

PROPOSED REVISIONS TO CANNABIS ORDINANCE

Proposed changes to the cannabis ordinance are shown below, with additions shown in underline and deletions in ~~strike through~~. If adopted, the changes may also result in minor re-numbering/re-lettering of subsections for organizational clarity.

<i>5.148.050 "Prohibited Cannabis Activity"</i>
a) Only Licenses for Mixed-Light Cultivation of Cannabis and Mixed-Light Nursery Cultivation of Cannabis will be issued by the County. The County shall only issue such Licenses for (1) lands designated as "Agriculture" by the County General Plan Land Use Map, and (2) other lands where commercial agricultural use has been conducted for the three years preceding the effective date of this Ordinance, as verified by the Agriculture Commissioner. No other Commercial Cannabis Activities for either medical or non-medical purposes, including, without limitation, Outdoor Cultivation, Indoor Cultivation, Manufacturing, Testing, Microbusinesses, stand-alone Processing on a separate Premises, or Retail Sales, are allowed in the unincorporated area of the County. In addition, no personal non-medical Outdoor Cultivation is allowed in the unincorporated area of the County.
b) Notwithstanding the foregoing, the following Commercial Cannabis activities may occur in the unincorporated area of the County pursuant to a valid State License: transportation of Cannabis on public roads as expressly authorized under California Business and Professions Code Section 26080(b); and lawful delivery of Cannabis to a Customer, however, no physical location for such delivery service shall be permitted within the unincorporated area of the County.
e) — The provisions of this Section 5.148.050 shall expire on December 31, 2018, unless expressly extended by the Board of Supervisors.
<i>Section 5.148.060(b)(17) "Commercial Cannabis Activity License Application Requirements"</i>
If the Applicant has not yet received a State License, the Applicant shall attest that the Applicant is currently intends to apply <u>ing</u> for a State License and <u>agrees to submit documentation of the State License provide adequate documentation</u> to the Department demonstrating such application is currently pending <u>has been initiated upon issuance</u> . If the Applicant has already received a State License, the Applicant shall provide a copy of such State License(s). <u>The authority to conduct any Commercial Cannabis Activity pursuant to a County License is explicitly conditioned upon Applicant's receipt of a valid State License.</u>
<i>Section 5.148.070(b) "Review, Approval, and Issuance of Commercial Cannabis Activity Licenses"</i>
Upon review of a complete Application, the Community Development Director, or his designee, shall deny the Application on one or more grounds provided by Section 5.148.080, or may grant the requested License upon making all of the following findings: i. the Applicant's proposed Commercial Cannabis Activities comply with the provisions of this Chapter and all additional requirements of State law and County Code;

- ii. the Application is either exempt from or has complied with the requirements of the California Environmental Quality Act (“CEQA”);
- iii. feasible mitigation measures or feasible alternatives identified during CEQA review necessary to avoid or substantially lessen any significant impact on the environment have been imposed as an enforceable condition of the License; ~~and~~
- iii-iv. the Department has imposed written conditions on the proposed Commercial Cannabis Activity which require the Applicant to obtain a valid State License prior to engaging in any Commercial Cannabis Activity; and
- iv-v. the Department has imposed written conditions on the proposed Commercial Cannabis Activity which, in the judgment or discretion of the Community Development Director or his designee, are necessary to preserve the health, welfare, or safety of the community or environment.

Section 5.148.130 “General Operational Requirements”

d) Surveillance.

1. At a minimum, the Premises shall have a complete digital video surveillance system in accordance with the approved security plan with a minimum camera resolution of 1280 × 1024 pixels. The surveillance-system storage device or the cameras shall be transmission control protocol (TCP)/capable of being accessed through the internet. The video surveillance system shall be capable, at all times and in all lighting conditions, of effectively recording images. The video surveillance system must have the capabilities to produce a color still photograph from any camera image, live or recorded, of the Premises. Cameras must be immobile and in a permanent location.
2. Cameras shall be placed in a location that allows the camera to clearly record activity occurring within 20 feet of all points of entry and exit on the Premises, and allows for the clear and certain identification of any Person and activities in all areas required to be filmed. Areas that shall be recorded on the video surveillance system include, without limitation, the following: limited access areas; areas where Cannabis or Cannabis Products are weighed, packed, stored, quarantined, loaded and unloaded for transportation, prepared, or moved within the premises; areas where Cannabis is destroyed; security rooms; areas storing a surveillance-system storage device with at least one camera recording the access points to the secured surveillance recording area; and entrances and exits to the Premises, which shall be recorded from both indoor and outdoor vantage points.
3. Cameras shall record continuously 24 hours per day and at a minimum of 20 frames per second. The physical media or storage device on which surveillance recordings are stored must be secured in a manner to protect the recording from tampering or theft. All video surveillance equipment shall have sufficient battery backup to support a minimum of four (4) hours of recording in the event of a power outage. Licensee must notify the Department of any loss of video surveillance capabilities that extend beyond four (4) hours. All video surveillance systems must be equipped with a failure notification system that provides prompt notification to the Licensee of any prolonged surveillance interruption and/or the complete failure of the surveillance system.
4. Surveillance recordings shall be kept for a minimum of 90 days. Recordings are subject to inspection by and copies of recordings shall be provided, upon request, to employees or agents of the following: the Department; County Code Compliance; County

Division of Environmental Health; the applicable Fire Protection Agency; the County Sheriff's Office; the County Department of Agriculture/Weights and Measures; and the County Health System. All records applicable to the surveillance system shall be maintained on the Premises. At a minimum, Licensees shall maintain a map of the camera locations, direction of coverage, camera numbers, surveillance equipment maintenance activity log, user authorization list, and operating instructions for the surveillance equipment.

5. Recorded images shall clearly and accurately display the time and date. Time is to be measured in accordance with the official United States time established by the National Institute of Standards and Technology and the U.S. Naval Observatory (PDT/PST Time zone).

5.6. The Community Development Director may waive or modify the requirements of this Section if an Applicant proposes an alternative that is generally accepted in the industry and achieves the objective of providing adequate security at the Premises.

e) Alarm System. A Licensee shall maintain an alarm system in accordance with the approved security plan as required by the Department and the State. A Licensee shall also ensure a licensed alarm company operator or one or more of its registered alarm agents installs, maintains, monitors, and responds to the alarm system. All information related to the alarm system, monitoring, and alarm activity shall be made available upon request to employees or agents of the following: the Department; County Code Compliance; County Environmental Health Services; the applicable Fire Protection Agency; the County Sheriff's Office; the County Department of Agriculture/Weights and Measures; and the County Health System.

The Community Development Director may waive or modify the requirements of this Section if an Applicant proposes an alternative that is generally accepted in the industry and achieves the objective of providing adequate security at the Premises.

q) Notice to Employees. A Licensee shall provide written notice, in a form approved by the Director, to its existing employees and any new employee prior to that employee beginning cannabis-related work, informing them that (1) cannabis is classified as a Schedule I Drug under the Federal Controlled Substances Act, (2) it is unlawful, under federal law, for any person to cultivate, manufacture, distribute, or dispense cannabis, or to possess with the intent to manufacture, distribute, or dispense cannabis, and (3) it is possible that working in the cannabis industry could pose immigration or other legal risks and that employees should consider seeking legal advice. The Licensee shall attest to completion of this notice requirement prior to initially engaging in Commercial Cannabis Activity, and annually as part of the renewal process thereafter. Such attestation shall be in writing, in a form acceptable to the Director, and submitted to the Department prior to engaging in Commercial Cannabis Activity. The requirements of this provision will cease in the event that federal law is amended in a manner that cultivation and possession of cannabis are no longer unlawful.

Section 5.148.140(a) "Record Retention"

3. Training records, including, without limitation, the content of the training provided and the names of the employees that received the training;

Section 5.148.160(d) "Structure Setbacks"

All structures associated with Cultivation shall be setback a minimum ~~of 100 feet from property lines, and a minimum~~ of 300 feet from residential ~~lees~~ and business ~~structures~~ on surrounding properties. This setback applies only to residential and business structures in existence at the time a License is first issued for the subject property, unless the subject property is without a valid License for a period of 18 months or more at any time after a License is first issued. In the latter case, residential and business structures that have been added to surrounding properties shall be deemed to have been in existence at the time a License is first issued, and the 300-foot setback shall apply to such structures. The 300-foot setback shall not apply to residential or business structures located on parcels owned by the same owner as the parcel on which Cultivation will occur.

The 300-foot setback from existing residences and businesses shall be measured from the nearest exterior wall of the residence/business to the nearest exterior wall of the structure associated with Cultivation. ~~The 300-foot setback shall not apply to residences or businesses located on parcels owned by Licensee.~~

The requirements of this paragraph shall not apply to operations of exclusively Type 4 Nursery Licenses.

Section 5.148.160(e) "Property Setbacks" [re-numbered]

All Premises shall also be setback a minimum of ~~1,000~~600 feet from ~~any properties designated for residential use by the San Mateo County General Plan or any local general plan adopted prior to January 1, 2018, and~~ any school providing education to K-12 grades, licensed day care center, youth center or playground as defined by California Health and Safety Code Section 11353.1, and alcohol or drug treatment facility as defined by California Health and Safety Code Section 11834.02 in existence at the time the License is issued. The ~~1,000~~600-foot distance from these facilities shall be measured in a straight line from the closest property line of the protected site to the closest property line of the parcel with the Cultivation.

In addition, all Premises, except for those operating exclusively a Type 4 Nursery License, shall be setback a minimum of 600 feet from any properties designated for residential use by the San Mateo County General Plan or any local general plan adopted prior to January 1, 2018, and ~~The 600-foot distance from residentially designated lands shall be measured from the edge of the nearest property line with a residential land use designation to the exterior wall of the proposed cultivation structure.~~

Section 5.148.160(f) "Building Requirements" [re-numbered]

Building Requirements. All structures used for Cultivation shall comply with all applicable State or local building regulations, zoning, and land use requirements. Cultivation uses that provide access to the public including, but not limited to, employees, vendors, contractors, business partners, members, customers, or patients shall meet State or local requirements for accessibility including, at a minimum, accessible parking, accessible path of travel, restrooms, and washing facilities ~~ingress and egress.~~