with a Residential General Plan designation from eligibility.

Implications

Eliminating all SU parcels of 5+ acres which have a Residential General Plan designation and are located outside of the Coastal Zone + 1 mile buffer, would remove approximately 1,967 parcels, out of 6,520 total SU parcels, from eligibility for cultivation licenses (Maps: Attachment 1). This represents a reduction of 25-30% of all SU parcels that had been determined potentially eligible by the Draft EIR. Of the 62 sites for which Cannabis Licensing staff have either received applications for or have completed Pre-Licensing Inspections (PLI), approximately 18 (28%) are in the SU/Residential General Plan designation category. The average parcel size of the SU/Residential General Plan properties processed to date is 22 acres.

Restricting cannabis cultivation to only SU zoned parcels, located outside the Coastal Zone plus 1 Mile buffer area with an Agricultural General Plan designation, leaves 21 total parcels that may meet basic eligibility.

Alternatives

Rather than eliminating the SU/Residential General Plan parcels from potential eligibility, the minimum parcel size could be increased, such as to 8 or 10 acres, which could allow for greater setbacks and protection to surrounding properties. Additional restrictions or conditions of approval could potentially be placed on these types of parcels under a larger-parcel approach, such as requiring greater setbacks to nearby residential structures (e.g. 500 feet rather than the current 200 feet), mandating availability of a 24-hour emergency contact person, or other similar measures.

Timber Production (TP) Zone Districts

Under the current draft proposal, cultivation and other licensed cannabis business activity incidental to cultivation, such as certain classes of manufacture and distribution, may be proposed on eligible TP-zoned land that has been under cannabis cultivation since January 2013 or is characterized by a pre-existing legal commercial use. Questions arose as to the number of such potentially eligible sites. Complete mapping of cannabis cultivation sites across the County proves difficult due to the historically illicit nature of the industry and the variable settings within which cannabis has been cultivated and processed. Further, lack of a readily available inventory of commercial business activities that may be occurring across the County limits staff's ability to quantify these sites that may occur on TP land (the County has no general business license requirement). Because staff cannot provide reliable detail on the overall number of sites that have pre-existing cannabis or other commercial business activities on TP zoned cannabis business activities, the data is not available. However, of the 60 sites that have thus far undergone a pre-licensing inspection, four are zoned TP, with an average parcel size of 38 acres.

Again, considerable restrictions have been proposed in the draft ordinances, and the associated Best Management and Operational Practices (BMOP) will limit the amount of possible grading and site disturbance that may accompany licensed cannabis business activity on eligible parcels. Due to the remote nature of many TP zoned sites, it is clear that far fewer than the 640 TP parcels located outside the Coastal Zone plus one mile buffer would be feasible to support cannabis business development.

Residential Agriculture (RA) Zone Districts

A question was asked regarding the effect of raising the minimum parcel size for RA-zoned parcels from the currently proposed 5 acres to 10 acres. Currently there are 1,171 parcels outside of the Coastal Zone plus 1 mile buffer that meet the 5 acre minimum parcel size. If a 10 acre minimum parcel size were applied, the number of eligible parcels would be reduced to 391, a 67% reduction in parcels able to meet basic eligibility requirements. For reference, of the total 62 pre-licensing inspections that have been conducted thus far, 8 parcels were located in the RA zone district. The acreage sizes of these 8 parcels are: 22, 22, 21, 8.5, 8, 6.5, 5.8 and 4 acres. Staff is aware of many existing cultivations sites on RA parcels of less than 5 acres, as well as less than 10 acres.

An additional question was raised about the treatment of the RA zone district or its equivalent in other counties of California as it pertains to cannabis businesses. Comparable counties that have a historically active cannabis industry such as Mendocino and Humboldt counties allow RA-5 acre minimum commercial cultivation with similar canopy limits to our proposed ordinances.

Another approach to further restrict eligibility of RA sites, other than increasing parcel size to 8, 10 or some other acreage, could be to further increase setbacks to adjacent residential structures. Note that the currently proposed canopy limits on RA parcels is 1.25% / up to 5,100 sq. ft. on parcels between five and ten acres, and 1.25% / up to 10,000 sq. ft. on parcels larger than ten acres.

Geographic Information System (GIS) Parcel Analysis

A summary of GIS analysis prepared by County staff is provided below; maps are provided by Attachment 1.

1. All RA (8,904 parcels)
2. All RA 5 acres or more (1,519 parcels)
3. All RA 10 acres or more (512 parcels)
4. All TP outside Coastal zone plus 1 mile greater than 5 acres (640 parcels)
5. All CA over 1 acre including in the coastal zone plus 1 mile (1,269 parcels)
6. All CA over 1 acre excluding those in coastal zone plus 1 mile (892 parcels)
7. All A (1,442 parcels)
8. All A over 10 acres (305 parcels)
9. All SU with underlying Residential outside coastal zone plus one mile greater than 5 acres (1,967 parcels)
10. All SU with underlying Residential outside coastal zone plus one mile greater than 10 acres (1,157 parcels)
11. All SU with underlying Agriculture outside coastal zone plus one mile greater than 5 acres (21 parcels)
12. All SU with underlying Agriculture outside coastal zone plus one mile greater than 10 acres (15 parcels)

Attachment 4 presents information about existing active and inactive quarries in Santa Cruz County.

“PILOT PROGRAM”

While this report does not propose a specific “pilot program”, the idea for such was brought up at the February 28th Planning Commission meeting. In a sense, the existing “Pre-License Inspection” registrant data, comprised of cultivators who have most actively engaged with the County in pursuit of near-term

temporary authorization by the State, provide a type of pilot program. Attachment 5 presents data for each of these sites, in terms of zoning, general plan and parcel acreage.

STATE AND LOCAL ORDINANCE ALIGNMENT

At the February 28, 2018 hearing, some members of the public suggested that the County's ordinance should sync with the State's ordinance with regard to definition of "nurseries" and "mixed light greenhouses", and the Planning Commission requested additional information about these matters. Additionally, the Planning Commission expressed interest in approaches that would more strongly incentivize use of existing greenhouses on CA commercial agricultural sites.

Nursery Stock

The State cannabis regulatory requirements differ substantially from those enacted by local jurisdictions in how licenses are categorized, in application requirements applied, and in how regulations are implemented. These differences are necessary in that local ordinances address land use issues such as zoning, parcel sizes, and neighborhood compatibility, which reflect unique local policy goals. In contrast, the State is principally focused on regulating cannabis from the standpoint of track-and-trace (seed-to-sale monitoring of cannabis product), taxation, and ensuring food product safety.

While the State does not count nursery stock toward the canopy limits it sets (e.g. when a plant is not flowering, it is considered immature, including such life stages as seedlings, starts, etc.), the proposed County draft ordinances do not exempt nursery stock from canopy limits. Reasons include a regulatory goal of limiting the amount of space on a parcel that is used for cannabis cultivation, as well as regulatory difficulties associated with determinations and tracking of when a plant has moved from an immature to a mature life stage as defined by "flowering".

The currently proposed regulations attempt to somewhat accommodate a greater allowance for immature nursery stock by allowing vertical stacking of immature cannabis plants to provide additional canopy area without penalty. This was incorporated to allow growers some additional space to accommodate the nursery activities that are subordinate to the principal activity of growing flowering plants.

One additional option to better accommodate immature plants in the existing Commercial Agricultural areas of the County, which was suggested during the public hearing, was to lower the acreage requirement applicable to CA parcels with existing greenhouses, from 20 acres to 10 acres, for eligibility for canopy limits to be set by the Cannabis Licensing Official.

Mixed Light Greenhouses

The reason that the County is not proposing to match the State and provide a distinct regulatory framework for "mixed light greenhouses" is that these type of structures are subject to the same zoning and building code requirements as "indoor" structures, and also that canopy limits are generally not proposed to change based on whether a grow is outdoor, traditional hoop house, mixed light greenhouse or other improved agricultural structure. Again, the State has different regulatory objectives from the County, and given the nature of the electrical and other improvements made to greenhouses that grow cannabis there is no apparent reason to distinguish. Rather than change definitions, the objective of some growers would be better met by altering canopy size limitations such as through the above-described lowering from 20 to 10 acres for existing greenhouses in CA.

OTHER ISSUES

Setback Clarification

The Commission raised concerns about how setbacks from cultivation sites are measured; specifically the 200-foot setback from cultivation sites to adjacent habitable structures. Under the proposed rules, the setback is measured from the boundary of the grow area to any habitable structure on an *adjacent parcel*. The setback requirement does not prevent or restrict a neighboring parcel owner from constructing a new habitable structure in the future, even if the proposed structure is located within 200 feet from the neighboring cultivation area.

Fire Requirements

Many concerns were voiced about the potential fire hazards associated with commercial cannabis businesses. In order to provide guidance for how to regulate these operations, the Fire Chiefs Association of Santa Cruz County published *Guidelines to Fire Code Requirements for Cannabis Related Business Operations within Santa Cruz County* (Attachment 2). The document states that cannabis operations are regulated under the "F-1" (Factory Industrial – Moderate Hazard) occupancy classification, which *may* require access road widths of up to 20-feet and water storage requirements of up to 120,000 gallons. While these road and water storage standards may not necessarily be applied to every potential licensee, it is worth noting that the imposition of the "F-1" occupancy classification on cannabis businesses will likely remove a number of potential rural sites from license eligibility.

Manufacturing

Concerns were raised about the eligibility of residential properties to be licensed for manufacturing operations. As proposed volatile extraction is not permitted in any residentially-zoned parcels. However, non-volatile and infusion manufacture may be allowed on RA-zoned parcels with a Level 5 review process (public notice and hearing) and subject to other limitations. The state recognizes this activity under its "cottage" license type.

In order to minimize the impacts of traffic in RA zone districts, the proposed amendments to Section 13.10.322(B) (Residential Use Chart) limit the number of employees allowed for manufacturing uses in the RA zone district (no more than five, with Zoning Administrator approval). For clarity, further language may be added in proposed section 13.10.650 to explicitly state the employee limitation for RA parcels.

Concerns were also raised about proposed language in proposed section 13.10.650 (added at the direction of the Board) to allow stand-alone manufacturing in the C-2 zone (normally allowed only in conjunction with a licensed dispensary) upon certain findings. Additional language may be added to address the types of site-specific conditions that would justify the required findings, including the location, surrounding zoning, size and/ or orientation of the parcel and physical features such as grade or other physical separation from surrounding uses.

BEST MANAGEMENT AND OPERATIONAL PRACTICES PLAN (BMOP)

Board Adoption

Several commissioners asked that the BMOP be included in the ordinance or adopted by the Board. Staff agrees and proposes that the BMOP be adopted by the Board, by resolution. Further, in order to provide

staff with the ability to make modest changes to the BMOP in the future as new information emerges, staff would propose that any changes be first approved by the Cannabis Licensing Manager and Planning Director, and then presented to the Board of Supervisors for approval.

Water Supply for Cannabis Cultivation

Water supply for cannabis cultivation may come from a variety of sources, subject to a number of restrictions to minimize adverse impacts:

Surface Water: Surface water may be supplied by a pond, stream or spring which flows off the property. Surface water use is subject to regulation by the State Water Resources Control Board (SWRCB), pursuant to several regulatory programs and compiled in the SWRCB Cannabis Cultivation Policy. Regardless of whether or not a cultivator already has a legitimate right to use surface water, commercial cannabis cultivation will be subject to the following requirements:

- The cultivator must have or obtain a legitimate right to divert and store water.
- No surface diversion will be allowed from April through October (the forbearance period).
- During November through March, diversions may only occur when flows at downstream gages exceed specified instream flow requirements. These amounts appear to approximate the median monthly flows, and thus diversion could only occur 50% of the time, and potentially not at all during years with less than normal rainfall.
- An existing riparian right does not allow diversion to storage and a cultivator would need to secure a permit through the Small Irrigation User Registration program or the appropriate water right process.
- Water rights in the Soquel Creek Watershed were adjudicated by the Superior Court in 1977. Any surface water user in that watershed must have an existing valid water right specifically recognized in that adjudication. It is possible, but not likely that a right could be obtained by petitioning the court. Any existing right would still be subject to the forbearance period for diversion for cannabis cultivation.

Groundwater: There are presently no State restrictions on groundwater use for cannabis cultivation, although the SWRCB policy indicates that regulations may be developed if it is determined that groundwater extractions for cannabis are having a significant cumulative impact on instream flows. Groundwater use is subject to local requirements for well construction and any requirements that will be developed pursuant to the Sustainable Groundwater Management Act of 2014 (SGMA). The requirements and standards for well permits are contained in Chapter 7.70 of the Santa Cruz County Code. Most well permits are ministerial and the code contains provisions to ensure that wells are constructed according to technical standards needed to protect water quality. There are no specific requirements regarding over-drafted basins, proximity to other wells, sensitive habitat, metering or restrictions on volume of use. There are however requirements to ensure that the water is put to beneficial use and not wasted, particularly for agricultural uses and other uses that would be expected to use more than 2 acre-feet per year.

The SGMA requires development of a groundwater sustainability plan and empowers the implementing groundwater sustainability agency to monitor and restrict groundwater use as needed to ensure that adverse impacts do not occur. State law also requires the Planning Department to consider adoption of, or update to, a groundwater sustainability plan or groundwater management plan prior to the Board's adoption of a substantial General Plan amendment (groundwater management plans are currently in development and are required to be completed by 2020 or 2022, depending on the state of the applicable basin). However, SGMA does not allow for any modification or limitation of groundwater extraction rights.

It is anticipated that future regulation will follow the example of the Pajaro Valley Water Management Agency, which does not regulate water use, but requires metering of wells using more than 10 acre-feet per year, and charges all groundwater users \$217-282 per acre-foot of water pumped. These charges pay for development of supplemental supplies and other measures to eliminate groundwater overdraft. Besides the Pajaro Valley, other areas of Santa Cruz County subject to SGMA are the Mid-County Groundwater Basin and the Santa Margarita Groundwater Basin. Plans for those areas are not expected to go into effect until 2020 and 2022, respectively.

Other Potential Water Sources: Cannabis cultivation could potentially be supplied by a connection to a municipal system or small public water system. Hauled water is presently not allowed except for the case of an emergency and for the initial filling of water tanks. Rainwater collection and storage is also encouraged and BMOPS will reflect that practice.

Water Use Efficiency: Regardless of the water source, County requirements provide for maximum water use efficiency to minimize the amount of water used for cannabis cultivation.

Pesticide Use

While it is unclear to what extent pesticides are used by cannabis cultivators in Santa Cruz County, there are significant concerns regarding the use of pesticides, which could be harmful to waterways and wildlife. It is important to note that pursuant to the Food & Agricultural Code section 11501.1 and guidance delivered by the California Department of Pesticide Regulation (DPR), local jurisdictions may not prohibit or explicitly restrict the use of rodenticides (or any pesticides) for cannabis cultivation. Therefore no restrictions have been proposed that would conflict with State law. Per communications with the DPR, the DPR and the County Agricultural Commissioners (CAC's) have increasingly engaged with cannabis cultivators and once the State CalCannabis program begins licensing cultivation sites, DPR has instructed CAC's to provide compliance assistance, perform inspections, and enforce pesticide use violations against licensed cannabis cultivators. Further, the DPR has stated that due to human health and environmental concerns, they have directed CAC's not to issue restricted material permits to cannabis cultivators. As such, permits for the use of any restricted materials for agricultural use-including all second-generation anticoagulant rodenticides (SGARs)-will not be issued to any cannabis cultivators. Further, SGARs only registered for structural use, cannot be used outdoors to protect crops. The unpermitted possession or use of restricted materials is a violation of California law that will be enforced by the CAC's. Any federal restricted use rodenticide that is allowed to be used for cannabis cultivation must be applied by a certified applicator. Rodenticides of course must be used consistent with the registered labeling. Because cannabis is illegal federally, there are no pesticides registered for use on or around cannabis. This becomes a bar to use in most cases; particularly with labels allowing field uses, which often specify the commodity being grown in the field where the bait would be placed.

Notwithstanding state and/or federal preemption, in an effort to ensure wildlife is protected, the BMOP requires all cannabis cultivators to prepare a "Herbivory Prevention Plan" in consultation with a County-approved biologist to prevent the consumption of live cannabis plants by animals like rodents or deer. This plan includes a list of preventative and proactive measures growers shall employ to limit potential impacts to crops by wildlife due to potential herbivory. Like all elements of the BMOP, the Herbivory Plan is subject to review, approval, and inspection by staff. By following the Herbivory Prevention Plan it is anticipated that growers will have little need for chemicals that may include rodenticides.

Odor control

The BMOP requires submittal of an odor abatement plan commensurate with the proposed operations. Elements include the requirement that the applicant provide a description of all equipment and methods to be used for reducing odors. A Professional Engineer or a Certified Industrial Hygienist must review and certify that the equipment and methods to be used for reducing odors are consistent with accepted and available industry-specific best control technologies and methods designed to mitigate odor. Any cannabis business found to be a nuisance will be cited. The third violation may result in license revocation and ineligibility for future license issuance.

Private Roads

The BMOP requires all cannabis businesses to join any existing Road Association and to pay the County Transportation Improvement Assessment fees. Specifically, where cannabis related sites are located outside of an existing CSA, but within a rural road maintenance association, the County Licensing Official, in coordination with the County Department of Public Works, Transportation Division, shall require proof of registrant participation in the rural road maintenance association, if applicable, to ensure the safe access and compatibility of proposed operations, prior to issuance of a license to cultivate cannabis.

Enforcement

Many comments were received concerning the “No duty to enforce” language included in the proposed version of SCCC 7.128. This provision was included in order to provide staff with the ability to prioritize code violations and to make decisions about the most prudent way to allocate staffing and other resources. In order to provide assurances to all community members that the Cannabis Licensing team is committed to robust enforcement and neighborhood protection, additional language may be included in the provision in order to clarify the intent and limitations of this provision.

CEQA

General Plan / Local Coastal Program Amendments

California Business and Professions Code section 26055, subsection (h) states: “Division 13 (commencing with Section 21000) of the Public Resources Code does not apply to the adoption of an ordinance, rule, or regulation by a local jurisdiction that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity. To qualify for this exemption, the discretionary review in any such law, ordinance, rule, or regulation shall include any applicable environmental review pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code.” The proposed ordinances and General Plan amendments are subject to this exemption because, in addition to placing limits on the scope, scale and location of the cannabis activities that may be approved, they require discretionary approvals for all cannabis activities, and such discretionary approvals are subject to CEQA.

Minor modifications have been made to the proposed General Plan / Local Coastal Program amendments (Attachment 3) and NOE to make even more clear that CEQA applies to discretionary permits for cannabis uses.

Categorical Exemptions and Cumulative Impacts Analysis

The Commission also raised questions about the level of review that may be required for future project applications, and about the analysis of cumulative impacts of future projects. All non-retail commercial cannabis land use permits and licenses are discretionary, and, as noted above, all such discretionary approvals are subject to CEQA review. However, CEQA does not require an Environmental Impact Report (EIR) for every discretionary project, and certain projects may be exempt under State law or the CEQA Guidelines, or there may be no substantial evidence that the project may have a significant effect on the environment over and above the “baseline” of existing physical conditions. In these cases, CEQA provides that a determination of exemption or a Negative Declaration (or Mitigated Negative Declaration) may be prepared to meet CEQA requirements. If there is substantial evidence that the project may have a significant effect on the environment, an EIR may be required.

It is not possible to definitively state which or how many projects will require an EIR; however, it is reasonable to assume that some projects will be exempt and some will be eligible for a Negative Declaration or MND. Categorical exemptions are available for projects such as development of a single family home or small commercial structure, which could cover some proposed cannabis-related development. However, CEQA requires an analysis of a project’s “cumulative impacts”, and excludes from certain categorical exemptions projects whose impacts are “cumulatively considerable.” A project’s incremental impact may be individually limited but cumulatively considerable when viewed together with the environmental impacts from past, present, and probable future projects. Thus, cumulative impacts of successive cannabis projects will be considered at the time of analysis of each project.

Cumulative impacts analysis conducted as part of project-level environmental review provides a more concrete picture of the incremental contribution of projects to the overall impacts of cannabis activities because it is based on actual existing activity as well as probable future projects (generally, projects for which an application has been submitted), rather than theoretical “guesstimates” of projects that may or may not ever occur. It also allows the County to deny projects at the point where cumulative impacts of successive projects actually become significant.

CONCLUSION

The proposed program to regulate cannabis cultivation, manufacture and distribution includes new and amended portions of the General Plan/LCP, new and amended County ordinances, requirements for best operation and management practices, and enforcement. Taken together these elements form a program that, consistent with State law, allows commercial cannabis activity in some locations while protecting neighborhoods, the environment, and public health and safety. The process has been informed by public input, feedback from public agencies, and preparation of a draft Environmental Impact Report.

Staff acknowledges that the proposed regulations are complex, and can be particularly challenging to absorb and understand. Staff from the Cannabis Licensing Office and the Planning Department will be available to explain and answer questions about the regulations.

It is anticipated that public workshops will be held to offer further guidance to industry representatives as well as community members.

RECOMMENDATION

It is recommended that the Planning Commission:

1. Adopt the Resolution included as "Exhibit A" to the original staff report for the February 28th public hearing, recommending approval of the Revised Program to the Board of Supervisors.
2. Recommend filing of the CEQA Notice of Exemption (attached to the original staff report as Exhibit G) with the Clerk of the Board.

Attachments:

1. Zoning Maps
2. *Guidelines to Fire Code Requirements for Cannabis Related Businesses Operations Within Santa Cruz County*, prepared by Fire Chiefs Association of Santa Cruz County, dated August 15, 2017
3. Proposed General Plan / Local Coastal Program Amendments, as revised
4. Quarry Site Information
5. Pre-Licensing Inspection (PLI) Site Information

Attachments

Commercial Agriculture (CA) Zoning

Parcels with CA Zoning: 1,459

Legend



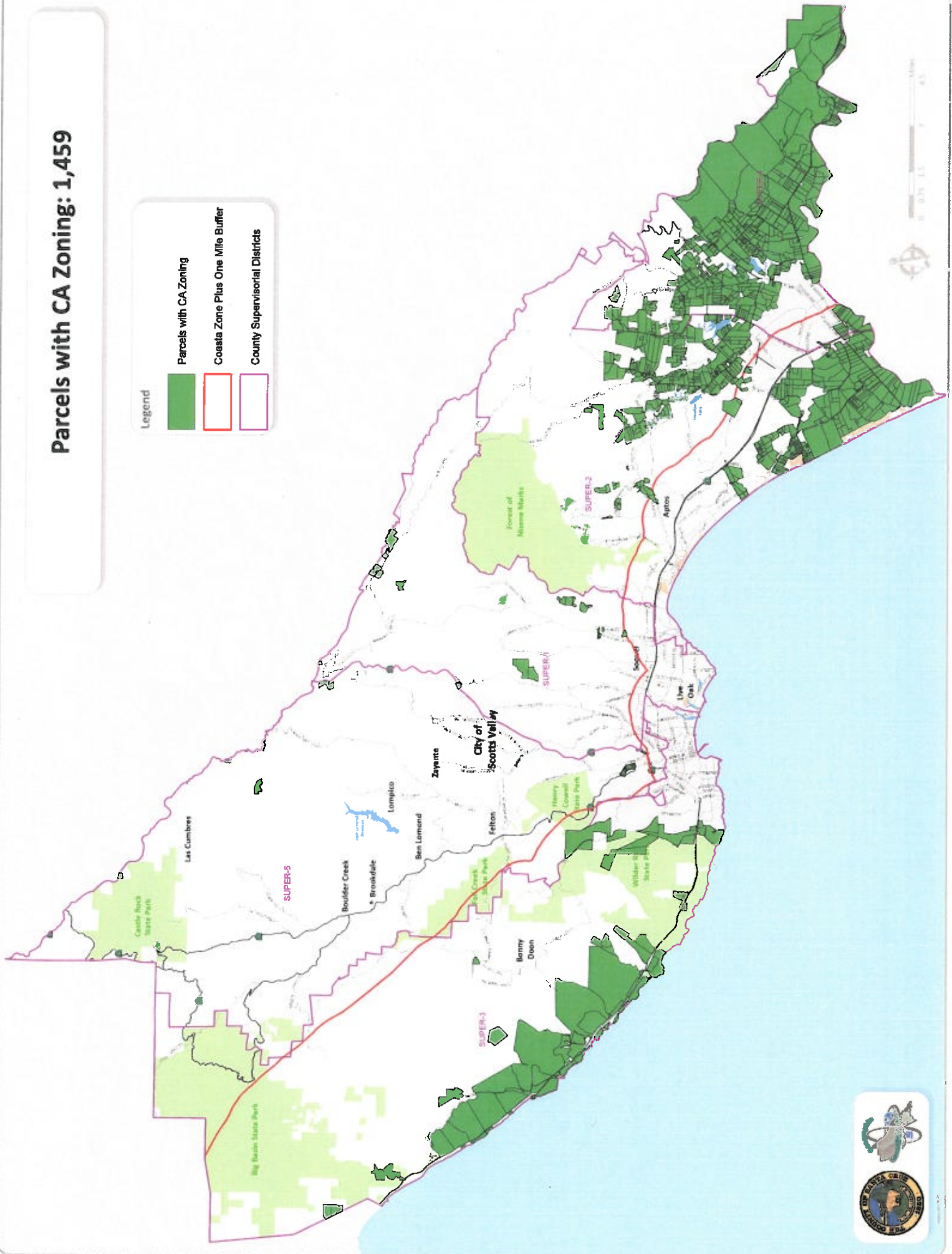
Parcels with CA Zoning



Coast Zone Plus One Mile Buffer




County Supervisorial Districts




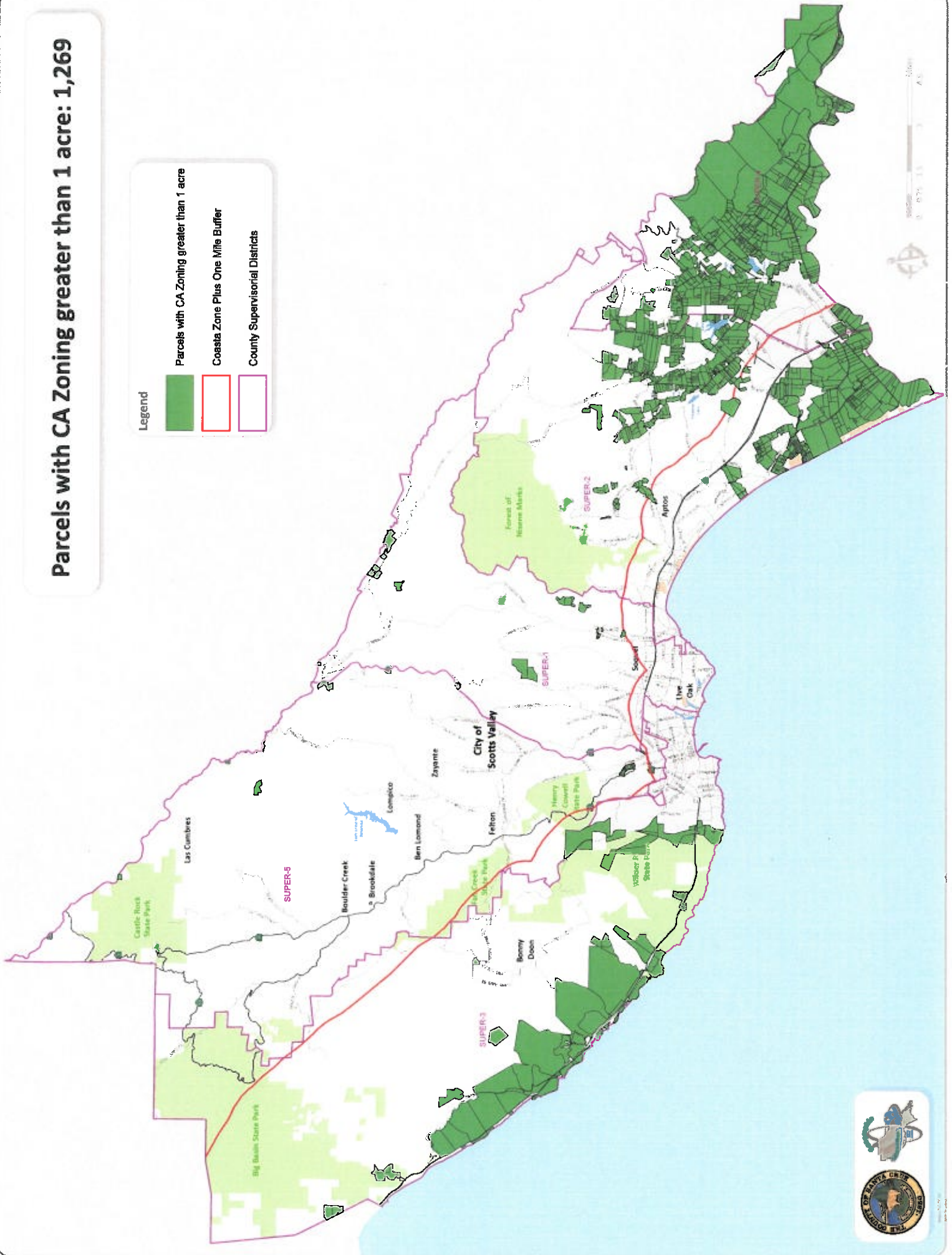
Parcels with CA Zoning greater than 1 acre: 1,269

Legend

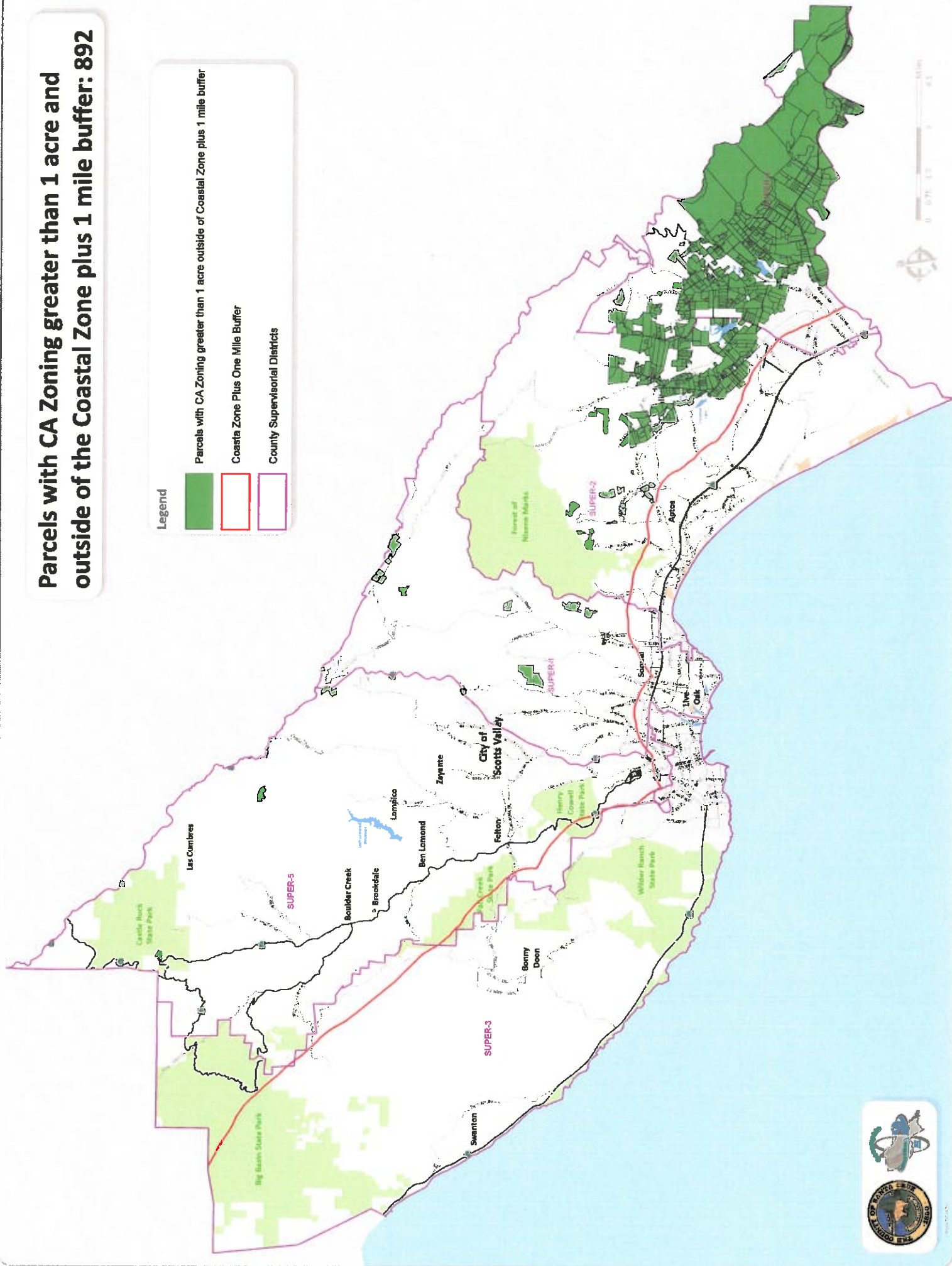
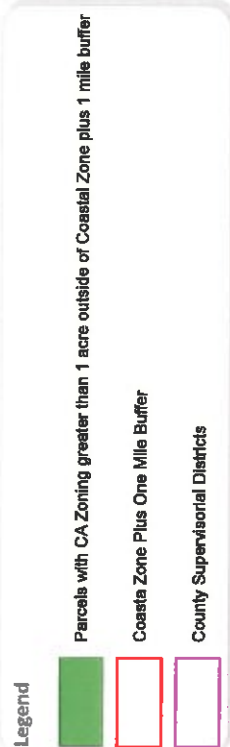
 Parcels with CA Zoning greater than 1 acre

 Coasta Zone Plus One Mile Buffer

 County Supervisorial Districts

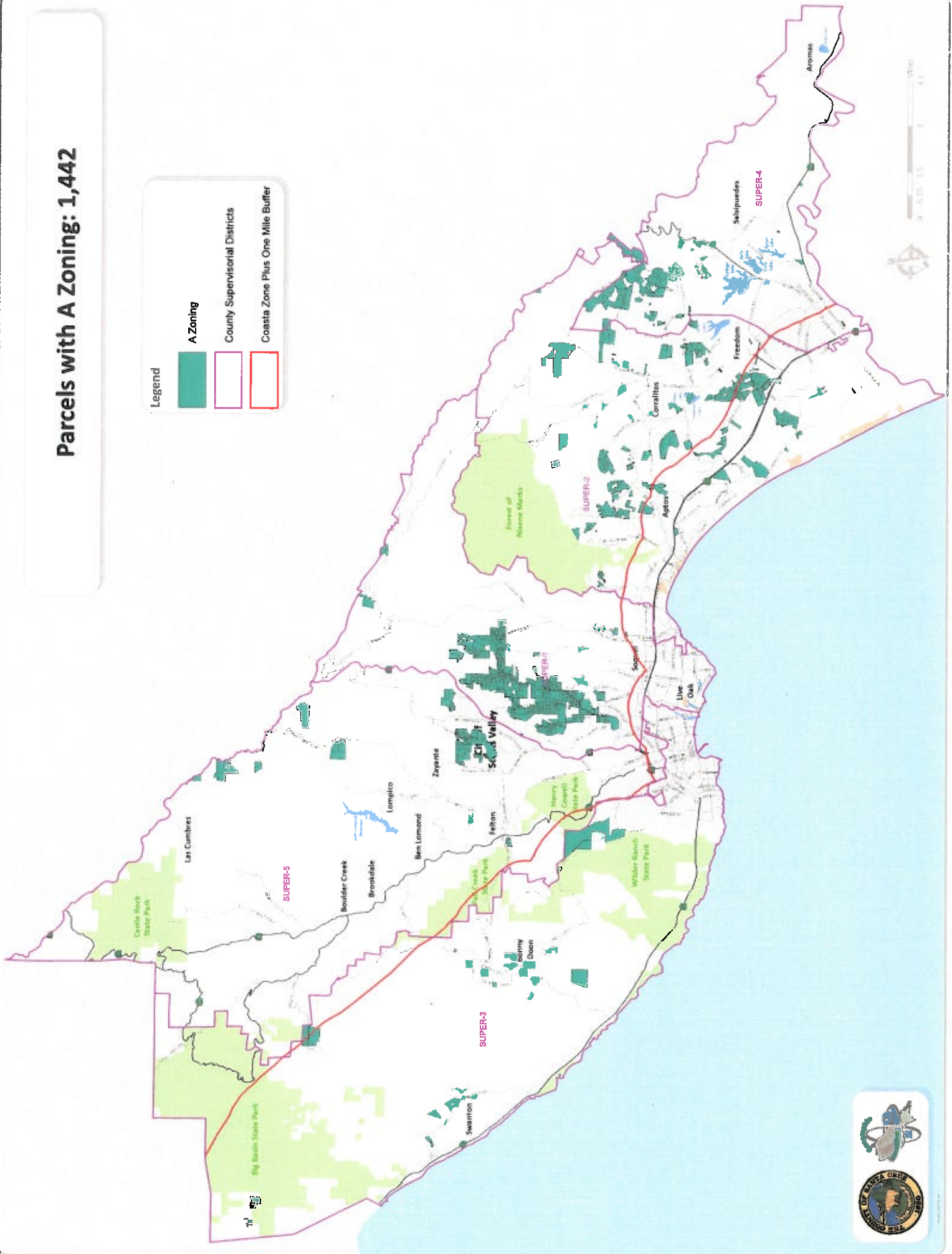


Parcels with CA Zoning greater than 1 acre and outside of the Coastal Zone plus 1 mile buffer: 892

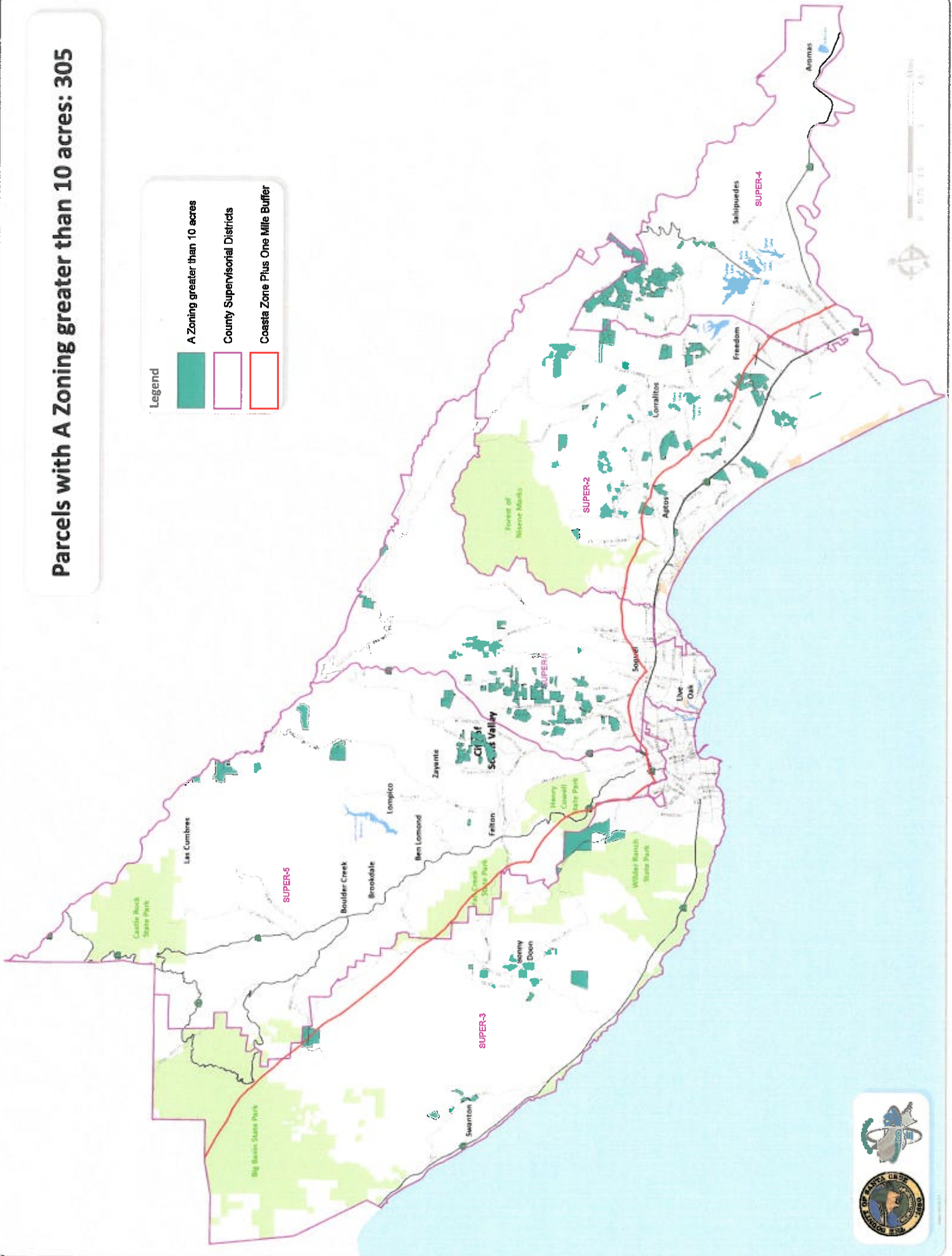
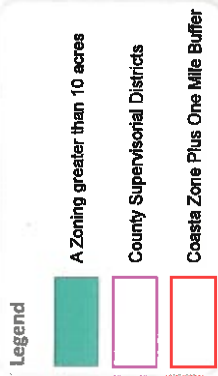


Agriculture (A) Zoning

Parcels with A Zoning: 1,442



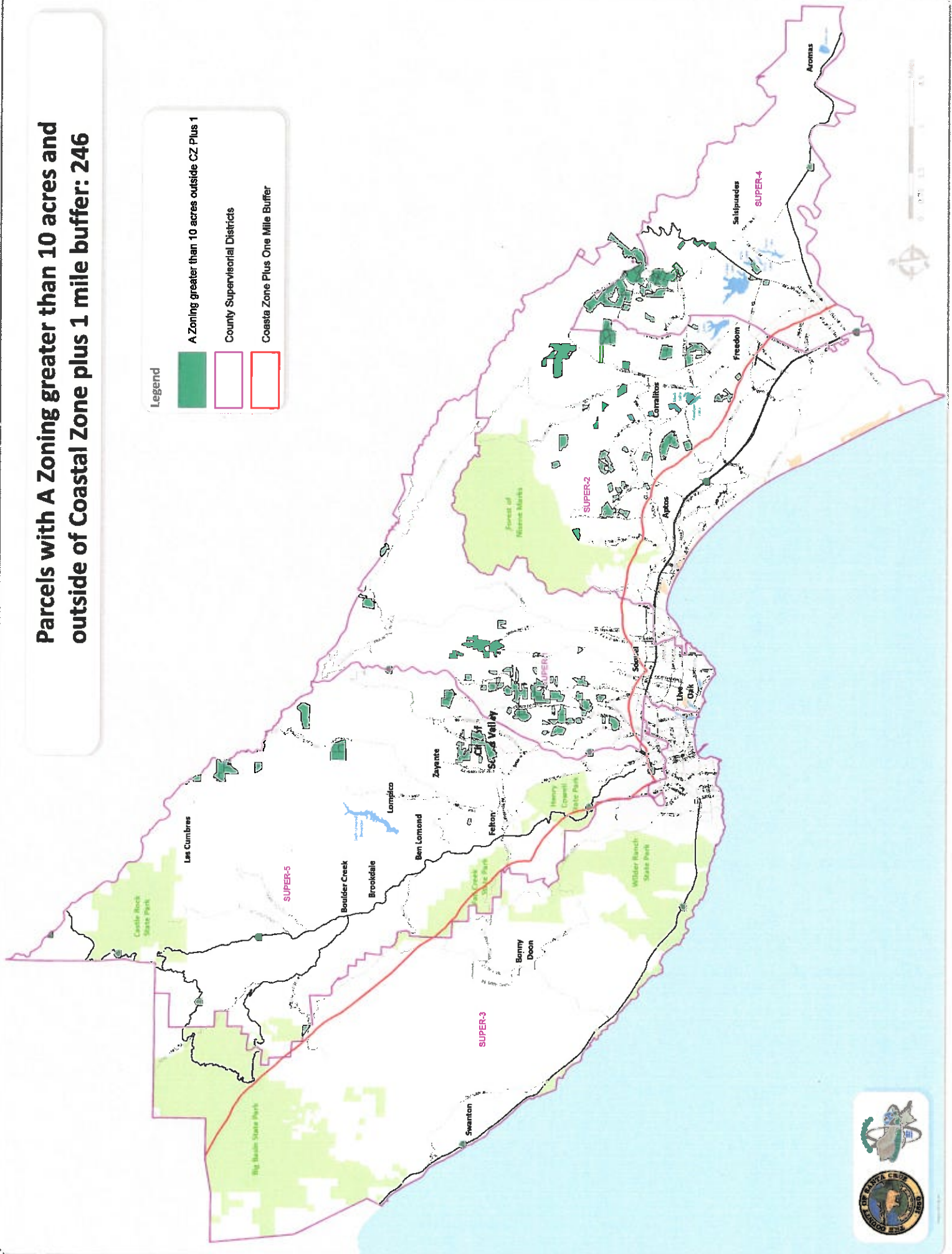
Parcels with A Zoning greater than 10 acres: 305



Parcels with A Zoning greater than 10 acres and outside of Coastal Zone plus 1 mile buffer: 246

Legend

- A Zoning greater than 10 acres outside CZ Plus 1
- County Supervisorial Districts
- Coastal Zone Plus One Mile Buffer



Residential Agriculture (RA) Zoning

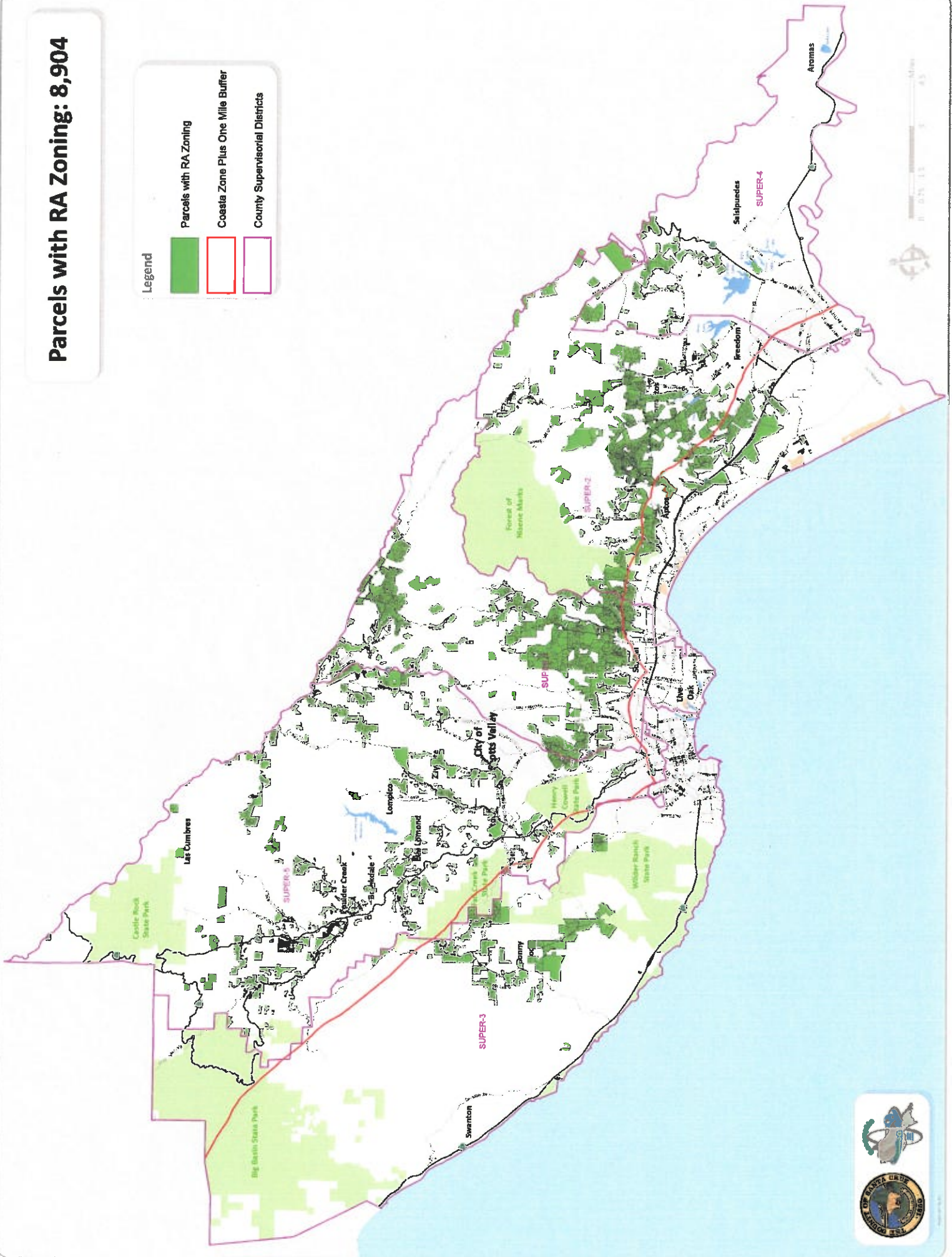
Parcels with RA Zoning: 8,904

Legend

Parcels with RA Zoning

Coastal Zone Plus One Mile Buffer

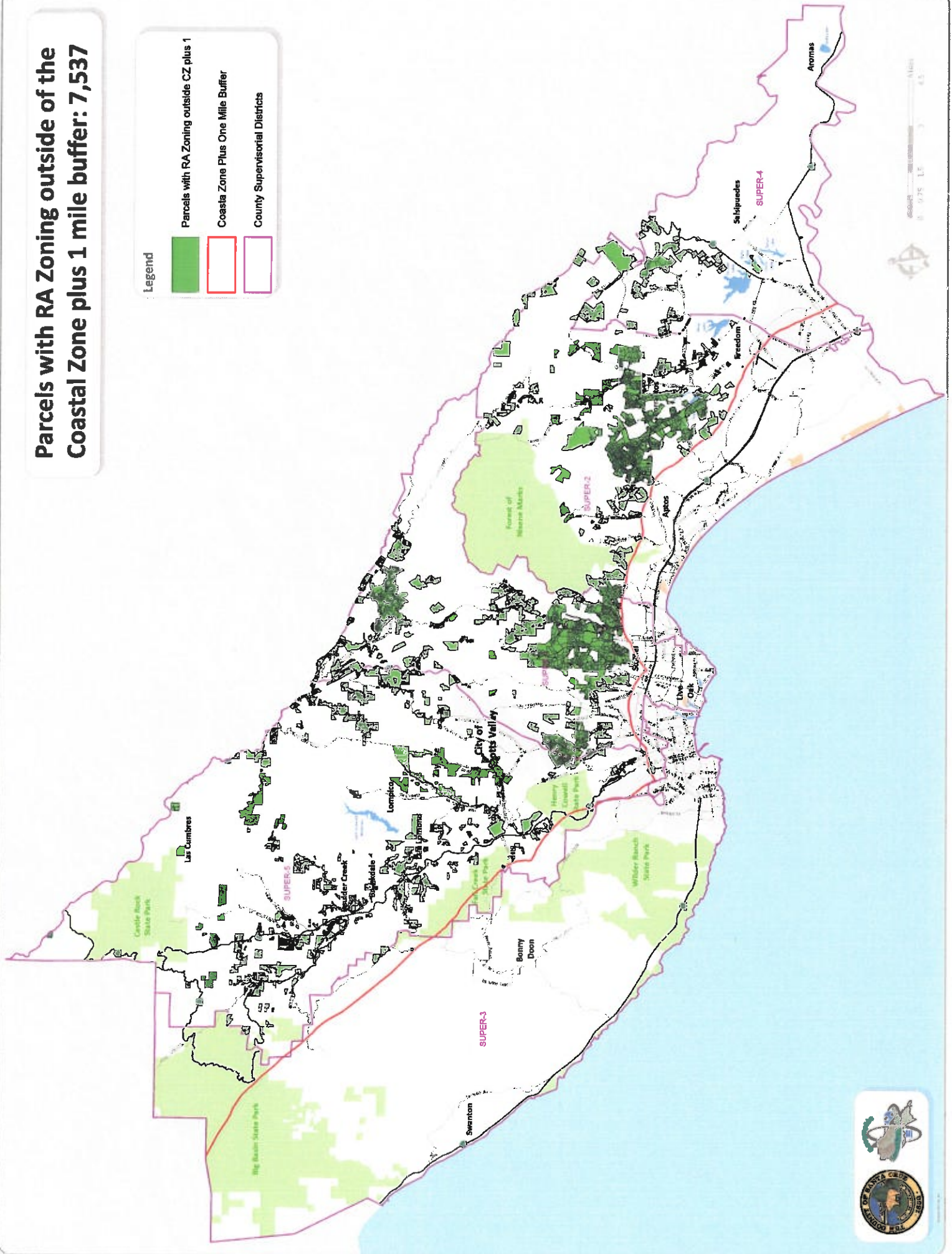
County Supervisorial Districts



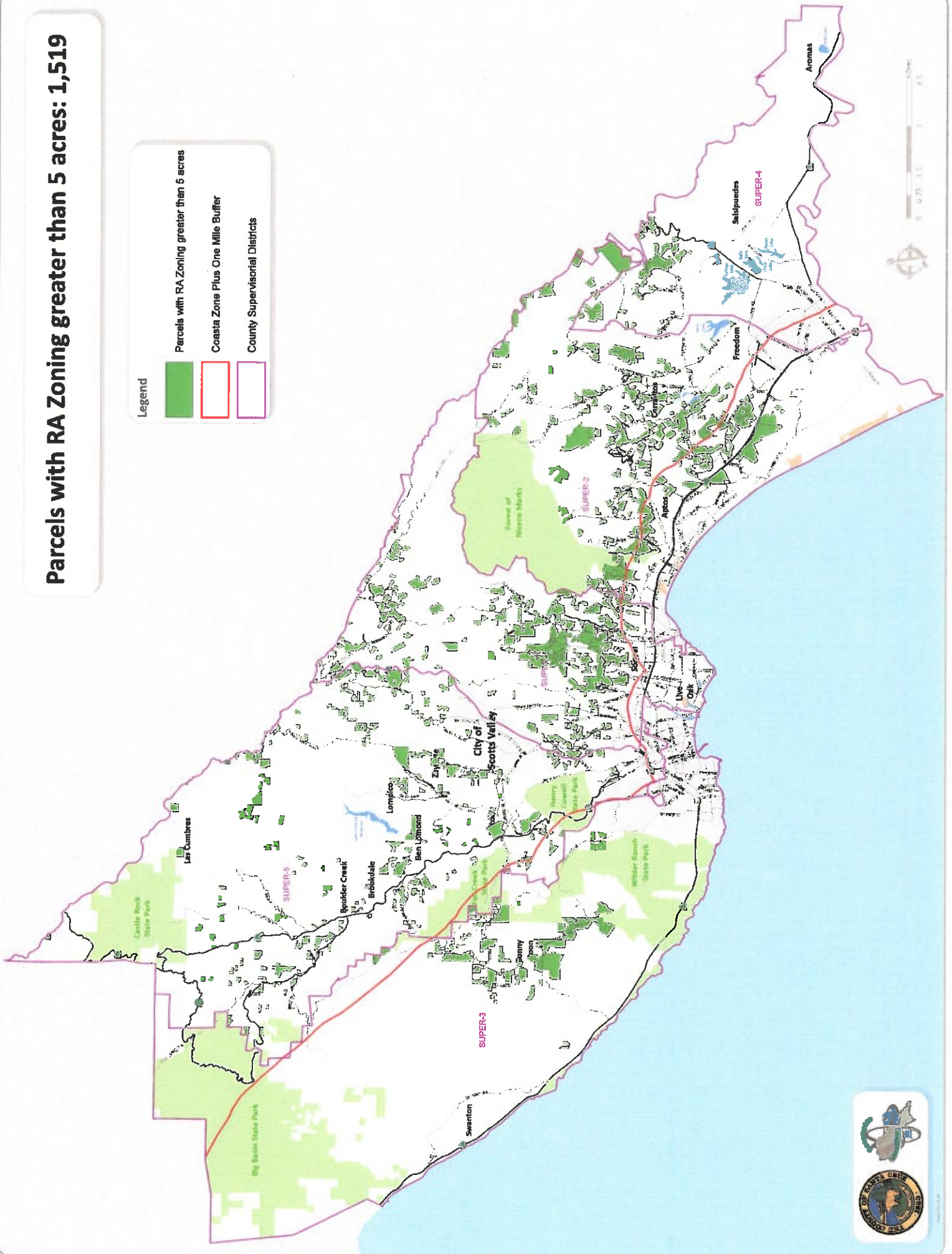
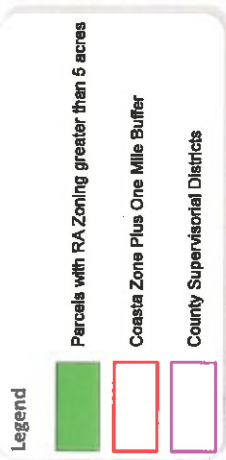
Parcels with RA Zoning outside of the Coastal Zone plus 1 mile buffer: 7,537

Legend

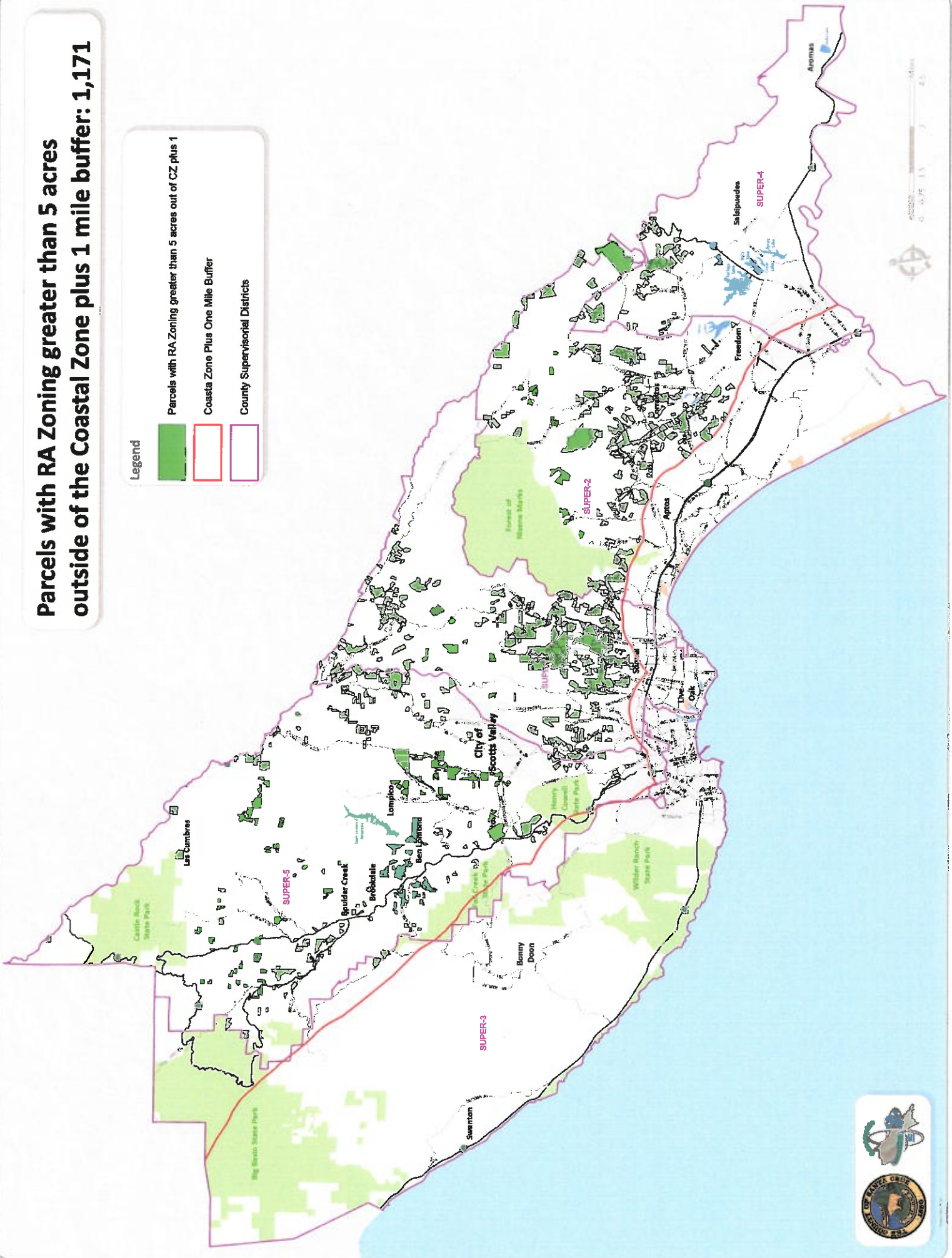
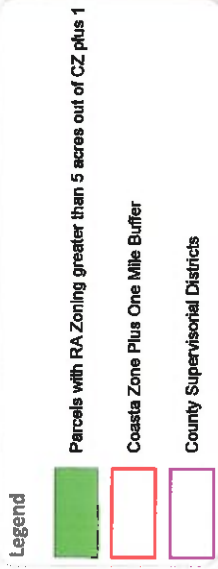
- Parcels with RA Zoning outside CZ plus 1
- Coastal Zone Plus One Mile Buffer
- County Supervisorial Districts



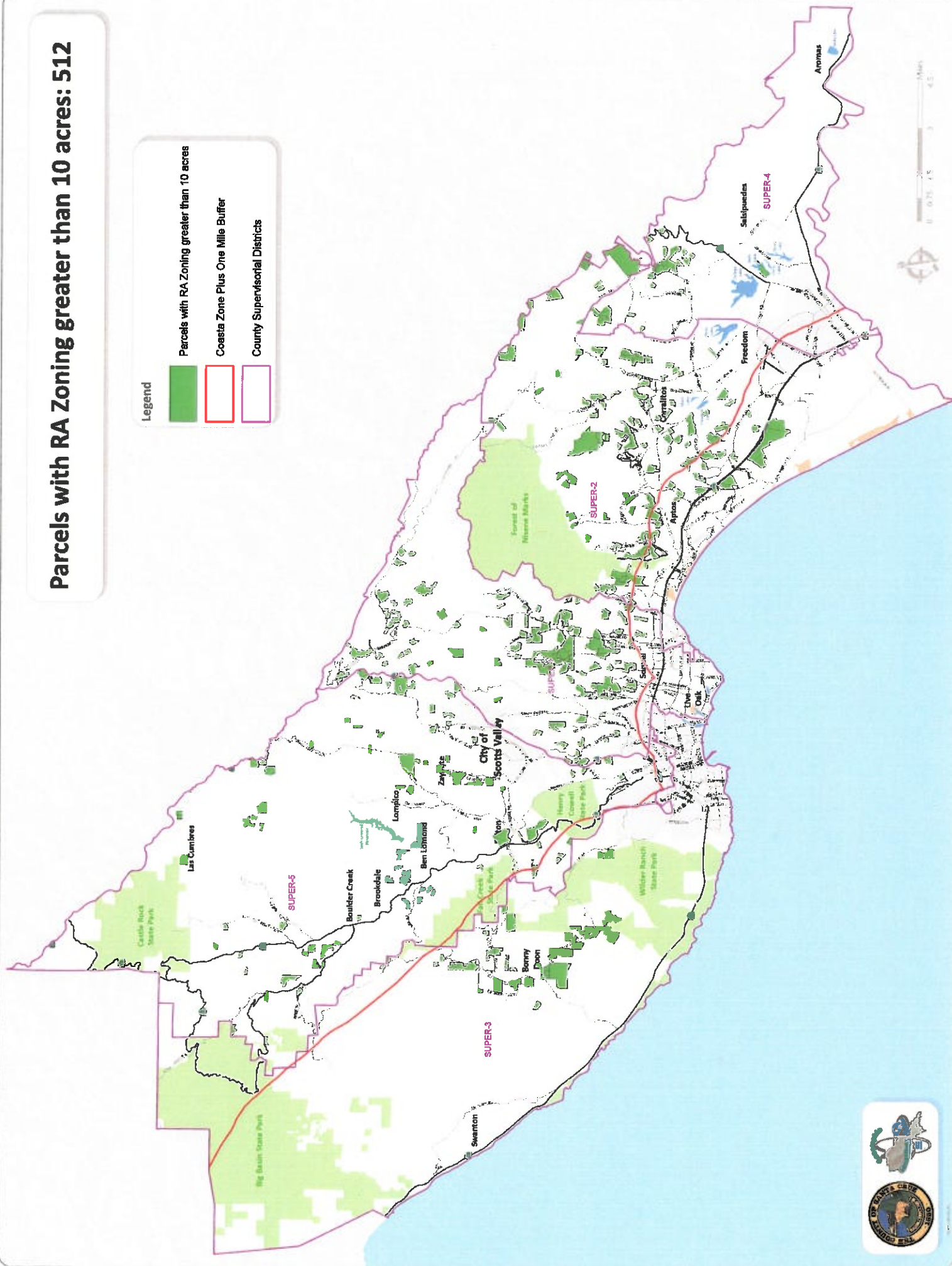
Parcels with RA Zoning greater than 5 acres: 1,519



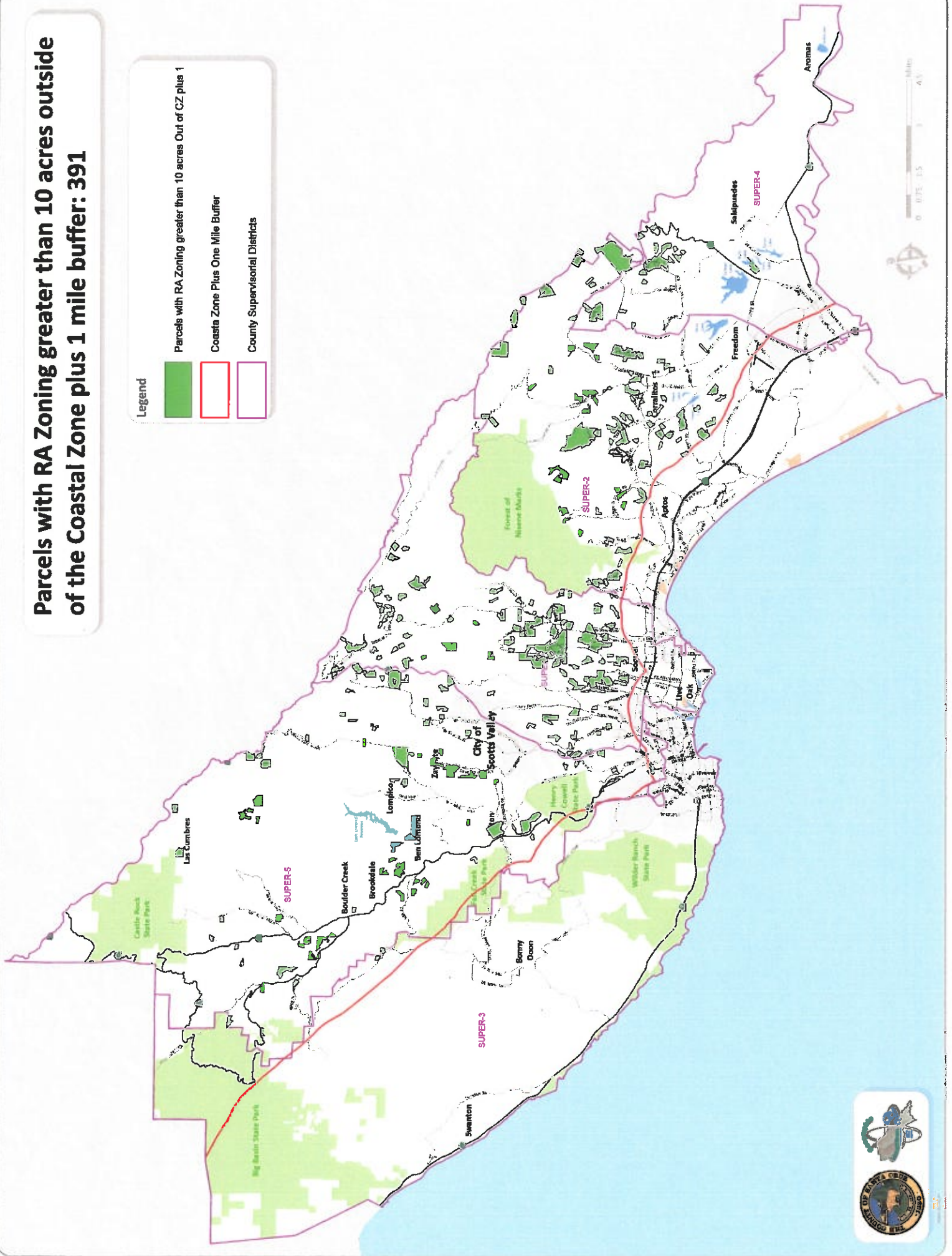
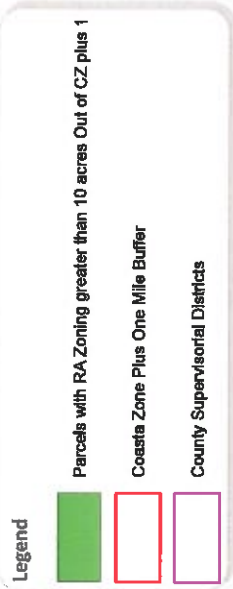
Parcels with RA Zoning greater than 5 acres outside of the Coastal Zone plus 1 mile buffer: 1,171



Parcels with RA Zoning greater than 10 acres: 512

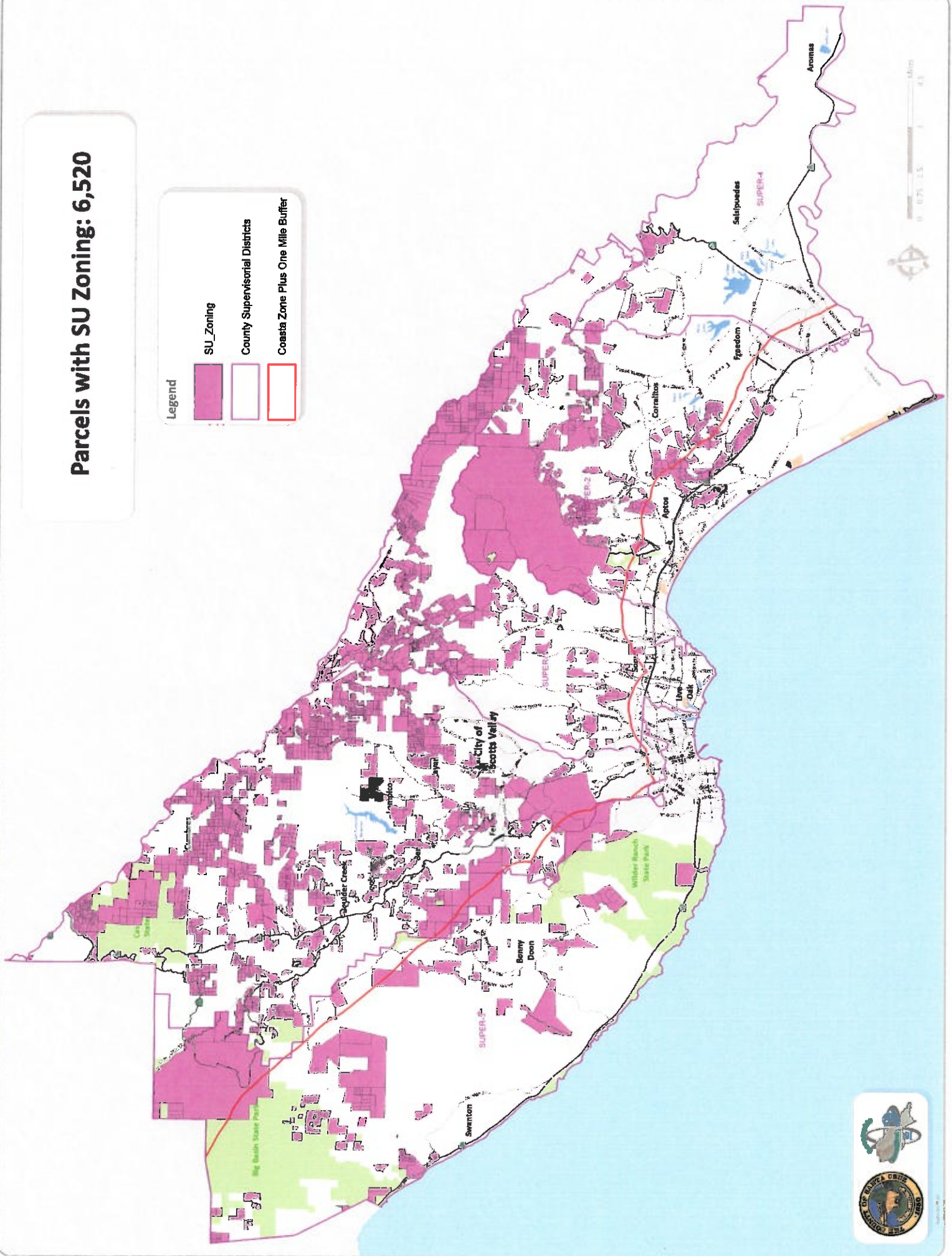
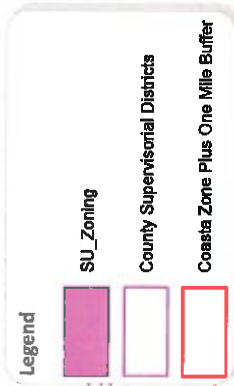


Parcels with RA Zoning greater than 10 acres outside of the Coastal Zone plus 1 mile buffer: 391

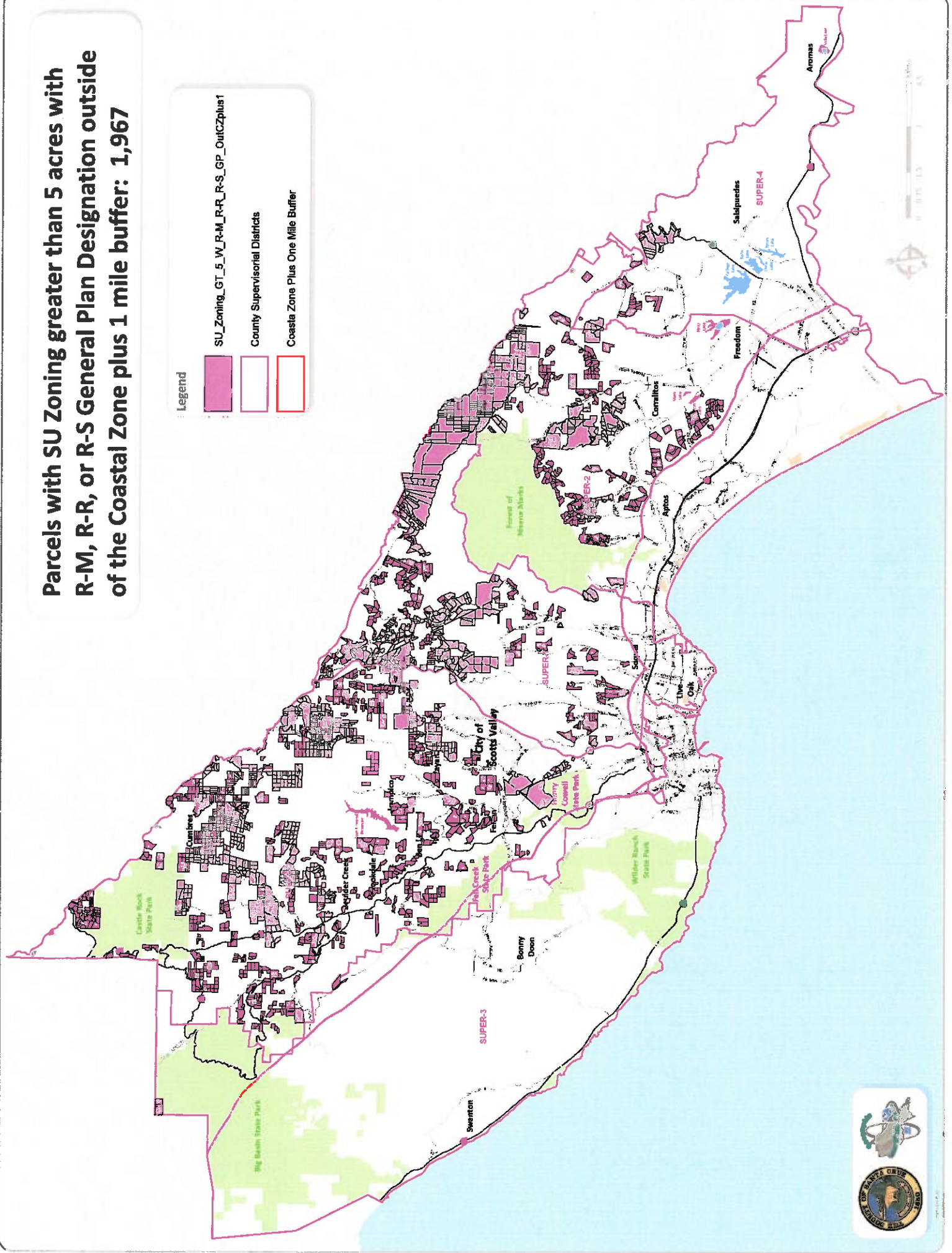


Special Use (SU) Zoning

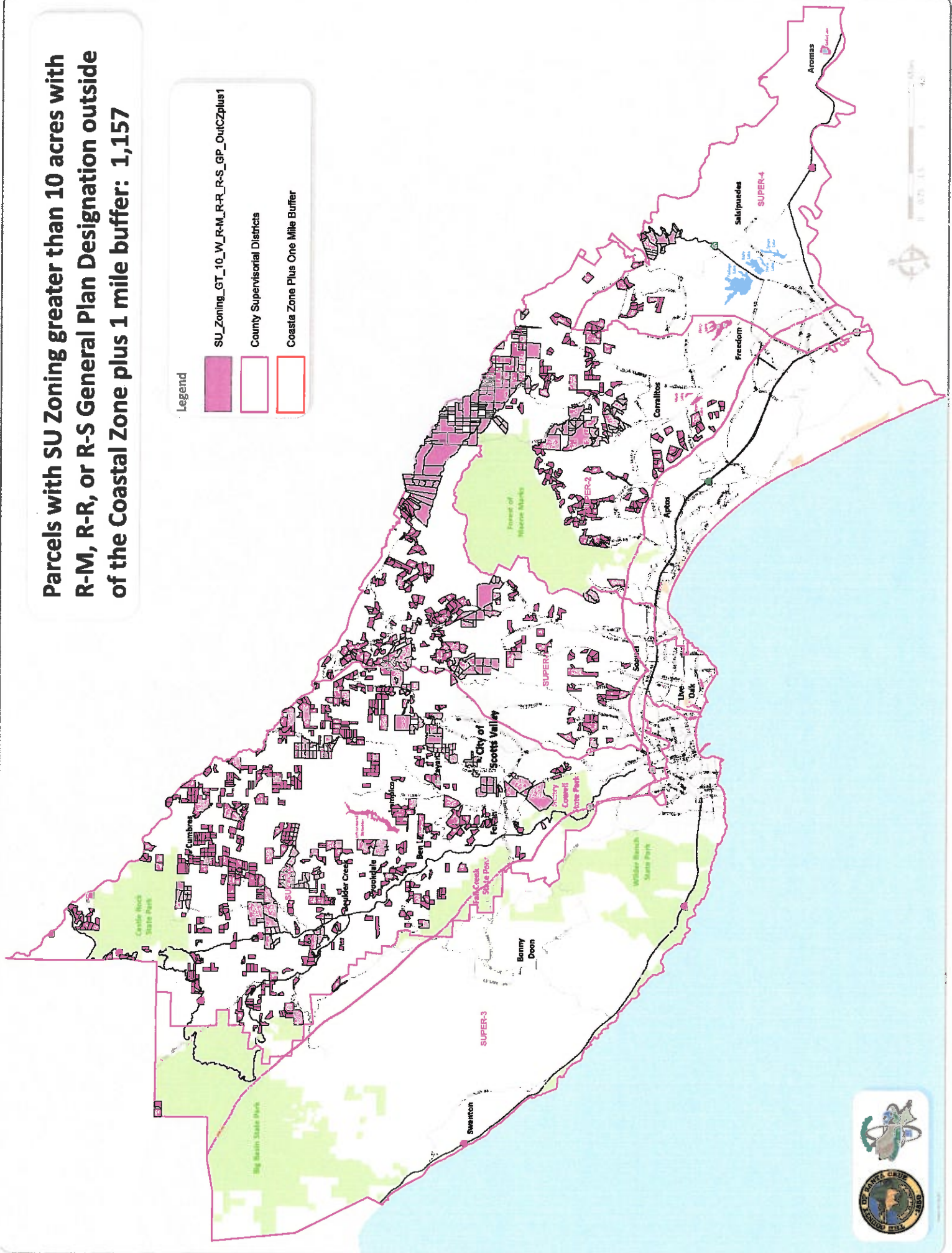
Parcels with SU Zoning: 6,520



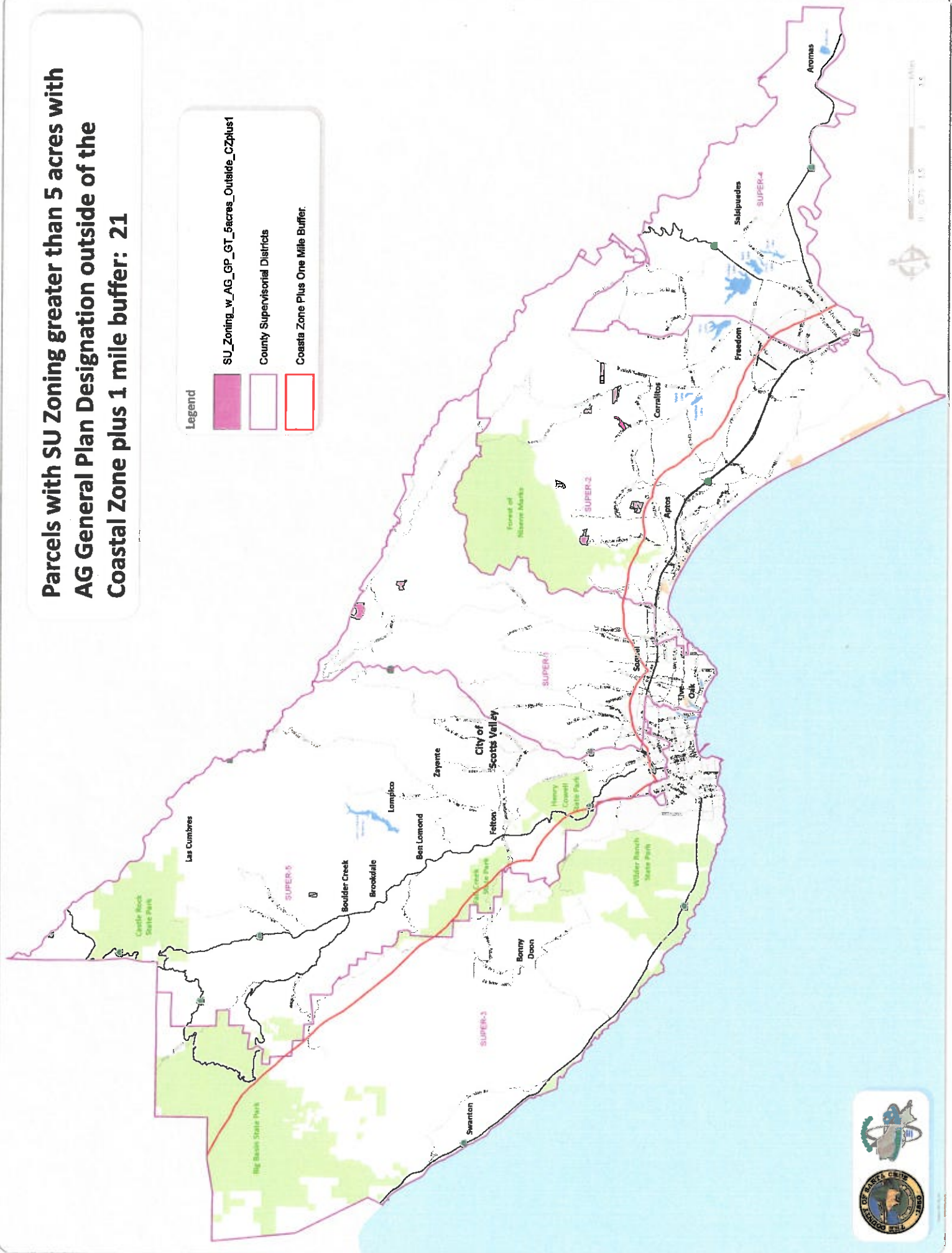
Parcels with SU Zoning greater than 5 acres with R-M, R-R, or R-S General Plan Designation outside of the Coastal Zone plus 1 mile buffer: 1,967



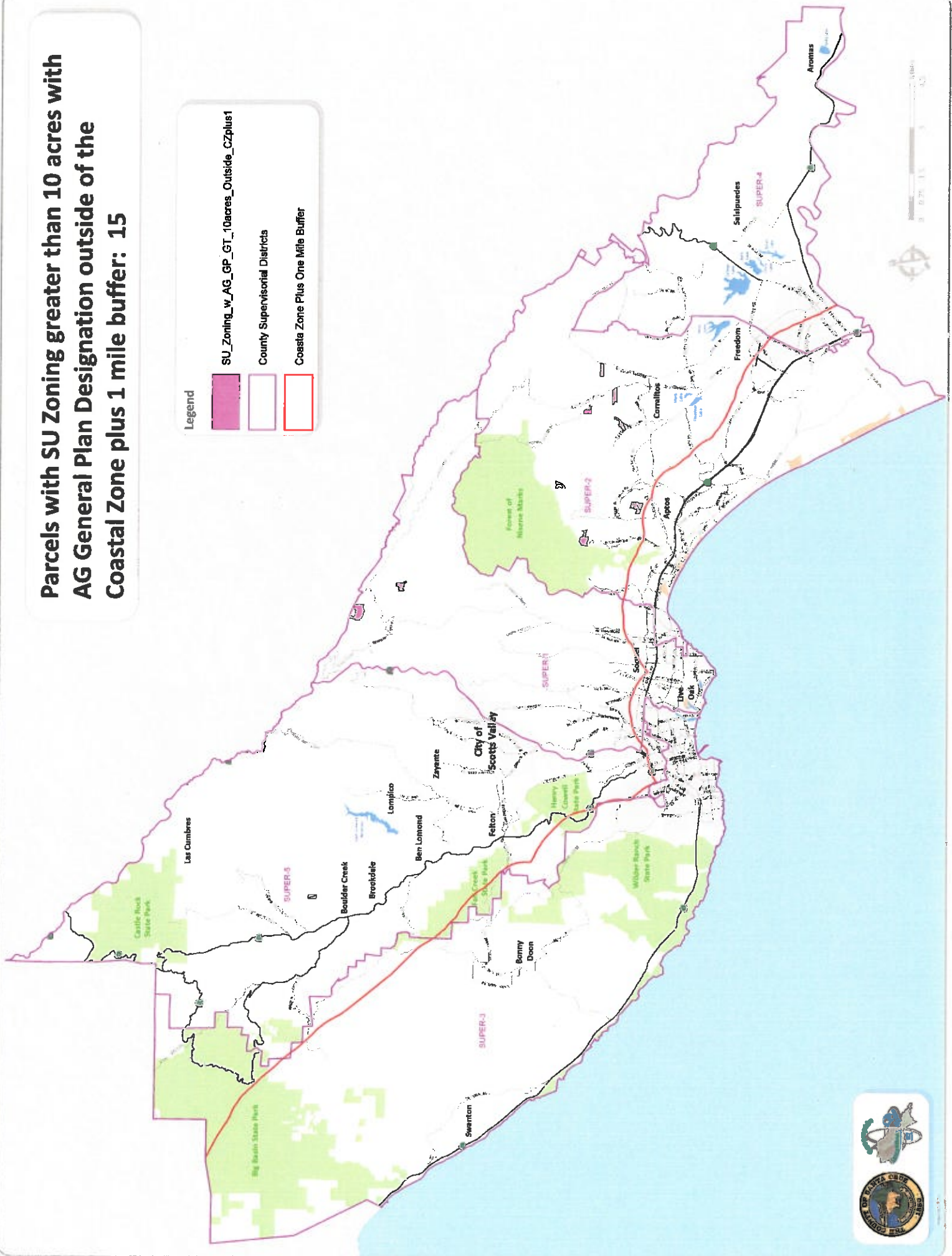
Parcels with SU Zoning greater than 10 acres with R-M, R-R, or R-S General Plan Designation outside of the Coastal Zone plus 1 mile buffer: 1,157



**Parcels with SU Zoning greater than 5 acres with
AG General Plan Designation outside of the
Coastal Zone plus 1 mile buffer: 21**



**Parcels with SU Zoning greater than 10 acres with
AG General Plan Designation outside of the
Coastal Zone plus 1 mile buffer: 15**

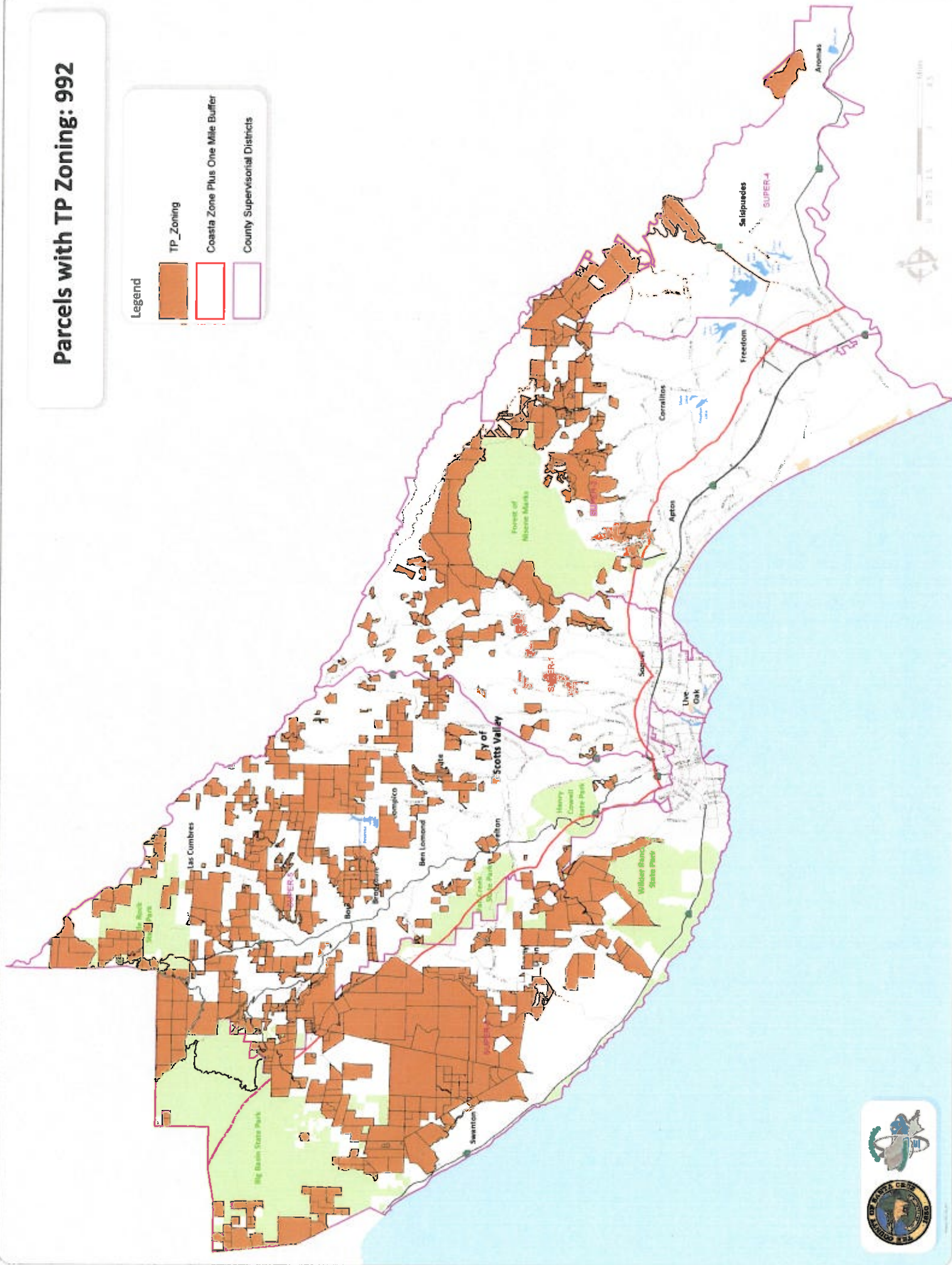


Timber Production (TP) Zoning

Parcels with TP Zoning: 992

Legend

- TP_Zoning
- Coastal Zone Plus One Mile Buffer
- County Supervisorial Districts



Parcels with TP Zoning greater than 5 acres outside of Coastal Zone plus 1 mile buffer: 640

Legend



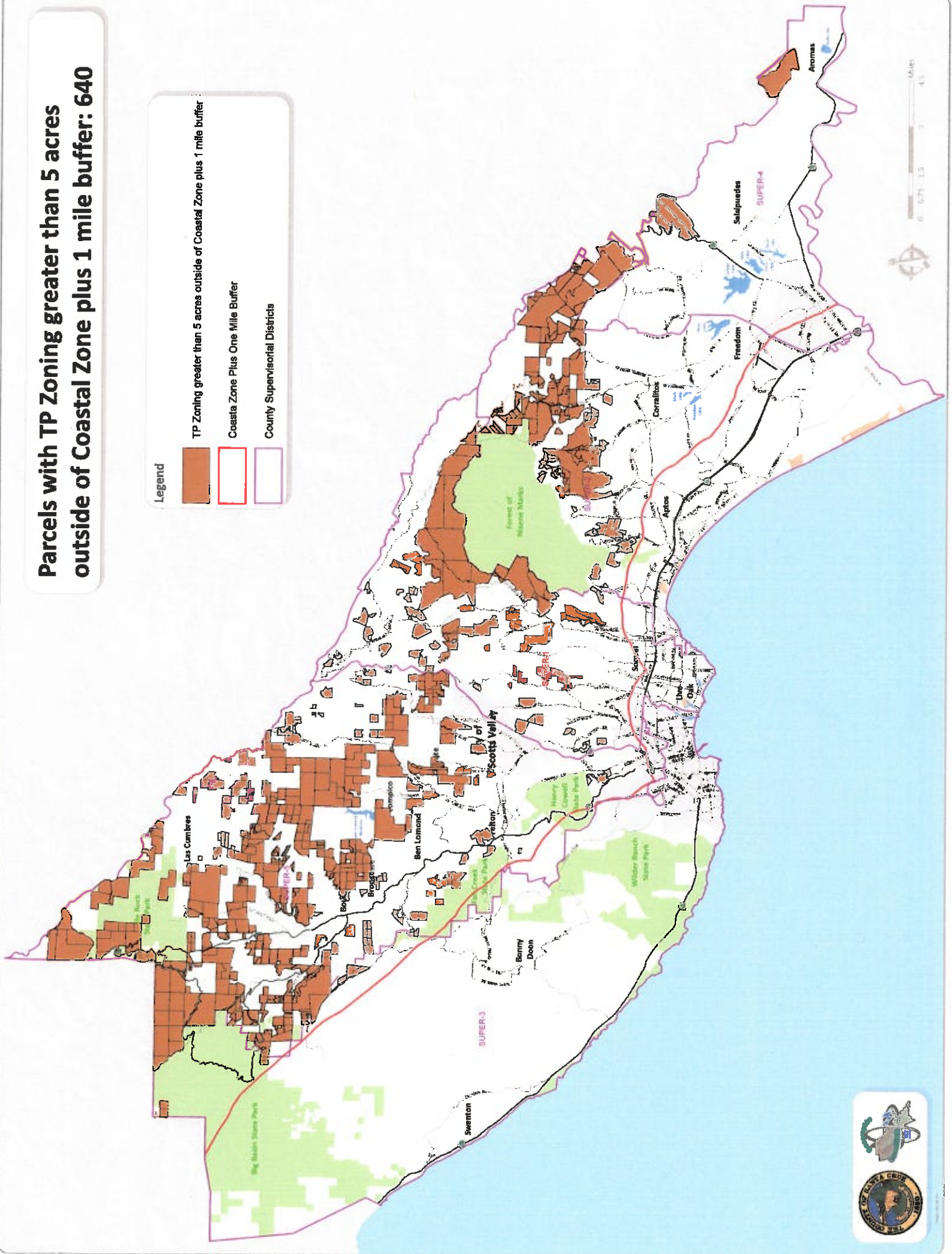
TP Zoning greater than 5 acres outside of Coastal Zone plus 1 mile buffer



Coastal Zone Plus One Mile Buffer



County Supervisorial Districts






Fire Chiefs Association

FIRE PREVENTION OFFICERS SECTION

of Santa Cruz County

FIRE PREVENTION STANDARDS	DATE: 08/15/2017	NUMBER: FP0-003
	APPROVED: 	REVISED:
	TITLE: CANNABIS GUIDELINES	

GUIDELINE TO FIRE CODE REQUIREMENTS FOR CANNABIS RELATED BUSINESS OPERATIONS WITHIN SANTA CRUZ COUNTY

PURPOSE

The purpose of this standard is to provide guidance for persons engaging in cannabis related business operations in Santa Cruz County. Federal, State and local codes and regulations apply to facilities, buildings, and operations associated with Cannabis. These guidelines are an effort to highlight some of the specific regulations that may apply to Cannabis operations.

SCOPE

This document shall serve as guidance for the permitting, construction, and operation of cannabis related business operations. This shall include the cultivation, production, and distribution of cannabis related products.

TERMS AND DEFINITIONS

- **Authority Having Jurisdiction (AHJ):** A federal, state, local department, or individual such as a fire chief, fire marshal, or fire prevention bureau having statutory authority.
- **California Fire Code (CFC):** The regulations adopted by the State of California for the enforcement of fire regulations. Currently the 2016 Edition of Title 24 Part 9.
- **California Building Code (CBC):** The regulations adopted by the State of California for the enforcement of building regulations. Currently the 2016 Edition of Title 24 Part 2.
- **California Electric Code (CEC):** The regulations adopted by the State of California for the enforcement of electrical regulations. Currently the 2016 Edition of Title 24 Part 3.
- **Cannabis Manufacturing Facility:** A location within which raw cannabis is transformed into a cannabis concentrate, a tincture, edible product, drink, topical product, or any other similar products. This includes the production, preparation, propagation, or compounding of cannabis or cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis.
- **Closed Loop (Volatile or Non-volatile) Extraction:** An extraction system that is designed to recover the solvents employed to extract cannabis extracts that is built to codes of recognized and generally accepted good engineering standards, such as those of:
 - (i) American National Standards Institute (ANSI);
 - (ii) Underwriters Laboratories (UL); or
 - (iii) The American Society for Testing and Materials (ASTM).
- **CO₂ Enrichment:** Is a method used to increase plant growth response and yield.

- **F-1 Occupancy:** Factory Industrial Group F Occupancy includes among others, the use of a building or structure, or a portion thereof, for assembling, disassembling, fabricating, finishing, manufacturing, packaging, repair or processing operations that are not classified as a Group H Hazardous or Group S storage occupancy. Group F-1 Moderate hazards shall include but not be limited to among others, hemp products and tobacco.
- **National Fire Protection Association (NFPA):** Nationally recognized fire prevention standards that are often referenced by the California Fire Code (CFC).
- **Nonvolatile extraction:** The manufacture of cannabis products using nonvolatile solvents such as supercritical fluid extraction (e.g., carbon dioxide processed using a closed-loop system below 5,000 pounds per square inch), uncompressed liquid solvents (e.g., ethanol, methanol, acetone, 'naptha'), or no solvents to produce kief, bubble hash, rosin, and the like (Adult Use of Marijuana Act, 26100(a) Manufacturers and Testing Laboratories).
- **Tenant Improvement (TI):** The addition, modification, or demolition of a building or structure.
- **Volatile:** A volatile substance is defined as a substance that changes readily from a solid or liquid to a vapor at normal temperatures and pressures.
- **Volatile Extraction:** The use of volatile solvents such as compressed liquid hydrocarbons (e.g., butane or propane, or CO₂ processed in a close loop system above 5,000 pounds per square inch) to manufacture cannabis products such as butane honey oil (BHO), shatter, and the like (Adult Use of Marijuana Act, 26100(a) Manufacturers and Testing Laboratories). (Alternative definition): -means volatile organic compounds, including: (1) explosive gases, such as Butane, Propane, Xylene, Styrene, Gasoline, Kerosene, O₂ or H₂; and (2) dangerous poisons, toxins, or carcinogens, such as Methanol, Isopropyl Alcohol, Methylene Chloride, Acetone, Benzene, Toluene, and Tri-chloro-ethylene (Sec. 11362.3 California Health and Safety Code).

GENERAL REQUIREMENTS

This guideline is intended to provide the applicant with the necessary information for the successful submittal of plans and specifications for the construction, and operation of a cannabis related business. All plans and specifications must meet the minimum requirements found within the CFC and CBC. Typically, most jurisdictions require specialized systems (fire protection systems, CO₂ enrichment, etc.) to be submitted as a deferred submittal. A permit must be obtained prior to the start of any construction unless specific written permission is obtained from the AHJ.

Cannabis operations are regulated under the "F-1" occupancy classification.

It is understood that facility security and access control are paramount to the safety of your employees and the success of your business. However, the design, installation and operation of security measures must be in accordance with all applicable building and fire codes. We recommend contacting your security professional early during the design phase of the project to achieve the maximum level of security while still meeting the regulatory requirements. We further recommend contacting a fire protection professional (fire protection engineer or similar) versed in the various systems and processes to review your plans for completeness and determination with meeting the regulatory requirements set forth in the CDC, CFC, NFPA, CEC, and CMC.

Safety Data Sheets (SDS) for all pesticide or other agricultural chemicals, in addition to all chemicals used or stored in the facility shall be maintained and readily available for emergency personnel. Safety Data Sheets (SDS) shall be maintained in an approved security box (KNOX® Haz-Mat Document and key storage cabinet – Series 1300) affixed to the exterior of the facility.
(CFC §'s 506.1, 315, 404, 407)

PERMITS

Construction permits are required for the construction, enlargement, alteration, repair, demolition, or change in occupancy of a building or structure and are typically issued by the building department. Likewise, any work performed on the electrical, mechanical, or plumbing system may also require a permit from the building department. The installation and/or modification of fire protection systems requires a permit and is normally issued by the fire department.
(CFC §105.1)

Operational permits allow the applicant to conduct an operation or a business for which a permit is required and regulated by the CFC. The following are the most common annual operational permits that may be applicable for cannabis operations:

- **Annual Establishment or Business Permit** - (commercial occupancies operating within a city)
- **Annual LPG Use and Storage Permit** - required for 1 pound or more of propane or butane (i.e. extractions)
- **Annual CO₂ Enrichment System Permit** – Including natural gas generators and for any system containing more than 100 lbs. of CO₂
- **Annual Compressed Gas Use and Storage Permit** - required for 6,000 cu/ft or more of an inert. (1 pound of CO₂ = 8.74 cu/ft)
- **Annual Fumigation / Thermal Insecticide Fogging Annual Extraction Process Permit**
- **Annual Flammable and Combustible Liquids Use and Storage Permit**

Inspections normally take place during the construction phase and annually to ensure operations are in accordance with previously approved methods.
(CFC §105.1.2)

GENERAL FIRE SAFETY REQUIREMENTS

Fire safety requirements are maintained in Chapter 3 of the CFC and regulate the occupancy and maintenance of all structures and premises for precautions against fire and the spread of fire as well as general fire safety requirements. Specific requirements include:

- Waste container size and location
- Ignition sources, and use of open flames
- Powered industrial trucks and equipment
- Impact protection
- Fueled equipment
- Smoking
- Hazards to firefighters

It should be noted that security devices that emit any medium (smoke, fog, etc.) that could obscure a means of egress in any building or premise is strictly prohibited under CFC Section 316 Hazard to Fire Fighters.

Disposal of chemicals, dangerous or hazardous waste must be conducted in a manner consistent with federal, state and local laws, regulations, rules or other requirements. This may include, but is not limited to, the disposal of all pesticide or other chemicals used in the cultivation process, certain solvents or other chemicals used in the production of cannabis concentrates or any cannabis soaked in a flammable solvent for purposes of producing a concentrate.

(CFC Chapter 3, CFC Chapter 50, CFC Chapter 53, CFC Chapter 57, CFC Chapter 58, CFC Chapter 61)

EMERGENCY ACCESS AND EGRESS

FIRE DEPARTMENT ACCESS: Approved fire apparatus access roads shall be provided for every facility, building or portion of a building. The fire apparatus access road is developed to allow the

passage of fire apparatus. Fire department access shall include roadways, driveways, and fire lanes. All Fire Apparatus Access Roads shall meet the requirements of CFC §503 et al.
(CFC §503 et al)

ADDRESSING: Proper addressing of the facility is paramount to ensure that fire personnel can quickly locate your business. Typically, your address shall be placed on the building side that faces the street from which the business is addressed from. Address numbers shall be a minimum of six (6) inches in height or as otherwise required by the AHJ. Additional address requirements may also be required for secondary buildings or where addressing is not readily visible or apparent.
(CFC §505.1)

EMERGENCY ACCESS KEY BOX: KNOX® Key boxes hold keys to the facility and are used to rapidly gain access to the building in the event of an after-hours emergency. These key boxes are UL listed and provide a high level of security, and may also be monitored by your alarm system for tamper. Not all the departments use this system, please confirm with your fire department if they use the KNOX® Security System, or an alternate.
(CFC §506 et al)

ROADWAYS, DRIVEWAYS and ACCESS ROADS are all synonymous and all roadways shall comply with Section 503 et al of the adopted fire code of the AHJ.
(CFC §202)

BUILDING UTILITIES

Utilities found within a building or facility are regulated in **CFC Chapter 6** and apply to the installation, operation, and maintenance of fuel-fired systems, emergency and standby power systems, electrical equipment, and mechanical systems.

Emergency and standby power systems are required to meet the provisions of CFC and CBC as well as meeting NFPA and UL requirements. Stationary power systems require a permit from the Monterey Bay Unified Air Pollution Control District. A copy of approval from MBUAPCD will be required prior to the approval of plans and permits for power systems.
(CFC §604 et al)

The CFC prohibits the use of extension cords or power strips as permanent wiring to equipment, lighting, fans, etc. The electrical loads and wiring for grow lighting, fans, etc. will need to be reviewed and permitted for use. An electrical analysis will need to be submitted along with manufacturer specification sheets, calculations, and single line diagrams. Plans to install all electrical systems and appliances shall be submitted to the Building Department for review, approval and issuance of a permit to install.
(CFC §605.1, CFC 605.5, CFC §605.7)

The electrical design and installation shall meet the requirements of the CEC.

WATER SUPPLY

Fire flow requirements will be determined on each projects' individual merits. Fire-flow and flow duration shall not be less than that specified in Appendix B of the California Fire Code. If an adequate water supply is not available, the AHJ is authorized to use NFPA 1142 to determine the amount of water to be stored on site for fire protection. This option is only available for those areas not serviced by a recognized water purveyor.

Fire hydrants may be required for your project. Quantity will be based on the required fire flow and distribution as determined by Appendix C of the California Fire Code.
(CFC §507 et al)

FIRE PROTECTION SYSTEMS

Fire protection systems involve the design, installation, inspection, operation, testing and maintenance of all fire protection systems. This includes:

- Automatic Sprinkler Systems
- Alternative Automatic Fire-Extinguishing Systems
- Standpipe Systems
- Portable Fire Extinguishers
- Fire Alarm and Detection Systems
- Emergency Alarm Systems
- Smoke Control Systems
- Explosion Control
- Fire Pumps

Typically, these systems are treated as a deferred submittal because of the specialized and technical nature of the system. California requires specialized licensing for contractors involved in fire protection systems.

A Building Code analysis should be submitted with any construction permit application or change of occupancy use application. Typically, a building code analysis is performed by the design professional preparing the initial submittal documents. This analysis will identify if the building will require any of the above listed fire protection systems, or alterations to an existing system.

(CFC §901 et al)

EXITING

Buildings and facilities are required to be provided with exiting meeting the provisions of Chapter 10 of the CBC. The provisions of this chapter regulate the design, construction, and arrangement of exiting systems. The following elements highlight the key provisions found within Chapter 10:

- Minimum exit access shall be maintained at all times.
- Minimum aisle widths shall be maintained at all times.
- Enhanced building security shall not interfere with exiting measures, and shall by no means impede egress for the facility's occupants or firefighters in the event of an emergency.
- Electronic access control shall not interfere with the exiting components
- All locking hardware on doors (interior or exterior) shall meet the minimum requirements for exiting.
- All doors and door hardware shall be identified on the specifications and plans

HAZARD IDENTIFICATION

Unless otherwise exempted by the fire code official, visible hazard identification signs as specified in NFPA 704 for the specific material contained shall be placed on stationary containers and aboveground tanks and entrances to locations where hazardous materials are stored, dispensed, used or handled in quantities requiring a permit and at specific entrances and locations designated. Individual containers, cartons or packages shall be conspicuously marked or labeled in an approved manner. Rooms or cabinets containing compressed gases shall be conspicuously labeled: "COMPRESSED GAS".

All signs and markings required shall not be obscured or removed, and shall be in English as the primary language.

(CFC §5003.5, CFC §5003.5.1, CFC §503.6)

ENRICHMENT

CO₂ enrichment is a method used to enhance plant growth and leads to a faster plant growth and higher plant yield. CO₂ enrichment systems found in grow rooms intentionally flood the rooms with CO₂ whereby creating a potential asphyxiation hazards and are regulated by operational and system installation permits issued by the Fire Department. Additional alarm and monitoring requirements may be required.

CO₂ generators operating from a fuel-fired source that, as a part of the combustion process, off-gases CO₂ and carbon monoxide (CO) is regulated by the California Mechanical Code as a non-vented fuel-fired appliance and requires a CO detector interlocked to an exhaust fan that operates on high levels of CO. The use of portable propane tanks and cylinders to supply these generators is prohibited. If CO₂ are used, they are required to be supplied from the building natural gas system, or a commercial hard piped propane system.

The 2016 California Fire Code has new code language addressing these systems. However, CO₂ enrichment systems found in cannabis grow rooms are different in that they intentionally flood the grow rooms with CO₂. These systems present potential asphyxiation hazards and are regulated by operational and system installation permits issued by the local fire department. Typical CO₂ levels in rooms are kept at less than 1,500 parts per million (ppm). For context, the Occupational Safety and Health Administration (OSHA) eight-hour permissible exposure limit (PEL) is 5,000 ppm. These systems are required to have a local CO₂ detection system in each enriched room set to alarm at 5,000 ppm and a master control valve to shut off the flow of CO₂ at the source. Warning signs are also required. Typical CO₂ enrichment can be in the form of compressed/liquefied CO₂ systems or a CO₂ generator supplied by natural gas. Compressed/liquefied CO₂ systems can be as small as a few cylinders located inside each grow room or as large as a bulk tank located outdoors. CO₂ generators operate from a fuel-fired source that, as a part of the combustion process, off-gases CO₂ and carbon monoxide (CO). Because of the CO hazard, this appliance is regulated by the California Mechanical Code as a non-vented fuel-fired appliance and requires a CO detector interlocked to an exhaust fan that operates on high levels of CO.

(CFC §908.7, CFC §5307.5.2 and CFC §5308)

EXTRACTION

If plant oil extractions will be performed, provide complete details of the proposed extraction process, equipment, mechanical exhaust system, and room construction in a complete permit submittal package to the building and fire departments. All extractions must be performed in an enclosed room. All exhaust system installations and room construction require a permit. Unless listed extraction equipment is used (i.e. UL or equivalent), CFC §104.7.2 requires an engineering report justifying that the equipment is adequately constructed to process a hazardous material.

The use of butane or other similar flammable gases in open systems (i.e. where the agent is directly released to the atmosphere) is prohibited by the CFC. Closed systems are approved by permit only. A review is required to confirm that the system complies with the CFC requirements.

A local hydrocarbon detector shall be used at all times the extraction equipment is in operation. Exhaust system shall be rated for the use. Where closed systems use refrigeration recovery machines, the unit must be rated for use with hydrocarbon refrigerants. Where butane is stored/used on site, an annual operational hazardous material permit is required.

Alcohol or other flammable/combustible liquid extractions where the liquid is boiled, distilled, or evaporated shall be in compliance with California Fire Code and NFPA 30. The solvent used in the process (typically alcohol) must be identified by the applicant. The operation must be conducted under a hazardous exhaust hood that is rated for exhausting flammable vapors.

REGULATORY CONSIDERATIONS

Local Safety Inspections. Licensees may be subject to inspection by the local fire department, building inspector, or code enforcement officer to confirm that no health or safety concerns are present. An annual fire safety inspection may result in the required installation of fire suppression devices, or other means necessary for adequate fire safety.

Any and all occupancies discovered operating cannabis establishments or businesses (including, but not limited to, infused product operations, cultivation, testing labs, and sales occupancies) not in compliance with all requirements of state and local regulatory requirements may result in the issuance of a "Stop Work Order" and a summons being issued to all offending parties.

PROPOSED GENERAL PLAN / LOCAL COASTAL PROGRAM AMENDMENTS

Land Use and Development Framework

(LCP) Objective 2.2.1 Non Retail Commercial Cannabis Activities

State law authorizes and implements a comprehensive regulatory and licensing system governing a range of commercial cannabis activities. The objective of this section of the General Plan is to ensure a structure for local regulation of cannabis activities that allows the issuance of discretionary licenses and land use permits for commercial cannabis activities in some locations, subject to any applicable environmental review pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code, in a manner that protects the County's fragile environmental resources, coastal resources, quality of life of neighborhoods, and public health, safety and welfare.

(LCP) Policy 2.2.1.1 Ancillary Uses in Residential Areas.

Require that any commercial cannabis activities that are licensed and permitted on lands designated for residential uses be designed and of a scale that is ancillary to the primary residential use of the property.

(LCP) Policy 2.2.1.2 Special Use (SU) Zoning Limitations.

Only allow licenses and land use permits for commercial cannabis activity on property zoned Special Use (SU) where the general plan designation is AG (Agriculture), Heavy Industry (I), Manufacture (M), Quarry overlay (Q), or Service Commercial/Light Industry (C-S). Regulations regarding cannabis licensing for the Residential Agriculture (RA) zone district shall apply to SU zoned parcels designated AG.

(LCP) Policy 2.2.1.3 Improve Existing Environmental Conditions.

Impose conditions of approval on discretionary land use permits for commercial cannabis activities, where appropriate, to reduce environmental impacts from existing disturbed areas, including but not limited to restoration related to site work and to roadways.

(LCP) Policy 2.2.1.4 Cannabis Industry and Commercial, Manufacturing and Industrial Economic Diversity

In order to ensure that the cannabis industry does not create loss of healthy diversity in the economy, to foster a balanced and resilient economy, and to ensure that commercial, manufacturing and industrial space is available for a variety of economic enterprises, monitor and evaluate the scale and location of cannabis enterprises to avoid over-concentration of cannabis sector activities or loss of diversity in the economy.

Programs:

- a. Develop discretionary licensing systems and discretionary land use permit requirements which shall include any applicable environmental review pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code, to regulate the location and operations of non-

ATTACHMENT 3

retail commercial cannabis activities (cultivation, manufacturing and distribution) in order to protect the public health, safety, and welfare in Santa Cruz County.

- b. Monitor the effectiveness of commercial cannabis regulatory programs, including licensing and land use regulations, to ensure effectiveness of protection of natural resources, coastal resources, neighborhood compatibility, and public health, safety and welfare. Where appropriate, modify programs over time.
- c. Establish a cannabis enforcement program to address unlicensed and unpermitted commercial cannabis activities, and to ensure that licensed operations are operating consistent with licensing requirements, permit conditions, and all applicable provisions of the County Code.

Objective 5.12 Timber Production

(LCP) To encourage orderly economic production of forest products on a sustained yield basis under high environmental standards, to protect the scenic and ecological values of forested areas, and to allow orderly timber production consistent with the least possible environmental impacts.

5.12.3 Conditional Uses Within Timber Production Zones

(LCP) Allow the following types of uses if conditionally approved in accordance with the Timber Production ordinance. Conditional uses must be consistent with the growing of a sustained yield tree crop, within the purposes of the Forest Taxation Reform Act of 1976 and the Timber Production zone district, and should be supported by a timber harvest management plan.

- (a) Mineral production and mining operations in conformance with the provisions of the Mining Regulations ordinance.
- (b) Erection, construction, alteration and maintenance of water and transmission facilities.
- (c) Outdoor recreation, education or religious facilities in conformance with the provisions of the County's organized camp zoning regulations which do not conflict with the management of the parcel's timber resources.
- (d) Conversion to agricultural uses not exceeding ten percent of the total of the timber area on the parcel.
- (e) One habitable accessory structure on a legal parcel of record with a minimum size of 40 gross acres in the Coastal Zone and 10 gross acres in other areas of the County where the guest house will be located in close proximity to the principle residence.
- (f) Timber processing and other related facilities.
- (g) Commercial Cannabis activities, within non-timbered portions of a site, subject to discretionary review and approval pursuant to all requirements of the non-retail commercial cannabis licensing ordinances, zoning ordinance, environmental regulations, coastal regulations, building code, and other applicable regulations which shall include any applicable environmental review pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code.

Objective 5.15 Specialized Agricultural Activities

(LCP) To recognize and provide for a variety of agricultural uses, such as greenhouses, aquaculture, and wineries, and cannabis activities (subject to discretionary review and approval of permits, licenses, or other authorizations, which shall include any applicable environmental review pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code) on lands which are properly suited for these specialized uses to maintain the optimum agricultural diversity.

(LCP) Policy 5.15.22 Cannabis Industry and Agricultural Diversity

In order to ensure a diverse and balanced agricultural economy, and to support a diversity of crops, livestock and fiber on County agricultural lands, monitor the location and scale of the cannabis industry to ensure that cannabis activities do not lead to over-concentration in the cannabis sector of the County's agricultural economy.

Objective 6.3 Erosion

(LCP) To control erosion and siltation originating from new and existing cannabis activity and related development, in order to reduce damage to soil, water and biotic resources.

(LCP) Policy 6.3.12 Cannabis Industry: Avoid Excessive Grading

In order to protect public health and safety and prevent negative environmental impacts from grading and land disturbance, avoid excessive grading and disturbance associated with cannabis activities. This includes grading for access roads and other site improvements such as pads, structures, terracing and other infrastructure, including grading which may be required to meet fire code or other standards. Carefully evaluate grading that would significantly alter topography, visual character of an area or coastal resources, and avoid or minimize such alteration. Consider or favor alternate locations that would require less disturbance. Deny licenses and land use permits where necessary to implement this policy.

(LCP) Policy 6.3.13 Cannabis Industry: Site Restoration

Ensure that sites used for cannabis activities are restored to pre-graded condition, as appropriate, when cannabis activities are relocated, activity has ceased, or a cannabis license is no longer valid.

Quarry	General Plan	Quarry Overlay	Mineral Resource	Zoning	Mining Status	Reclamation Status	Mining Area ¹ (Acres)	Number Of Parcels	Other Resources
Olive Springs	R-M, R-R	Q	Granite	M-3	Active	Not Started	36	2	Timber
Hanson	R-M	Q	Sand	SU	Closed	In Progress	212	3	Sandhills
Felton	R-M	Q	Granite	M-3, TP	Active	Concurrent	67	7	Timber
Olympia	R-M	Q	Sand	M-3	Closed	In Progress	80	7	Sandhills
Bonny Doon Limestone and Shale	R-M	Q	Limestone and Shale	M-3, SU	Closed	In Progress	265	5	Water supply, CRLF
Wilder	R-M	Q	Sand	SU	Active	Concurrent	66	7	CRLF, Coastal Grassland
Quail Hollow	R-M	Q	Sand	SU	Active	Concurrent	69	7	Sandhills
Cabrillo	R-M	Q	Sand	SU	Closed	Reclaimed	4	1	Aptos Landscape Supply Business

The ones that have ceased operations and are in the process of reclamation do generally have former operations areas that might be considered for cannabis use. Areas on these properties outside the area approved for mining generally are constrained by the other resources listed in the table. To some degree these resources also exist within areas approved for mining.

Best regards,
David Carlson
County of Santa Cruz
Planning Department

¹ Mining area is the area approved for mining and is smaller than the total area of the parcels.

Attachment: Pre-Licensing Inspection Zone District, General Plan Designation, Acreage

Number	Zone	GP	Area (acres)
1	SU	RM	3.45
2	CA	AG	14.84
3	TP	RM, RR	90.54
4	SU	R-M	26.06
5	RA	RM	22.33
6	RA	RR	4
7	CA	Ag	21
8	CA	Ag	49
9	C-4	C-S, O-U	2.86
10	CA	Ag	19.98
11	CA	Ag	14.6
12	A/CA	RR, AG	9.75
13	SU	RR, RM	52.81
14	RA	RR	8.35
15	CA	Ag	91.03
16	RA	RM	8.57
17	A	RM	10.94
18	SU	RM	19.18
19	TP	RM	67.71
20	CA	Ag	17.17
21	CA	AG	4.13
22	TP	RM	68.45
23	RA	RM	22.33
24	C-1	C-N	1.33
25	CA	AG	92.48
26	CA	AG	27.25
27	CA	AG	19.5
28	A	RR	2.91
29	CA	Ag	41.39
30	C-4	C-S	0.7
31	RA	AG	21.35
32	SU	RR, RM	34.83
33	A	RR, RM	43.6
34	CA	AG	92.48
35	RA	RM, RR	6.69
36	SU	RM	9.86
37	A/CA	RR, Ag	9.75
38	SU	RM	19.19

Number	Zone	GP	Area (acres)
39	SU/TP	RM	53.15
40	CA	Ag	4.12
41	RA/SU	RM	15.77
42	CA	Ag	21.58
43	A	RM	31.53
44	SU	RR, RM	20.7
45	CA	CA	2.93 ac
46	CA	CA	9.88
47	RA	RM	5.86
48	SU	RM	20.09
49	M-1	CS	1.39
50	M-1	CS	0.9
51	CA	AG	5.88
52	CA	AG	11.41
53	CA	CA	4.68
54	SU	R-M	9.87
55	SU	R-M	13.035
56	SU	R-M	39.33
57			
58	SU	R-M	51.98
59	A	R-M	26.38
60	SU	R-M	16.77
61	A	R-M	11.74
62	SU	R-M	63.57
63	CA	Ag	22.93
64	CA	Ag.	
65	CA	Ag.	6.74
66	A	AG	11.83
67	TP	R-M	41.26
68	CA	Ag.	6.74
69	CA	Ag.	20.24
70	SU/TP	R-M	18; 17