

Exhibit A

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**Before the Planning Commission in and for the
County of Monterey, State of California**

Resolution No.

REF150048/Cannabis Regulation Updates

Resolution of the Monterey County Planning Commission recommending that the Monterey County Board of Supervisors:

- a) Find the project is the adoption of commercial cannabis regulations that require subsequent discretionary permits that are themselves subject to CEQA review, and therefore is statutorily exempt from CEQA the pursuant to Business and Professions Code section 26055(h).
- b) Decline to adopt an ordinance to amend Title 21 (non-coastal zoning ordinance) and a resolution of intent to adopt Title 20 (coastal zoning ordinance) to:
 1. Change commercial cannabis activities (Includes: retailer, indoor and mixed light cultivation and nursery, volatile and non-volatile manufacturing, distribution, and testing) from a conditional use allowed subject to a Use Permit/Coastal Development Permit in each case within specified zoning districts, to a principal use allowed subject to an Administrative Permit/Coastal Administrative Permit in each case within the same specified zoning districts;
 2. Create an exception to the 1500-foot setback required between commercial cannabis retailers if applicant provides proof based on substantial evidence that special circumstances exist (“Minor Exception”); and
 3. Require a Use Permit/Coastal Development Permit for a proposed retail facility that does not comply with the 1,500-foot setback from another approved retail facility and when special circumstances do not exist (“Major Exception”); and **(Attachments 1 and 2)**.
- c) Adopt an ordinance to amend Title 21 (non-coastal zoning ordinance) of the Monterey County Code to change commercial cannabis activities from a conditional use allowed subject to a Use Permit in each case within specified zoning districts, to a principal use allowed subject to an Administrative Permit in each case within the same specified zoning districts; to require a Use Permit for a commercial cannabis retail facility (“dispensaries”) that is located within the 1,500 feet of another approved retail facility; and to establish findings required in order to grant a Use Permit for a retail facility within 1,500 feet of another retail facility **(Attachment 3)**; and
- d) Adopt a resolution of intent to adopt an ordinance amending the Monterey County Coastal Implementation Plan, Part 1 (Title 20, coastal zoning) of the Monterey County Code to change commercial cannabis activities from a conditional use allowed subject to a Coastal Development Permit in each case within specified zoning districts, to a principal use allowed subject to a Coastal Administrative Permit in

each case within the same specified zoning districts; to require a Coastal Development Permit for a retail facility that is within 1500-feet of another approved retail facility ; and to establish findings required in order to grant a Coastal Development Permit for a retail facility within 1,500 feet of another retail facility (**Attachment 4**).

The proposed amendments to the Monterey County Code to modify regulations for commercial cannabis activities in the unincorporated areas of Monterey County came before the Planning Commission at a duly noticed public hearing on September 12, 2018 and October 10, 2018. Having considered all the written and documentary evidence, the administrative record, the staff report, oral testimony and other evidence presented, the Planning Commission forwards the following recommendation to the Board of Supervisors with reference to the following facts:

I. RECITALS

1. Pursuant to Article XI, section 7 of the California Constitution, the County of Monterey may adopt and enforce ordinances and regulations not in conflict with general laws to protect and promote the public health, safety, and welfare of its citizens.

2. The Controlled Substances Act (21 U.S.C. §§ 801, *et seq.*) prohibits, except for certain research purposes, the possession, distribution, and manufacture of cannabis, and there is no medical necessity exception to prosecution and conviction under the Controlled Substances Act.

3. In recent years, the federal government has taken a hands-off approach with regard to states and local governments that have enacted laws authorizing cannabis related conduct, as long as the states and local governments have established strong and effective regulatory and enforcement systems that address the threats that cannabis activity could pose to public safety, public health, and other law enforcement interests.

4. On November 5, 1996, California voters approved Proposition 215, the Compassionate Use Act of 1996 (Health & Safety Code § 11362.5, “CUA”), an initiative that exempted certain patients and their primary caregivers from criminal liability under state law for the possession and cultivation of cannabis for medical purposes. One of the stated purposes of the CUA is to ensure that seriously ill Californians have the right to obtain and use cannabis for medical purposes where that medical use has been recommended by a physician.

5. On January 1, 2004, Senate Bill 420, the Medical Marijuana Program Act (Health & Safety Code §§ 11362.7-11362.83, “MMP”), became law to clarify the scope of the CUA and to facilitate the prompt identification of qualified patients and their primary caregivers.

6. On October 9, 2015, the State enacted the Medical Marijuana Regulation and Safety Act (former Business & Professions Code §§ 19300, *et seq.*; “MMRSA”). MMRSA created a state licensing program for commercial medical cannabis activities.

7. On July 12, 2016, the Monterey County Board of Supervisors adopted inland zoning regulations establishing criteria for issuing local land use permits pursuant to the MMRSA (Ordinance Number 5270, amending sections of Title 21 and adding Chapter 21.67 to Monterey County Code), and on July 19, 2016 the Monterey County Board adopted regulations establishing criteria for issuing local business permits pursuant to the MMRSA (Ordinance Numbers 5272 and 5273, codified at Monterey County Code Chapters 7.02 and 7.90). These ordinances were to become operative only if the Board of Supervisors submitted a County tax on commercial medical cannabis activities, the voters approved the tax, and the tax was certified by the County pursuant to Section 15372 of the California Elections Code. On November 8, 2016, the voters approved the tax (Measure Y, codified at Monterey County Code Chapter 7.100). On December 13, 2016, the tax was certified pursuant to Section 15372 of the Elections Code, and Ordinance Numbers 5270, 5272, and 5273 became operative.

8. Also on July 12, 2016, the Monterey County Board of Supervisors adopted a resolution of intent to adopt coastal zoning regulations to establish criteria for local land use permits pursuant to MMRSA. These regulations were sent to the California Coastal Commission for certification, but the County withdrew the regulations because of discussions with Coastal Commission staff.

9. On November 8, 2016, by statewide initiative, the voters enacted the Control, Regulate and Tax Adult of Marijuana Act (“AUMA”). AUMA created a state licensing program for commercial adult-use cannabis activities.

10. On June 27, 2017, the State enacted the Medicinal and Adult-Use of Cannabis Regulatory and Safety Act (Business & Professions Code §§ 26000, *et seq.*; “MAUCRSA”), which combined MMRSA and AUMA into a single State licensing scheme for both medicinal and adult-use cannabis. MAUCRSA allows counties and cities to maintain local regulatory authority over commercial cannabis activities. The state will not issue a state license without first receiving authorization from the applicable local jurisdiction.

11. On December 5, 2017, the Monterey County Board of Supervisors, adopted:

a. An ordinance amending inland zoning regulations to regulate medicinal and adult-use commercial cannabis activities in the inland unincorporated area of Monterey County consistent with state law (Ordinance Number 5292).

b. A resolution of intent to adopt an ordinance amending the Monterey County Coastal Implementation Plan, Part 1 and Part 2 (Title 20, coastal zoning ordinance) of the Monterey County Code to regulate commercial cannabis activities in the coastal zone of unincorporated Monterey County consistent with state law and to amend the text of the North County Land Use Plan to allow permitting of commercial cannabis activities at the former Kaiser National Refractories site notwithstanding the coastal-dependent industrial land use designation at the site (Resolution of Intent 17-501).

c. An ordinance amending Chapter 7.90 to the Monterey County Code to add commercial adult-use cannabis activities to the County’s current commercial medical cannabis permit regulatory structure and to regulate the operation of commercial adult-use

cannabis activities in a manner that is consistent with state law (Ordinance Number 5293); and

d. An ordinance amending Section 7.02.060 of the Monterey County Code to add commercial adult-use cannabis activities as a type of business that must obtain a business license within the unincorporated area of Monterey County (Ordinance Number 5294).

12. On February 7, 2018, the California Coastal Commission certified the Monterey County Local Coastal Program Amendments (LCP-3-MCO-18-0004-1) amending the Monterey County Coastal Implementation Plan, Part 1 and Part 2 (Title 20, coastal zoning ordinance) of the Monterey County Code to regulate commercial cannabis activities in the coastal zone of unincorporated Monterey County consistent with state law and to amend the text of the North County Land Use Plan to allow permitting of commercial cannabis activities at the former Kaiser National Refractories site notwithstanding the coastal-dependent industrial land use designation at the site.

13. On March 20, 2018, the Monterey County Board of Supervisors adopted:

a. The California Coastal Commission certified ordinance amending the Monterey County Coastal Implementation Plan, Part 1 and Part 2 (Title 20, coastal zoning ordinance) of the Monterey County Code (Ordinance Number 5299);

b. A resolution amending the text of the North County Land Use Plan to allow permitting of commercial cannabis activities at the former Kaiser National Refractories site notwithstanding the coastal-dependent industrial land use designation at the site (Resolution 18-071);

c. An ordinance amending Title 21 (non-coastal zoning ordinance) of the Monterey County Code to remove the 600-foot setback from public parks, and add a 600-foot setback from playgrounds, child care centers, and youth centers for all types of commercial cannabis activities (Ordinance Number 5300); and

d. Adopted a Resolution of Intent to adopt an ordinance amending the Monterey County Coastal Implementation Plan, Part 1 (Title 20 coastal zoning ordinance) to remove the 600-foot setback from public parks, and add a 600-foot setback from playgrounds, child care centers, and youth centers for all types of commercial cannabis activities (Resolution of Intent Number 18-070).

14. The Resolution of Intent adopted by the Board of Supervisors on March 20, 2018 (Resolution of Intent Number 18-070) codified the intent of the Board to adopt an ordinance amending Title 20 of the Monterey County Code to remove the 600-foot setback from public parks, and add a 600-foot setback from playgrounds, child care centers, and youth centers for all types of commercial cannabis activities. This ordinance has not been certified by the Coastal Commission, or subsequently adopted by the Board of Supervisors. With the aforementioned edits not having been adopted as of the date of this Resolution, the edits included in the ordinance attached to Resolution of Intent Number 18-070 have been carried forward in the draft ordinances attached

hereto as Attachments 2 and 4. As such, the recitals and findings in Resolution 18-070 are also incorporated herein by reference.

15. In the process of implementing the previously adopted commercial cannabis regulations, County staff, the Planning Commission, The Board Cannabis Committee, and the full Board of Supervisors identified challenges in processing large volumes of cannabis land use permits and implementation of the 1,500-foot setback required between commercial cannabis retailers (dispensaries). These challenges, include competition for permits, lack of process for consideration of exceptions, limited planning staff to process Use Permits, and alignment with evolving state law. To address these challenges, the Board of Supervisors has directed staff to consider amending the adopted regulations.

16. On September 12, 2018, the Planning Commission held a duly noticed public hearing to consider making a recommendation to the Board of Supervisors on proposed ordinances (**Attachments 1 and 2**) that were intended to address the permitting challenges identified. At the conclusion of the hearing on the matter, the Planning Commission voted to continue the hearing to October 10, 2018 and provided direction to staff to consider additional revisions to the ordinances that would accomplish the following:

- a. Change the process for commercial cannabis activities from a Use Permit/Coastal Development Permit in each case to an Administrative Permit/Coastal Administrative Permit for projects applications that meet all of the required criteria; and
- b. Require a Use Permit/Coastal Development Permit for any proposal for a commercial cannabis activity that fails to meet the criteria in the regulations, and craft findings required for the consideration of such permits that address information and circumstances that should be evaluated in consideration of these permits.

17. In continuing the hearing from September 12, 2018 to October 10, 2018, the Planning Commission recommended that Board of Supervisors decline to adopt the draft ordinances attached as **Attachments 1 and 2** because those draft ordinances create an unnecessary process, referred to as a “minor exception,” and the ordinances do not address all potential circumstances that may warrant approval of projects involving exceptions to standards contained in the adopted cannabis regulations, nor do they establish applicable criteria that should be considered in granting an exception.

18. It is the intent of the County of Monterey to have a strong and effective regulatory and enforcement system with regard to cannabis that addresses threats to public safety, health and other law enforcement interests through robust controls and procedures that are effective in practice. The draft ordinances attached as **Attachments 3 and 4** to this resolution would amend the County’s cannabis regulations to simplify the permitting process for commercial cannabis activities, clarify regulations and exceptions for implementation of the 1,500-foot setback between cannabis retailers, and maintain robust controls and procedures that address threats to public safety, health and other law enforcement interests.

19. In forwarding this recommendation to the Board of Supervisors on the attached ordinances (**Attachments 3 and 4**), the Planning Commission has balanced public opinion, prudent planning, zoning, and land use principals, and potential public health, safety, and welfare

impacts. The Planning Commission will continue to balance these factors in any land use entitlements or decisions within their purview.

20. Chapters 7.02, 7.90, 20.67, and 21.67 of the Monterey County Code are intended to establish criteria for issuing local permits pursuant to the MAUCRSA and to establish an effective regulatory and enforcement system.

21. For the proposed amendments to the Coastal Implementation Plan, pursuant to the Coastal Act, the County may amend the certified Local Coastal Program, provided the County follows certain procedures. The procedures include: the County's Planning Commission hold a noticed public hearing and make a recommendation to the Board of Supervisors; the Board of Supervisors hold a noticed public hearing, adopt a resolution of intent, and submit the proposed amendment to the California Coastal Commission for certification together with materials sufficient for a thorough and complete review; the Board of Supervisors take subsequent final action on the ordinance after the Coastal Commission acts; and the Coastal Commission confirm the County's action. Accordingly, the ordinance amending Part 1 of the Coastal Implementation Plan will not go into effect until after certification by the Coastal Commission and subsequent formal adoption by the Board of Supervisors at a duly noticed public hearing, and it will not become operative until the Coastal Commission's certification is final and effective.

22. The County intends to carry out the ordinance amending the Coastal Implementation Plan in a manner fully in conformity with the California Coastal Act.

23. State law provides a statutory exemption from the California Environmental Quality Act (CEQA) for consideration and adoption of local commercial cannabis regulations that require subsequent discretionary permits which are themselves subject to CEQA review [Business and Professions Code section 26055(h)]. The County's draft ordinances require an Administrative Permit or Coastal Administrative Permit, for all commercial cannabis activities in the County. Administrative Permits and Coastal Administrative Permits are individually subject to CEQA review. Therefore, the County's updated regulations are statutorily exempt from CEQA review pursuant to Business and Professions Code section 26055(h).

24. State law requires the Planning Commission to hold a noticed public hearing on proposed amendments to zoning ordinances and to make a written recommendation to the Board of Supervisors.

25. On September 12, 2018, the Planning Commission held a duly noticed public hearing to consider making a recommendation to the Board of Supervisors. At least 10 days before the hearing date, notices of the hearing before the Planning Commission were published in The Monterey County Herald and The Salinas Californian. At the conclusion of the hearing on the matter, the Planning Commission continued the public hearing to October 10, 2018.

II. DECISION

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission hereby recommends that the Board of Supervisors:

- a) Find the project is the adoption of commercial cannabis regulations that require subsequent discretionary permits that are themselves subject to CEQA review, and therefore is statutorily exempt from CEQA the pursuant to Business and Professions Code section 26055(h).
- b) Decline to adopt an ordinance to amend Title 21 (non-coastal zoning ordinance) and a resolution of intent to adopt Title 20 (coastal zoning ordinance) to:
 - 1. Change commercial cannabis activities (Includes: retailer, indoor and mixed light cultivation and nursery, volatile and non-volatile manufacturing, distribution, and testing) from a conditional use allowed subject to a Use Permit/Coastal Development Permit in each case within specified zoning districts, to a principal use allowed subject to an Administrative Permit/Coastal Administrative Permit in each case within the same specified zoning districts;
 - 2. Create an exception to the 1500-foot setback required between commercial cannabis retailers if applicant provides proof based on substantial evidence that special circumstances exist (“Minor Exception”); and
 - 3. Require a Use Permit/Coastal Development Permit for a proposed retail facility that does not comply with the 1,500-foot setback from another approved retail facility and when special circumstances do not exist (“Major Exception”); and (**Attachments 1 and 2**).
- c) Adopt an ordinance to amend Title 21 (non-coastal zoning ordinance) of the Monterey County Code to change commercial cannabis activities from a conditional use allowed subject to a Use Permit in each case within specified zoning districts, to a principal use allowed subject to an Administrative Permit in each case within the same specified zoning districts; to require a Use Permit for a commercial cannabis retail facility (“dispensaries”) that is located within the 1,500 feet of another approved retail facility; and to establish findings required in order to grant a Use Permit for a retail facility within 1,500 feet of another retail facility (**Attachment 3**); and
- d) Adopt a resolution of intent to adopt an ordinance amending the Monterey County Coastal Implementation Plan, Part 1 (Title 20, coastal zoning) of the Monterey County Code to change commercial cannabis activities from a conditional use allowed subject to a Coastal Development Permit in each case within specified zoning districts, to a principal use allowed subject to a Coastal Administrative Permit in each case within the same specified zoning districts; to require a Coastal Development Permit for a retail facility that is within 1500-feet of another approved retail facility ; and to establish findings required in order to grant a Coastal Development Permit for a retail facility within 1,500 feet of another retail facility (**Attachment 4**).

PASSED AND ADOPTED on this 10th day of October 2018, by the following vote:

AYES:
 NOES:
 ABSENT:

By: _____
 Jacqueline R. Onciano, Secretary

ORDINANCE NO. _____

**AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA,
AMENDING TITLE 21 (NON-COASTAL ZONING) OF THE MONTEREY COUNTY
CODE RELATING TO COMMERCIAL CANNABIS ACTIVITIES**

County Counsel Summary

This ordinance amends Title 21 (non-coastal zoning) of the Monterey County Code related to regulation of commercial cannabis activities in the inland unincorporated area of Monterey County. This ordinance changes commercial cannabis activities from a conditional use allowed subject to a use permit in each case within specified zoning districts, to a principal use allowed subject to an administrative permit in each case within the same specified zoning districts. This ordinance also creates an exception to the 1500-foot setback required between commercial cannabis retailers if an applicant provides proof based on substantial evidence that special circumstances apply. As defined in this ordinance, special circumstances include a location within a Community Area or Rural Center as defined by the 2010 Monterey County General Plan, or a location within a Large Shopping Center. This ordinance adds a definition of “Large Shopping Center” and modifies the findings required to grant a permit for a retail facility to reflect the added setback exception. This ordinance would not allow an exception to the 1,500 foot setback between commercial cannabis retailers if the granting of an exception would result in more than three retailers in a Community Area, or more than two retailers in a Rural Center or Large Shopping Center. A Use Permit will be required for a proposed retail facility that does not comply with the 1,500 foot setback from another approved retail facility, and when special circumstances are inapplicable.

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

SECTION 1. 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, new commercial cannabis activities shall require an administrative-use permit in each case.

SECTION 2. Subsection BB is added to Section 21.18.050 of the Monterey County Code to read as follows:

BB. Cannabis retailer pursuant to Chapter 21.67.

SECTION 3. Subsection HH of Section 21.18.060 of the Monterey County Code is repealed.

SECTION 4. 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, new commercial cannabis activities shall require an administrative-use permit in each case.

SECTION 5. Subsections V, W, X, and Y are added to Section 21.20.050 of the Monterey County Code to read as follows:

- V. Cannabis retailer pursuant to Chapter 21.67;
- W. Non-volatile cannabis manufacturing pursuant to Chapter 21.67;
- X. Cannabis distribution facilities pursuant to Chapter 21.67;
- Y. Cannabis testing facilities pursuant to Chapter 21.67.

SECTION 6. Subsections OO, PP, QQ, and RR of Section 21.20.060 of the Monterey County Code are repealed.

SECTION 7. Subsection A of Section 21.24.040 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, new commercial cannabis activities shall require an administrative-use permit in each case.

SECTION 8. Subsections O, P, Q, and R are added to Section 21.24.050 of the Monterey County Code to read as follows:

- O. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 21.67;
- P. Non-volatile cannabis manufacturing pursuant to Chapter 21.67;
- Q. Cannabis distribution facilities pursuant to Chapter 21.67;
- R. Cannabis testing facilities pursuant to Chapter 21.67.

SECTION 9. Subsections EE, FF, GG, and HH of Section 21.24.060 of the Monterey County Code are repealed.

SECTION 10. 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, new commercial cannabis activities shall require an administrative-use permit in each case.

SECTION 11. Subsections BB, CC, DD, and EE are added to Section 21.26.050 of the Monterey County Code to read as follows:

- [BB. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 21.67;](#)
- [CC. Non-volatile cannabis manufacturing pursuant to Chapter 21.67;](#)
- [DD. Cannabis distribution facilities pursuant to Chapter 21.67;](#)
- [EE. Cannabis testing facilities pursuant to Chapter 21.67.](#)

SECTION 12. Subsections II, JJ, KK, and LL of Section 21.26.060 of the Monterey County Code are repealed.

SECTION 13. 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, new commercial cannabis activities shall require an ~~administrative-use~~ permit in each case.

SECTION 14. Subsections X, Y, Z, AA, and BB are added to Section 21.28.050 of the Monterey County Code to read as follows:

- [X. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 21.67;](#)
- [Y. Non-volatile cannabis manufacturing pursuant to Chapter 21.67;](#)
- [Z. Volatile cannabis manufacturing pursuant to Chapter 21.67;](#)
- [AA. Cannabis distribution facilities pursuant to Chapter 21.67;](#)
- [BB. Cannabis testing facilities pursuant to Chapter 21.67.](#)

SECTION 15. Subsections KK, LL, MM, NN, and OO of Section 21.28.060 of the Monterey County Code are repealed.

SECTION 16. Subsections I and J are added to Section 21.30.040 of the Monterey County Code to read as follows:

- [I. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 21.67;](#)
- [J. Non-volatile cannabis manufacturing pursuant to Chapter 21.67.](#)

SECTION 17. Subsections JJ and KK of Section 21.30.050 of the Monterey County Code are repealed.

SECTION 18. Section 21.67.010 of the Monterey County Code is amended to read as follows:

For the purpose of this Chapter, unless the context otherwise requires, certain terms used in this Chapter shall be as defined below. The definitions in Chapter 21.06 shall otherwise apply.

A. “Bureau” means the Bureau of Cannabis Control within the California Department of Consumer Affairs.

B. “Cannabis concentrate” means cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product’s potency. Resin from granular trichomes from a cannabis plant is a concentrate for purposes of this Chapter. A cannabis concentrate is not considered food, as defined by Section 109935 of the California Health and Safety Code, or a drug, as defined by Section 109925 of the California Health and Safety Code.

C. “Cannabis product” has the same meaning as in Section 11018.1 of the California Health and Safety Code.

D. “Canopy” means all areas occupied by any portion of a cannabis plant, inclusive of all vertical planes, whether contiguous or noncontiguous on any one site.

E. “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.

F. ~~G.~~ “Child Care Center” means any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, transitional kindergartens, and school age child care centers.

G. “Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis. Within the definition of cultivation, the following specific Permit Types, corresponding to state cultivator license types set forth in California Business and Professions Code Section 26061 apply:

1. Type 1A or “specialty indoor” means indoor cultivation using exclusively artificial lighting of between five hundred one (501) and five thousand (5,000) square feet of total canopy size on one premises;

2. Type 1B or “specialty mixed-light” means cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, of between two thousand five hundred one (2,501) and five thousand (5,000) square feet of total canopy size on one premises;

3. Type 1C, or “specialty cottage,” for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, of two thousand five hundred (2,500) square feet or less of total canopy size for mixed-light cultivation, or five hundred (500) square feet or less of total canopy size for indoor cultivation, on one premises;

4. 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 on one premises;

5. 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 on one premises;

6. Type 3A or “indoor” means indoor cultivation using exclusively artificial lighting and having a total canopy area between ten thousand one (10,001) and twenty-two thousand (22,000) square feet on one premises;

7. 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 on one premises; and

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

~~G. “Child Care Center” means any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, transitional kindergartens, and school age child care centers.~~

H. “Delivery” means the commercial transfer of cannabis or cannabis products to a customer. “Delivery” also includes the use by a retailer of any technology platform owned and controlled by the retailer.

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

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

K. “Edible cannabis product” means cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Division 15 (commencing with Section 32501) of the California Food and Agricultural Code. An edible cannabis product is not considered food, as defined by Section 109935 of the California Health and Safety Code, or a drug, as defined by Section 109925 of the California Health and Safety Code

L. “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.

M. “Hearing Officer” means a person appointed by the County to conduct an administrative hearing under this Chapter. The appointed Hearing Officer shall be an impartial decision-maker selected by a process that eliminates risk of bias, such as:

1. An administrative law judge provided by the State of California Office of Administrative Hearings to function as the County Hearing Officer pursuant to Chapter 14 of Part 3 of Division 2 of Title 3 of the California Government Code;

2. A person selected randomly from a panel of attorneys willing to serve as a Hearing Officer; or

3. An independent contractor assigned by an organization or entity which provides hearing officers.

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

O. “Large Shopping Center” means a shopping center or contiguous shopping centers where all of the following are met:

1. The shopping center(s) are designed, planned, and managed to serve regional shopping needs;

2. The shopping center(s) consist of at least twelve (12) retail stores and service establishments connected by parking areas and common walkways; and

3. The shopping center(s) are located on at least two acres of land inclusive of parking areas.

P. “Licensee” means any person holding a state license under California Business and Professions Code Sections 26000, *et seq.*

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

QR. “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.

RS. “Manufacturing site” means a location that produces, prepares, propagates, or compounds cannabis or cannabis products either 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.

ST. “Medicinal cannabis” or “medicinal cannabis product” means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the California Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician’s recommendation.

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

VU. “One ownership” and “owner” have the same definition as set forth in Chapter 21.06 of this Title.

VW. “Permittee” means a person issued an Administrative Use-Permit under this Chapter.

WX. “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.

XY. “Playground” means any park or recreational area specifically designed to be used by children which has play equipment installed, including public grounds designed for athletic activities such as baseball, football, soccer, or basketball, or any similar facility located on public or private school grounds, or on city, county, or state parks.

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

ZAA. “Public park” means an area created, established, designated, or maintained by a special district, a County, the State, or the Federal government for public play, recreation, or enjoyment or for the protection of natural resources and features at the site.

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

BBCC. “Retailer” and “retail facility” shall have the same meaning as “Dispensary.”

CCDD. “State” means the State of California.

DD EE. “State license,” “license,” or “registration” means a state license issued pursuant to California Business & Professions Code Sections 26000, *et seq.*

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

1. Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activities in the state; and
2. Licensed by the Bureau.

FFGG. “Transport” or “transportation” mean the transfer of cannabis or 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 California Business & Professions Code Sections 26000, *et seq.*

GGHH. “Volatile Manufacturing” means a manufacturing site that manufactures cannabis products using volatile solvents.

HHH. “Volatile solvent” shall have the same meaning as in paragraph (3) of subsection (b) of Section 11362.3 of the Health and Safety Code, unless otherwise provided by law or regulation.

HJJ. “Youth center” means any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

SECTION 19. Subsection A of Section 21.67.030 of the Monterey County Code is amended to read as follows:

A. ~~An administrative-use~~ permit shall be required for all commercial cannabis activities. The application for an ~~administrative-use~~ permit, and for amendments thereto and extensions thereof, shall be processed in accordance with Chapter 21.7074 of the Monterey County Code. ~~The Chief of Planning Commission~~ is the Appropriate Authority to consider an ~~use-administrative~~ permit for commercial cannabis activities and to consider extensions of and amendments to such ~~use-administrative~~ permits unless the matter is referred to public hearing under Section 21.70.060 of this Chapter. Appeals from the decision of the ~~Planning Commission~~ Chief of Planning shall be governed by Chapter 21.80 of the Monterey County Code. ~~Notwithstanding the foregoing, the procedures for suspension and revocation of an use-administrative~~ permit granted under this Chapter shall be as set forth in Sections 21.67.110 and 21.67.120 of this Chapter.

SECTION 20. Subsection B of Section 21.67.030 of the Monterey County Code is amended to read as follows:

B. In addition to an administrative-use permit, a commercial cannabis permit pursuant to Chapter 7.90 of the Monterey County Code shall be required for all commercial cannabis activities.

SECTION 21. Subsection D of Section 21.67.030 of the Monterey County Code is amended to read as follows:

D. The owner shall post or cause to be posted on site the use-administrative permit and all required County and state permits and licenses required to operate. Such posting shall be in a central location, visible to the patrons, at the operating site, and in all vehicles that deliver or transport cannabis or cannabis products.

SECTION 22. Subsection B.3 of Section 21.67.040 of the Monterey County Code is amended to read as follows:

3. Retail facilities shall not be located within one thousand five hundred (1,500) feet of another approved dispensary retail facility, except when a retail facility demonstrates to the satisfaction of the Appropriate Authority that special circumstances exist.

a. Special circumstances require a proposed retail facility to provide proof based on substantial evidence of the following:

i. The proposed retail facility is located within a Community Area, Rural Center, or Large Shopping Center; and

ii. The proposed retail facility would result in no more than three (3) retail facilities in the designated Community Area, or result in no more than two (2) retail facilities in the Rural Center or Large Shopping Center.

b. A Use Permit pursuant to Chapter 21.74 of this Title shall be required for a proposed retail facility that does not comply with the 1,500 foot setback from another approved retail facility, and when the Appropriate Authority determines that special circumstances are inapplicable to a proposed retail facility as described in this Subsection. The Planning Commission is the Appropriate Authority to consider said permit. In reviewing the Use Permit, the Appropriate Authority shall consider the location of the proposed retailer, density of retailers in the vicinity, specific characteristics of the site, and any other relevant factors.

c. In circumstances where a retail facility is proposed within 1,500 feet of another proposed retail facility, the 1,500 foot setback is established upon the granting of an entitlement by the Appropriate Authority. In these circumstances, entitlements for commercial cannabis retailers shall be considered in the order the application for the entitlement is deemed complete.

SECTION 23. Subsection C of Section 21.67.040 of the Monterey County Code is amended to read as follows:

C. Required Findings. An ~~administrative-use~~ permit for a cannabis retailer shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 24. Subsection C.2 of Section 21.67.040 of the Monterey County Code is amended to read as follows:

2. The retail facility will not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority, and the retail facility complies with the minimum setbacks required between retailers as provided in Section 21.67.040.B.3 of this Chapter. The distance specified in this section shall be measured from property line to property line, except playgrounds, which will be measured from the boundary of the playground facility.

SECTION 25. Subsection C.4 of Section 21.67.040 of the Monterey County Code is amended to read as follows:

4. The retailer includes adequate measures that minimize, to the extent feasible, nuisances to the immediate neighborhood and community including minimizing the detection of odor from off site, minimizing the effects of loitering, providing adequate security measures, and not exceeding the ~~administrative-use~~ permit’s limits on hours of operation.

SECTION 26. Subsection D.5 of Section 21.67.040 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and state law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or state shall be grounds for the suspension or revocation of an ~~administrative-use~~ permit pursuant to Sections [21.67.110](#) and [21.67.120](#) of this ~~Chapter~~ [Monterey County Code](#).

SECTION 27. Subsection A of Section 21.67.050 of the Monterey County Code is amended to read as follows:

A. Applicability. Except as provided in Section 21.67.090 of this Chapter, cannabis cultivation may only be permitted in the Light Industrial (LI), Heavy Industrial (HI), Agricultural Industrial (AI), or Farmland (F) zoning districts with an ~~administrative-use~~ permit in each case and as may be further restricted by this Section. Outdoor cannabis cultivation is prohibited in all zones within the unincorporated areas of Monterey County except as provided in Section 21.67.090 of this Chapter. The table below summarizes the zoning districts where cultivation may be considered with an ~~administrative-use~~ permit.

	Type 1A	Type 1B	Type 1C	Type 2A	Type 2B	Type 3A	Type 3B	Type 4
LI	UPAP							
HI	UPAP							
AI	UPAP							
F	UPAP							

~~UP-AP~~ = ~~Use-Administrative~~ permit pursuant to Chapter [21.7470](#)

* For Type 1C “Specialty Cottage” only mixed-light and indoor cultivation are permitted. “Specialty cottage” outdoor cultivation is prohibited in Monterey County.

SECTION 28. Subsection B.1 of Section 21.67.050 of the Monterey County Code is amended to read as follows:

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 cannabis cultivation and cannabis nurseries (Type 1A, 1B, 1C, 2A, 2B, 3A, 3B and 4 state license types) may be permitted with an [administrative-use](#) permit in each case provided that within the Farmland (F) zoning district, the cultivation occurs only within a greenhouse or industrial building that was permitted or legally established prior to January 1, 2016. Greenhouses and industrial buildings may be improved for cannabis activities after January 1, 2016 provided that the footprint of the existing greenhouse(s) or industrial buildings does not change.

SECTION 29. Subsection B.2 of Section 21.67.050 of the Monterey County Code is amended to read as follows:

2. Within the Light Industrial (LI), Heavy Industrial (HI), and Agricultural Industrial (AI) zoning districts, indoor or mixed-light cannabis cultivation or cannabis nurseries (Type 1A, 1B, 1C, 2A, 2B, 3A, 3B, or 4 state license types) may be permitted subject to an [administrative-use](#) permit in each case, except that Type 3A, 3B and 4 cultivation types shall not be permitted in the Light Industrial (LI) zoning district, and provided that the cultivation occurs only within a greenhouse or industrial building that was permitted or legally established prior to January 1, 2016. Subject to other permit requirements of this Title, greenhouses and industrial buildings may be improved for cannabis activities after January 1, 2016 provided that the footprint of the existing greenhouse(s) or industrial building(s) does not change.

SECTION 30. Subsection B.12 of Section 21.67.050 of the Monterey County Code is amended to read as follows:

12. Unless restricted under the terms or conditions of an [administrative-use](#) permit, permittees who hold an [administrative-use](#) permit for cannabis cultivation or nursery operations may transport their own cannabis grown on site to another permitted and licensed cannabis business at an off-site facility provided the cultivation or nursery permittee hold a Type 11 state license or other applicable state license that allows for the transportation of cannabis. A separate [administrative-use](#) permit under this Section shall not be required for permittees that transport their own cannabis grown on site to another permitted and licensed cannabis business at an off-site facility. Failure to adhere to County or state laws and regulations for cannabis transportation may be grounds for suspension or revocation of an [administrative-use](#) permit pursuant to Sections [21.67.110](#) and [21.67.120](#) of this [Chaptere Monterey County Code](#).

SECTION 31. Subsection C of Section 21.67.050 of the Monterey County Code is amended to read as follows:

C. Required Findings. An [administrative-use](#) permit for cannabis cultivation shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 32. Subsection D.5 of Section 21.67.050 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and state law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or state shall be grounds for the suspension or revocation of an ~~use-administrative~~ permit pursuant to Sections [21.67.110](#) and [21.67.120](#) of this ~~Chapter~~ ~~Monterey County Code~~.

SECTION 33. Subsection A of Section 21.67.060 of the Monterey County Code is amended to read as follows:

A. Applicability. Non-volatile cannabis manufacturing facilities (requiring a Type 6 state license) may be permitted in the Heavy Commercial (HC), Light Industrial (LI), Heavy Industrial (HI), Agricultural Industrial (AI), or in Farmland (F) zoning districts when combined with a cannabis cultivation permit, subject to an ~~administrative-use~~ permit in each case. Cannabis manufacturing facilities involving volatile processes or substances (requiring a Type 7 state license) shall only be permitted in the Heavy Industrial (HI) zoning district with an ~~administrative-use~~ permit in each case. Except as provided in Section 21.67.090 of this Chapter, cannabis manufacturing shall be subject to the requirements contained in this Section.

SECTION 34. Subsection B.7 of Section 21.67.060 of the Monterey County Code is amended to read as follows:

7. Unless restricted under the terms or conditions of an ~~administrative-use~~ permit, permittees who hold an ~~administrative-use~~ permit for cannabis manufacturing may transport their own cannabis products manufactured on site to another permitted and licensed cannabis business at an off-site facility provided the manufacturing permittee holds a Type 11 state license or other applicable state license that allows for the transportation of cannabis products. A separate ~~administrative-use~~ permit under this Section shall not be required for permittees that transport their own cannabis products manufactured on site to another permitted and licensed cannabis business at an off-site facility. Failure to adhere to County or state laws and regulations for manufactured cannabis transportation may be grounds for suspension or revocation of an ~~administrative-use~~ permit pursuant to Sections [21.67.110](#) and [21.67.120](#) of this ~~Chapter~~ ~~Monterey County Code~~.

SECTION 35. Subsection C of Section 21.67.060 of the Monterey County Code is amended to read as follows:

C. Required Findings. An ~~administrative-use~~ permit for cannabis manufacturing shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 36. Subsection D.5 of Section 21.67.060 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and state law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or state shall be grounds for the suspension or revocation of an ~~administrative-use~~ permit pursuant to Sections [21.67.110](#) and [21.67.120](#) of this Chapter.

SECTION 37. Subsection A of Section 21.67.070 of the Monterey County Code is amended to read as follows:

A. 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 an ~~administrative-use~~ permit in each case. Testing facilities shall be subject to the requirements of this Section.

SECTION 38. Subsection C of Section 21.67.070 of the Monterey County Code is amended to read as follows:

C. Required Findings. An ~~administrative-use~~ permit for a cannabis testing facility shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 39. Subsection D.5 of Section 21.67.070 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and state law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or state shall be grounds for the suspension or revocation of an ~~administrative-use~~ permit pursuant to Sections [21.67.110](#) and [21.67.120](#) of ~~this Chapter~~ [Monterey County Code](#).

SECTION 40. Subsection A of Section 21.67.080 of the Monterey County Code is amended to read as follows:

A. Applicability. Except as provided in Section 21.67.090, cannabis distribution facilities (requiring a Type 11 state license) may be permitted in the Heavy Commercial (HC), Light Industrial (LI), Heavy Industrial (HI), and Agricultural Industrial (AI) zoning districts subject to an ~~administrative-use~~ permit in each case. Cannabis distribution facilities shall be subject to all of the requirements contained in this Section.

SECTION 41. Subsection C of Section 21.67.080 of the Monterey County Code is amended to read as follows:

C. Required Findings. An ~~administrative-use~~ permit for a cannabis distribution facility shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 42. Subsection D.5 of Section 21.67.080 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with permits and licenses required by the Monterey County Code and state law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or state shall be grounds for the ~~modification-suspension~~ or revocation of an ~~administrative-use~~ permit pursuant to Sections ~~21.67.110 and 21.67.120 of this Chapter Monterey County Code.~~

SECTION 43. Section 21.67.090 of the Monterey County Code is amended to read as follows:

All of the following cannabis activities are exempt from the ~~AdministrativeUse~~ Permit requirements of this Chapter in all zoning districts:

A. Possession, storage, manufacturing, or transportation of medicinal cannabis, or cultivation of up to one hundred (100) square feet total canopy area of medicinal cannabis by a qualified patient, as that term is defined in Section 11362.7 of the California Health and Safety Code, provided the qualified patient, possesses, stores, manufactures, transports, or cultivates cannabis exclusively for his or her personal medical use, and does not provide, donate, sell, or distribute cannabis to any other person. Qualified patients shall, upon request, provide appropriate documentation to law enforcement demonstrating that they have a valid doctor's recommendation to use cannabis for medicinal purposes.

B. Possession, storage, manufacturing, transportation of medicinal cannabis, or cultivation of up to one hundred (100) square feet of canopy area of medicinal cannabis by a primary caregiver on behalf of a qualified patient, within the meaning of Section 11362.7 of the California Health and Safety Code, provided the primary caregiver does not receive remuneration for these activities except for compensation in full compliance with Section 11362.765(c) of the California Health and Safety Code. Primary caregivers shall, upon request, provide appropriate documentation to law enforcement demonstrating that they are a primary caregiver for a qualified patient.

C. Possession, processing, storage, transportation, or donation of not more than 28.5 grams of cannabis or not more than eight (8) grams of concentrated cannabis to persons twenty-one (21) years of age or older by persons twenty-one (21) years of age or older.

D. The cultivation of up to six (6) cannabis plants by persons twenty-one (21) years of age or older as allowed pursuant to Section 11362.1(a) of the California Health and Safety Code.

SECTION 44. Section 21.67.100 of the Monterey County Code is amended to read as follows:

All applications for an ~~Administrative-Use~~ Permit for a commercial cannabis activity shall be filed with the Resource Management Agency on the form and in the manner prescribed by the Director of the Resource Management Agency or the Chief of Planning, or his or her designee. In all cases the application shall contain, without limitation, the following documentation:

A. Notarized, written authorization from all persons and entities having a right, title or interest in the property that is the subject of the application consenting to the application and the operation of the proposed commercial cannabis activity on the subject property.

B. The name and address of all persons and entities responsible for the operation of the commercial cannabis activity, 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 activity.

C. Site plans, floor plans, conceptual improvement plans, and a general description of the nature, size, and type of commercial cannabis activity(ies) being requested.

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

1. Onsite 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. A water management plan including the proposed water supply and proposed conservation measures;

6. Medical recommendation verification when applicable 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. Track and trace measures;
10. Sustainability measures including water efficiency measures, energy efficiency measures, high efficiency mechanical systems, and alternative fuel transportation methods;
11. Odor prevention devices;
12. Size, height, colors, and design of any proposed signage at the site;
13. Parking plan; and
14. Such other information as the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may require.

E. Additional application requirements: Based on the type of commercial cannabis activities proposed, the following additional information may be required by the Director of the Resource Management Agency or the Chief of Planning, or his or her designee:

1. Cannabis retailer: In reviewing an application for an [Administrative-Use](#) Permit to dispense cannabis or cannabis products, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request operational plans detailing how operations will comply with federal enforcement priorities.

2. Cannabis cultivation: In reviewing an application for an [Administrative-Use](#) Permit to cultivate cannabis, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request the following additional information:

- a. Water conservation measures;
- b. Projected energy demand and proposed renewable energy generation facilities;
- c. Unique identifier, inventory, and quality control procedures; and
- d. A floor plan identifying the location, dimensions, and boundaries of all proposed canopy areas taking into account space needed for ongoing care of plants and a description of the proposed method of physically delineating those boundaries at the site.

3. Cannabis manufacturing: In reviewing an application for an [Administrative-Use](#) Permit to operate a cannabis manufacturing facility, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request the following additional information:

- 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 the Resource Management Agency or the Chief of Planning, or his or her designee.

4. Cannabis testing facilities: In reviewing an application for an [Administrative-Use](#) Permit to operate a cannabis testing facility, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request the following additional information:

- 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 the Resource Management Agency or the Chief of Planning, or his or her designee.

5. Cannabis transportation and distribution facility: In reviewing an application for an [Administrative-Use](#) Permit to operate a cannabis transportation and/or distribution facility, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request any following additional information:

- 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 the Resource Management Agency or the Chief of Planning, or his or her designee.

F. All required application materials shall be prepared by the applicant and submitted at the time of application.

SECTION 45. Section 21.67.110 of the Monterey County Code is amended to read as follows:

Any of the following shall be grounds for suspension or revocation of ~~the a~~ Use Permit, or Administrative Permit granted for a commercial cannabis activity based on substantial evidence and following notice and public hearing pursuant to Section 21.67.120:

A. Failure to comply with one or more of the conditions of the Use Permit or Administrative Permit;

B. The Use Permit or Administrative Permit was granted on the basis of false material information, written or oral, given willfully or negligently by the applicant;

C. Any act or omission by an owner or permittee in contravention of the provisions of this Chapter;

D. Any act or omission by an owner or permittee that results in the denial, revocation or suspension of the owner's or permittee's State License;

E. Any act or omission that results in the revocation of that owner's or permittee's commercial cannabis permit under Chapter 7.90 of the Monterey County Code;

F. Any act or omission by an owner or permittee in contravention of State law or the Monterey County Code;

G. An owner's or permittee's failure to take appropriate action to evict or otherwise remove persons conducting commercial cannabis activities who do not maintain the necessary permits or licenses in good standing with the County or State;

H. Possession or delivery of any other form of illegal drugs without proper legal authorization; or

I. Conduct of the commercial cannabis activities in a manner that constitutes a nuisance, where the owner or permittee has failed to comply with reasonable conditions to abate the nuisance.

SECTION 46. Subsection A of Section 21.67.120 of the Monterey County Code is amended to read as follows:

A. If the Director of the Resource Management Agency or the Chief of Planning, or his or her designee determines that grounds for suspension or revocation of the Use Permit [or Administrative Permit](#) exist pursuant to section 21.67.110, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee shall issue a written Notice of Intention to revoke or suspend the Use Permit [or Administrative Permit](#), as the case may be. The Notice of Intention shall be served on the owner, as reported on the latest equalized assessment roll, and shall also be served on permittees on the property, as reported on the commercial cannabis permits issued pursuant to Chapter 7.90. The Notice of Intention shall be served by either personal delivery or by certified U.S. Mail, postage prepaid, return receipt requested. The Notice of Intention shall describe the property, the intention to revoke or suspend the Use Permit [or Administrative Permit](#), the grounds for revocation or suspension, the action necessary to abate the violation, the time limit for compliance, and the right to a hearing. The Notice of Intention shall notify the owner and permittees of the opportunity to request a hearing before a Hearing Officer to present evidence as to why the Use Permit [or Administrative Permit](#) should not be suspended or revoked and shall notify them of the 10-day deadline to submit a written request for a hearing.

SECTION 47. Subsection B of Section 21.67.120 of the Monterey County Code is amended to read as follows:

B. The owner and permittees shall have ten (10) calendar days from the service of the Notice of Intention to submit a written request for a hearing before the Hearing Officer. Failure to submit the written request for a hearing shall be deemed a waiver of the right to challenge the suspension or revocation of the Use Permit [or Administrative Permit](#) and a failure to exhaust administrative remedies. If the hearing is not timely requested, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may suspend or revoke the Use Permit [or Administrative Permit](#) in accordance with the Notice of Intention.

SECTION 48. Subsection D.1 of Section 21.67.120 of the Monterey County Code is amended to read as follows:

1. The Hearing Officer is authorized to conduct hearings, issue subpoenas, receive evidence, administer oaths, rule on questions of law and the admissibility of evidence, prepare a record of the proceedings, and render decisions on the suspension or revocation of the ~~Use~~ [Permit or Administrative Permit](#).

SECTION 49. 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 50. This ordinance shall become effective on the thirty-first day following its adoption.

PASSED AND ADOPTED on this ____ day of _____, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Luis A. Alejo, Chair
Monterey County Board of Supervisors

A T T E S T:

Valerie Ralph
Clerk of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM BY:

Wendy S. Strimling
Senior Deputy County Counsel

ORDINANCE NO. _____

**AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA,
AMENDING TITLE 20 (COASTAL ZONING) OF THE MONTEREY COUNTY CODE
RELATING TO COMMERCIAL CANNABIS ACTIVITIES**

County Counsel Summary

This ordinance amends Title 20 (coastal zoning) of the Monterey County Code to regulate commercial cannabis activities in the coastal unincorporated area of Monterey County consistent with state law. This ordinance changes commercial cannabis activities from a conditional use allowed subject to a Coastal Development Permit in each case within specified zoning districts, to a principal use allowed subject to a Coastal Administrative Permit in each case within the same specified zoning districts. This ordinance also creates an exception to the 1500-foot setback required between commercial cannabis retailers if an applicant provides proof based on substantial evidence that special circumstances apply. As defined in this ordinance, special circumstances include a location within a Community Area as defined by the applicable Land Use Plan, or a location within a Large Shopping Center. This ordinance adds a definition of “Large Shopping Center” and modifies the findings required to grant a permit for a retail facility to reflect the added setback exception. This ordinance would not allow an exception to the 1,500 foot setback between commercial cannabis retailers if the granting of an exception would result in more than three retailers in a Community Area, or more than two retailers in a Large Shopping Center. A Coastal Development Permit will be required for a proposed retail facility that does not comply with the 1,500 foot setback from another approved retail facility, and when special circumstances are inapplicable. This ordinance also reflects proposed, but not yet adopted amendments to remove the 600-foot setback from public parks for all types of commercial cannabis activities and instead require a 600-foot setback from playgrounds, drug recovery facilities, child care centers, and youth centers for all types of commercial cannabis activities.

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

SECTION 1. Subsection A of Section 20.18.050 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, new commercial cannabis activities that are allowed under Section 20.18.060 shall require a Coastal Development Permit in each case.~~

SECTION 2. Subsection AA is added to Section 20.18.050 of the Monterey County Code to read as follows:

AA. Cannabis retailer pursuant to Chapter 20.67

SECTION 3. Subsection QQ of Section 20.18.060 of the Monterey County Code is repealed.

SECTION 4. Subsection A of Section 20.20.050 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, new commercial cannabis activities that are allowed under Section 20.20.060 shall require a Coastal Development Permit in each case.~~

SECTION 5. Subsection U is added to Section 20.20.050 of the Monterey County Code to read as follows:

U. Cannabis retailer pursuant to Chapter 20.67.

SECTION 6. Subsection W of Section 20.20.060 of the Monterey County Code is repealed.

SECTION 7. Subsection A of Section 20.24.050 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, new commercial cannabis activities that are allowed under Section 20.24.060 shall require a Coastal Development Permit in each case.~~

SECTION 8. Subsections N, O, P, and Q are added to Section 20.24.050 of the Monterey County Code to read as follows:

N. Indoor, mixed light, or nursery cannabis cultivation pursuant to Chapter 20.67;

O. Non-volatile cannabis manufacturing pursuant to Chapter 20.67;

P. Cannabis distribution facilities pursuant to Chapter 20.67;

Q. Cannabis testing facilities pursuant to Chapter 20.67.

SECTION 9. Subsections JJ, KK, LL, and MM of Section 20.24.060 of the Monterey County Code are repealed.

SECTION 10. Subsection A of Section 20.26.050 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, new commercial cannabis~~

~~activities that are allowed under Section 20.26.060 shall require a Coastal Development Permit in each case.~~

SECTION 11. Subsections DD, EE, FF, GG, and HH are added to Section 20.26.050 of the Monterey County Code to read as follows:

- DD. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 20.67;
- EE. Non-volatile cannabis manufacturing pursuant to Chapter 20.67;
- FF. Cannabis distribution facilities pursuant to Chapter 20.67;
- GG. Cannabis testing facilities pursuant to Chapter 20.67.

SECTION 12. Subsections DD, EE, FF of Section 20.26.060 of the Monterey County Code are amended to read as follows:

- DD. Food processing, fish canning and other uses of a similar character (ZA);
- EE. Processing for market of poultry, rabbits and small animals, but not including canning, rendering, tanning or reduction of meat or animal products (ZA);
- FF. Warehouses for the collection, packaging and distribution of agricultural and horticultural products (ZA);

SECTION 13. Subsection A of Section 20.28.050 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, new commercial cannabis activities that are allowed under Section 20.28.060 shall require a Coastal Development Permit in each case.~~

SECTION 14. Subsections Y, Z, AA, BB, and CC are added to Section 20.28.050 of the Monterey County Code to read as follows:

- Y. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 20.67;
- Z. Non-volatile cannabis manufacturing pursuant to Chapter 20.67;
- AA. Volatile cannabis manufacturing pursuant to Chapter 20.67;
- BB. Cannabis distribution facilities pursuant to Chapter 20.67;
- CC. Cannabis testing facilities pursuant to Chapter 20.67.

SECTION 15. Subsections NN, OO, PP, QQ, and RR of Section 20.28.060 of the Monterey County Code are repealed.

SECTION 16. Subsections U and V are added to Section 20.30.040 of the Monterey County Code to read as follows:

- U. Indoor, mixed light, or nursery cannabis cultivation pursuant to Chapter 20.67;
- V. Non-volatile cannabis manufacturing pursuant to Chapter 20.67

SECTION 17. Subsections EE and FF of Section 20.30.050 of the Monterey County Code are repealed.

SECTION 18. Subsections V and W are added to Section 20.32.040 of the Monterey County Code to read as follows:

V. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 20.67;

W. Non-volatile cannabis manufacturing pursuant to Chapter 20.67.

SECTION 19. Subsections II and JJ of Section 20.32.050 of the Monterey County Code are repealed.

SECTION 20. Section 20.67.010 of the Monterey County Code is amended to read as follows:

For the purpose of this Chapter, unless the context otherwise requires, certain terms used in this Chapter shall be as defined below. The definitions in Chapter 20.06 shall otherwise apply.

A. “Bureau” means the Bureau of Cannabis Control within the California Department of Consumer Affairs.

B. “Cannabis concentrate” means cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product’s potency. Resin from granular trichomes from a cannabis plant is a concentrate for purposes of this Chapter. A cannabis concentrate is not considered food, as defined by Section 109935 of the California Health and Safety Code, or a drug, as defined by Section 109925 of the California Health and Safety Code.

C. “Cannabis product” has the same meaning as in Section 11018.1 of the California Health and Safety Code.

D. “Canopy” means all areas occupied by any portion of a cannabis plant, inclusive of all vertical planes, whether contiguous or noncontiguous on any one site.

E. “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.

F. “Child care center” means any child day care facility other than a family day care home, and includes infant centers, preschools, extended child care facilities, transitional kindergartens, and school age child care centers.

GF. “Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis. Within the definition of cultivation, the following specific Permit Types, corresponding to state cultivator license types set forth in California Business and Professions Code Section 26061, apply:

1. Type 1A or “specialty indoor” means indoor cultivation using exclusively artificial lighting of between five hundred one (501) and five thousand (5,000) square feet of total canopy size on one premises;

2. Type 1B or “specialty mixed-light” means cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, of between two thousand five hundred one (2,501) and five thousand (5,000) square feet of total canopy size on one premises;

3. Type 1C, or “specialty cottage,” for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, of two thousand five hundred (2,500) square feet or less of total canopy size for mixed-light cultivation, or five hundred (500) square feet or less of total canopy size for indoor cultivation, on one premises;

4. 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 on one premises;

5. 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 on one premises;

6. Type 3A or “indoor” means indoor cultivation using exclusively artificial lighting and having a total canopy area between ten thousand one (10,001) and twenty two thousand (22,000) square feet on one premises;

7. 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 on one premises; and

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

HG. “Delivery” means the commercial transfer of cannabis or cannabis products to a customer. “Delivery” also includes the use by a retailer of any technology platform owned and controlled by the retailer.

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

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

KJ. “Edible cannabis product” means cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Division 15 (commencing with Section 32501) of the California Food and Agricultural Code. An edible cannabis product is not considered food, as defined by Section 109935 of the California Health and Safety Code, or a drug, as defined by Section 109925 of the California Health and Safety Code.

LK. “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.

ML. “Hearing Officer” means a person appointed by the County to conduct an administrative hearing under this Chapter. The appointed Hearing Officer shall be an impartial decision-maker selected by a process that eliminates risk of bias, such as:

1. An administrative law judge provided by the State of California Office of Administrative Hearings to function as the County Hearing Officer pursuant to Chapter 14 of Part 3 of Division 2 of Title 3 of the California Government Code;
2. A person selected randomly from a panel of attorneys willing to serve as a Hearing Officer; or
3. An independent contractor assigned by an organization or entity which provides hearing officers.

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

O. “Large Shopping Center” means a shopping center or contiguous shopping centers where all of the following are met:

1. The shopping center(s) are designed, planned, and managed to serve regional shopping needs;
2. The shopping center(s) consist of at least twelve (12) retail stores and service establishments connected by parking areas and common walkways; and
3. The shopping center(s) are located on at least two acres of land inclusive of parking areas.

PN. “Licensee” means any person holding a state license under California Business and Professions Code Sections 26000, *et seq.*

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

RP. “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.

SQ. “Manufacturing site” means a location that produces, prepares, propagates, or compounds cannabis or cannabis products either 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.

TR. “Medicinal cannabis” or “medicinal cannabis product” means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the California Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician’s recommendation.

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

VF. “One ownership” and “owner” have the same definition as set forth in Chapter 20.06 of this Title.

WU. “Permittee” means a person issued a Coastal ~~Administrative~~Development Permit under this Chapter.

XV. “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.

Y. “Playground” means any park or recreational area specifically designed to be used by children which has play equipment installed, including public grounds designed for athletic activities such as baseball, football, soccer, or basketball, or any similar facility located on public or private school grounds, or on city, county, or state parks.

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

~~X. “Public park” means an area created, established, designated, or maintained by a special district, a County, the State, or the Federal government for public play, recreation, or enjoyment or for the protection of natural resources and features at the site.~~**AA.** “Qualified patient” has the same definition as in Section 11362.7 of the California Health and Safety Code, as it may be amended.

BBZ. “Retailer” and “retail facility” shall have the same meaning as “Dispensary.”

CCAA. “State” means the State of California.

DDBB. “State license,” “license,” or “registration” means a state license issued pursuant to California Business & Professions Code Sections 26000, *et seq.*

EECC. “Testing laboratory” means a facility, entity, or site in the state that offers or performs test of cannabis or 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 cannabis activities in the state; and
2. Licensed by the Bureau.

FFDD. “Transport” or “transportation” mean the transfer of cannabis or 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 California Business & Professions Code Sections 26000, *et seq.*

GGEE. “Volatile Manufacturing” means a manufacturing site that manufactures cannabis products using volatile solvents.

HHFF. “Volatile solvents” shall have the same meaning as in paragraph (3) of subsection (b) of Section 11362.3 of the California Health and Safety Code, unless otherwise provided by law or regulation.

II. "Youth center" means any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

SECTION 21. Subsection A of Section 20.67.030 of the Monterey County Code is amended to read as follows:

A. A Coastal ~~AdministrativeDevelopment~~ Permit shall be required for all commercial cannabis activities. The application for a Coastal ~~AdministrativeDevelopment~~ Permit, and for amendments thereto and extensions thereof, shall be processed in accordance with Chapter 20.769 of the Monterey County Code. The ~~Chief of PlanningPlanning Commission~~ is the Appropriate Authority to consider a Coastal ~~AdministrativeDevelopment~~ Permit for commercial cannabis activities and to consider extensions of and amendments to such Permits unless the matter is referred to public hearing under Section 20.76.060 of this Title. Appeals from the decision of the ~~Chief of PlanningPlanning Commission~~ shall be governed by Chapter 20.86 of the Monterey County Code. Notwithstanding the foregoing, the procedures for suspension and revocation of a Coastal ~~AdministrativeDevelopment~~ Permit granted under this Chapter shall be as set forth in sections 20.67.110 and 20.67.120 of this Chapter.

SECTION 22. Subsection B of Section 20.67.030 of the Monterey County Code is amended to read as follows:

B. In addition to a Coastal Administrative Development Permit, a commercial cannabis permit pursuant to Chapter 7.90 of the Monterey County Code shall be required for all commercial cannabis activities.

SECTION 23. Subsection D of Section 20.67.030 of the Monterey County Code is amended to read as follows:

D. The owner shall post or cause to be posted on site the Coastal Administrative Development Permit and all required County and state permits and licenses required to operate. Such posting shall be in a central location, visible to the patrons, at the operating site, and in all vehicles that deliver or transport cannabis or cannabis products.

SECTION 24. Subsection B.2 of Section 20.67.040 of the Monterey County Code is amended to read as follows:

2. Retail facilities shall not be located within a six hundred (600) footfeet radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority. The distance specified in this section shall be measured from property line to property line, except for playgrounds, which will be measured from the boundary of the playground facility. ~~from any school, public park, or a drug recovery facility.~~

SECTION 25. Subsection B.3 of Section 20.67.040 of the Monterey County Code is amended to read as follows:

3. Retail facilities shall not be located within one thousand five hundred (1,500) feet of another approved retail facility, except when a retail facility demonstrates to the satisfaction of the Appropriate Authority that special circumstances exist.

a. Special circumstances require a proposed retail facility to provide proof based on substantial evidence of the following:

i. The proposed retail facility is located within a Community Area or Large Shopping Center; and

ii. The proposed retail facility would result in no more than three (3) retail facilities in the designated Community Area, or result in no more than two (2) retail facilities in a Large Shopping Center.

b. A Coastal Development Permit pursuant to Chapter 20.70 of this Title shall be required for a proposed retail facility that does not comply with the 1,500 foot setback from another approved retail facility, and when the Appropriate Authority determines that special circumstances are inapplicable to a proposed retail facility as described in this Subsection. The Planning Commission is the Appropriate Authority to consider said permit. In reviewing the Coastal Development Permit, the Appropriate

Authority shall consider the location of the proposed retailer, density of cannabis retailers in the vicinity, specific characteristics of the site, and any other relevant factors.

c. In circumstances where a retail facility is proposed within 1,500 feet of another proposed retail facility, the 1,500 foot setback is established upon the granting of an entitlement by the Appropriate Authority. In these circumstances, entitlements for commercial cannabis retailers shall be considered in the order the application for the entitlement is deemed complete.

SECTION 26. Subsection C of Section 20.67.040 of the Monterey County Code is amended to read as follows:

C. Required Findings: A Coastal ~~Administrative Development~~ Permit for a cannabis retailer shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 27. Subsection C.2 of Section 20.67.040 of the Monterey County Code is amended to read as follows:

2. The retail facility will not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority, and the retail facility complies with the minimum setbacks required between retailers as provided in Section 20.67.040.B.3 of this Chapter. ~~feet from any school, public park, or drug recovery facility, or within one thousand five hundred (1,500) feet of another retail facility.~~

SECTION 28. Subsection C.4 of Section 20.67.040 of the Monterey County Code is amended to read as follows:

4. The retailer includes adequate measures that minimize, to the extent feasible, nuisances to the immediate neighborhood and community including minimizing the detection of odor from offsite, minimizing the effects of loitering, providing adequate security measures, and not exceeding the Coastal ~~Development Administrative~~ Permit's limits on hours of operation.

SECTION 29. Subsection D.5 of Section 20.67.040 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or State shall be grounds for the suspension or revocation of a Coastal ~~Administrative Development~~ Permit pursuant to Sections 20.67.110 and 20.67.120 of this Chapter Monterey County Code.

SECTION 30. Subsection A of Section 20.67.050 of the Monterey County Code is amended to read as follows:

A. Applicability: Except as provided in Section 20.67.090 of this Chapter, cannabis cultivation may only be permitted in the Light Industrial (LI), Heavy Industrial (HI), Agricultural Industrial (AI), Agricultural Conservation (AC), or Coastal Agricultural Preserve (CAP) zoning districts with a Coastal [AdministrativeDevelopment](#) Permit in each case and as may be further restricted by this Section. Outdoor cannabis cultivation is prohibited in all zones within the unincorporated areas of Monterey County except as provided in Section 20.67.090 of this Chapter. The table below summarizes the zoning districts where cultivation may be considered with a Coastal [AdministrativeDevelopment](#) Permit.

	Type 1A	Type 1B	Type 1C*	Type 2A	Type 2B	Type 3A	Type 3B	Type 4
LI	APCDP							
HI	APCDP							
AI	APCDP							
CAP	APCDP							
AC	APCDP							

[APCDP](#) = Coastal [AdministrativeDevelopment](#) Permit pursuant to Chapter 21.7670

* For Type 1C “Specialty Cottage” only mixed-light and indoor cultivation are permitted. “Specialty Cottage” outdoor cultivation is prohibited in Monterey County.

SECTION 31. Subsection B.1 of Section 20.67.050 of the Monterey County Code is amended to read as follows:

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 Agricultural Conservation (AC) and Coastal Agricultural Preserve (CAP) zoning districts, indoor and mixed-light cannabis cultivation and cannabis nurseries (Type 1A, 1B, 1C, 2A, 2B, 3A, 3B, and 4 state license types) may be permitted with a Coastal [AdministrativeDevelopment](#) Permit in each case provided that cultivation is consistent with all land use designations and, within the Agricultural Conservation (AC) and Coastal Agricultural Preserve (CAP) zoning districts, the cultivation occurs only within a greenhouse or industrial building that was permitted or legally established prior to January 1, 2016. Greenhouses and industrial buildings may be improved for cannabis activities after January 1, 2016 provided that the footprint of the existing greenhouse(s) or industrial building(s) does not change.

SECTION 32. Subsection B.2 of Section 20.67.050 of the Monterey County Code is amended to read as follows:

2. Within the Light Industrial (LI), Heavy Industrial (HI), and Agricultural Industrial (AI) zoning districts, indoor or mixed-light cannabis cultivation or cannabis nurseries (Type 1A, 1B, 1C, 2A, 2B, 3A, 3B, or 4 state license types) may be allowed subject to a Coastal [AdministrativeDevelopment](#) Permit in each case, except that type 3A, 3B and 4 cultivation types shall not be permitted in the Light Industrial (LI) zoning district, and provided that the cultivation is consistent with all land use designations and occurs only within a greenhouse or industrial building that was permitted or legally established prior to January 1, 2016. Subject to other permit requirements of this Title, greenhouses and industrial buildings may be improved for cannabis activities after January 1, 2016 provided that the footprint of the existing greenhouse(s) or industrial building(s) does not change.

SECTION 33. Subsection B.4 of Section 20.67.050 of the Monterey County Code is amended to read as follows:

4. Cannabis cultivation shall not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority. The distance specified in this section shall be measured from property line to property line, except for playgrounds, which will be measured from the boundary of the playground facility.~~feet of a school, public park, or drug recovery facility.~~

SECTION 34. Subsection B.12 of Section 20.67.050 of the Monterey County Code is amended to read as follows:

12. Unless restricted under the terms or conditions of a Coastal [AdministrativeDevelopment](#) Permit, permittees who hold a Coastal [AdministrativeDevelopment](#) Permit for cannabis cultivation or nursery operations may transport their own cannabis grown onsite to another permitted and licensed cannabis business at an offsite facility provided the cultivation or nursery permittee holds a Type 11 state license or other applicable state license that allows for the transportation of cannabis. A separate Coastal [AdministrativeDevelopment](#) Permit under this Section shall not be required for permittees that transport their own cannabis grown onsite to another permitted and licensed cannabis business at an offsite facility. Failure to adhere to County or State laws and regulations for cannabis transportation may be grounds for suspension or revocation of a Coastal [AdministrativeDevelopment](#) Permit pursuant to Sections 20.67.110 and 20.67.120 of this ~~Chapter~~ Monterey County Code.

SECTION 35. Subsection C of Section 20.67.050 of the Monterey County Code is amended to read as follows:

C. Required Findings. A Coastal [AdministrativeDevelopment](#) Permit for cannabis cultivation shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 36. Subsection C.2 of Section 20.67.050 of the Monterey County Code is amended to read as follows:

2. The cultivation will not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority. ~~feet from any school, public park, or drug recovery facility.~~

SECTION 37. Subsection D.5 of Section 20.67.050 of the Monterey County Code is amended to read as follows.

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or State shall be grounds for the suspension or revocation of a Coastal AdministrativeDevelopment pursuant to Sections 20.27.110 and 20.67.120 of this Chaptere Monterey County Code.

SECTION 38. Subsection A of Section 20.67.060 of the Monterey County Code is amended to read as follows:

A. Applicability: Non-volatile cannabis manufacturing facilities (requiring a Type 6 state license) may be permitted in the Light Industrial (LI), Heavy Industrial (HI), Agricultural Industrial (AI), Agricultural Conservation (AC), or in Coastal Agricultural Preserve (CAP) zoning districts. Non-volatile manufacturing may only be permitted in the AC and CAP zoning districts when combined with a cannabis cultivation permit, and subject to a Coastal AdministrativeDevelopment Permit in each case. Cannabis manufacturing facilities involving volatile processes or substances (requiring a Type 7 state license) shall only be permitted in the Heavy Industrial (HI) zoning district with a Coastal AdministrativeDevelopment Permit in each case. Except as provided in Section 20.67.090 of this Chapter, cannabis manufacturing shall be subject to the requirements contained in this Section.

SECTION 39. Subsection B.2 of Section 20.67.060 of the Monterey County Code is amended to read as follows:

2. Cannabis manufacturing facilities shall not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority. The distance specified in this section shall be measured from property line to property line, except for playgrounds, which will be measured from the boundary of the playground facility. ~~feet from any school, public park, or a drug recovery facility.~~

SECTION 40. Subsection B.7 of Section 20.67.060 of the Monterey County Code is amended to read as follows:

7. Unless restricted under the terms or conditions of a Coastal [AdministrativeDevelopment](#) Permit, permittees who hold a Coastal [AdministrativeDevelopment](#) Permit for cannabis manufacturing may transport their own cannabis products manufactured onsite to another permitted and licensed cannabis business at an offsite facility provided the manufacturing permittee holds a Type 11 state license or other applicable state license that allows for the transportation of cannabis products. A separate Coastal [AdministrativeDevelopment](#) Permit under this Section shall not be required for permittees that transport their own cannabis products manufactured onsite to another permitted and licensed cannabis business at an offsite facility. Failure to adhere to County or State laws and regulations for manufactured cannabis transportation may be grounds for suspension or revocation of a Coastal [AdministrativeDevelopment](#) Permit pursuant to Sections 20.67.110 [and 20.67.120](#) of this ~~Chapter~~ [Monterey County Code](#).

SECTION 41. Subsection C of Section 20.67.060 of the Monterey County Code is amended to read as follows:

C. Required Findings. A Coastal [AdministrativeDevelopment](#) Permit for cannabis manufacturing shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 42. Subsection C.2 of Section 20.67.060 of the Monterey County Code is amended to read as follows:

2. The manufacturing facility will not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority. ~~feet from any school, public park, or drug recovery facility.~~

SECTION 43. Subsection D.5 of Section 20.67.060 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or State shall be grounds for the suspension or revocation of a Coastal [AdministrativeDevelopment](#) Permit pursuant to Sections [20.67.110 and 20.67.120](#) of this Chapter.

SECTION 44. Subsection A of Section 20.67.070 of the Monterey County Code is amended to read as follows:

A. Applicability: Cannabis testing facilities (requiring a Type 8 state license) may be permitted in the Light Industrial (LI), Heavy Industrial (HI), and Agricultural Industrial (AI) zoning districts subject to a Coastal ~~Administrative Development~~ Permit in each case. Testing facilities shall be subject to the requirements of this Section.

SECTION 45. Subsection B.2 of Section 20.67.070 of the Monterey County Code is amended to read as follows:

2. Cannabis testing facilities shall not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority. The distance specified in this section shall be measured from property line to property line, except for playgrounds, which will be measured from the boundary of the playground facility.~~feet from any school, public park, or a drug recovery facility.~~

SECTION 46. Subsection C of Section 20.67.070 of the Monterey County Code is amended to read as follows:

C. Required Findings. A Coastal ~~Administrative Development~~ Permit for cannabis testing facility shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 47. Subsection C.2 of Section 20.67.070 of the Monterey County Code is amended to read as follows:

2. The testing facility will not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority.~~feet from any school, public park, or drug recovery facility.~~

SECTION 48. Subsection D.5 of Section 20.67.070 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or State shall be grounds for the suspension or revocation of a Coastal ~~Administrative Development~~ Permit pursuant to Sections 20.67.110 and 20.67.120 of this Chapter Monterey County Code.

SECTION 49. Subsection A of Section 20.67.080 of the Monterey County Code is amended to read as follows:

A. Applicability: Except as provided in Section 20.67.090, cannabis distribution facilities (requiring a Type 11 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 Coastal ~~Administrative~~Development Permit in each case. Cannabis distribution facilities shall be subject to a to all of the requirement contained in this Section.

SECTION 50. Subsection B.2 of Section 20.67.080 of the Monterey County Code is amended to read as follows:

2. Cannabis distribution facilities shall not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority. The distance specified in this section shall be measured from property line to property line, except for playgrounds, which will be measured from the boundary of the playground facility.~~feet from any school, public park, or a drug recovery facility.~~

SECTION 51. Subsection C of Section 20.67.080 of the Monterey County Code is amended to read as follows:

C. Required Findings. A Coastal ~~Administrative~~Development Permit for a cannabis distribution facility shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 52. Subsection C.2 of Section 20.67.080 of the Monterey County Code is amended to read as follows:

2. The facility will not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority.~~feet from any school, public park, or drug recovery facility.~~

SECTION 53. Subsection D.5 of Section 20.67.080 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with permits and licenses required by the Monterey County Code and State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or State shall be grounds for the modification or revocation of a Coastal ~~Administrative~~Development Permit pursuant to Sections 20.67.110 and 20.67.120 of this Chapter Monterey County Code.

SECTION 54. Section 20.67.090 of the Monterey County Code is amended to read as follows:

All the following cannabis activities are exempt from the Coastal [AdministrativeDevelopment](#) Permit requirements of this Chapter in all zoning districts, provided the activity does not include any form of non-exempt development pursuant to this Title:

A. Possession, storage, manufacturing, or transportation of medicinal cannabis, or cultivation of up to one hundred (100) square feet total canopy area of medicinal cannabis by a qualified patient, as that term is defined in Section 11362.7 of the California Health and Safety Code, provided that the qualified patient, possesses, stores, manufactures, transports, or cultivates cannabis exclusively for his or her personal medical use, and does not provide, donate, sell, or distribute cannabis to any other person. Further, the possession, storage, manufacture, transportation, or cultivation activities must not involve development as defined in Section 20.06.310 of the Monterey County Code. Qualified patients shall, upon request, provide appropriate documentation to law enforcement demonstrating that they have a valid doctor's recommendation to use cannabis for medicinal purposes.

B. Possession, storage, manufacturing, transportation of medicinal cannabis, or cultivation of up to one hundred (100) square feet of canopy area of medicinal cannabis by a primary caregiver on behalf of a qualified patient, within the meaning of Section 11362.7 of the California Health and Safety Code, provided that the primary caregiver does not receive remuneration for these activities except for compensation in full compliance with Section 11362.765(c) of the California Health and Safety Code and the possession, storage, manufacture, transportation, or cultivation activities do not involve development as defined in Section 20.06.310 of the Monterey County Code. Primary caregivers shall, upon request, provide appropriate documentation to law enforcement demonstrating that they are a primary caregiver for a qualified patient.

C. Possession, processing, storage, transportation, or donation of not more than 28.5 grams of cannabis or not more than eight (8) grams of concentrated cannabis to persons twenty-one (21) years of age or older by persons twenty-one (21) years of age or older.

D. The cultivation of up to six (6) cannabis plants by persons twenty-one (21) years of age or older as allowed pursuant to Section 11362.1(a) of the California Health and Safety Code.

SECTION 55. Section 20.67.100 of the Monterey County Code is amended to read as follows:

All applications for a Coastal [AdministrativeDevelopment](#) Permit for a commercial cannabis activity shall be filed with the Resource Management Agency on the form and in the manner prescribed by the Director of the Resource Management Agency or the Chief of Planning, or his or her designee. In all cases the application shall contain, without limitation, the following documentation:

A. Notarized, written authorization from all persons and entities having a right, title or interest in the property that is the subject of the application consenting to the application and the operation of the proposed commercial cannabis activity on the subject property.

B. The name and address of all persons and entities responsible for the operation of the commercial cannabis activity, 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 activity.

C. Site plans, floor plans, conceptual improvement plans, and a general description of the nature, size, and type of commercial cannabis activity(ies) being requested.

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. A water management plan including the proposed water supply and proposed conservation measures;

6. Medical recommendation verification when applicable 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. Track and trace measures;

10. Sustainability measures including water efficiency measures, energy efficiency measures, high efficiency mechanical systems, and alternative fuel transportation methods;

11. Odor prevention devices;

12. Size, height, colors, and design of any proposed signage at the site;

13. Parking plan; and

14. Such other information as the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may require.

E. Additional application requirements: Based on the type of commercial cannabis activities proposed, the following additional information may be required by the Director of the Resource Management Agency or the Chief of Planning, or his or her designee:

1. Cannabis retailer: In reviewing an application for a Coastal [Administrative Development](#) Permit to dispense cannabis or cannabis products, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request operational plans detailing how operations will comply with federal enforcement priorities.

2. Cannabis cultivation: In reviewing an application for a Coastal [Administrative Development](#) Permit to cultivate cannabis, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request the following additional information:

a. Water conservation measures;

b. Projected energy demand and proposed renewable energy generation facilities;

c. Unique identifier, inventory, and quality control procedures; and

d. A floor plan identifying the location, dimensions, and boundaries of all proposed canopy areas taking into account space needed for ongoing care of plants and description of the proposed method of physically delineating those boundaries at the site.

3. Cannabis manufacturing: In reviewing an application for a Coastal [Administrative Development](#) Permit to operate a cannabis manufacturing facility, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request the following additional information:

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 the Resource Management Agency or the Chief of Planning, or his or her designee.

4. ~~Medical~~ Cannabis testing facilities: In reviewing an application for a Coastal ~~Administrative~~ Development Permit to operate a cannabis testing facility, the Director the Resource Management Agency or the Chief of Planning, or his or her designee may request the following additional information:

- 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.

5. Cannabis transportation and distribution facility: In reviewing an application for a Coastal ~~Administrative~~ Development Permit to operate a cannabis transportation and/or distribution facility, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request any following additional information:

- 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 the Resource Management Agency or the Chief of Planning, or his or her designee.

F. All required application materials shall be prepared by the applicant and submitted at the time of application.

SECTION 56. Section 20.67.110 of the Monterey County Code is amended to read as follows:

Any of the following shall be grounds for suspension or revocation of ~~the a~~ Coastal Development Permit or a Coastal Administrative Permit granted for a commercial cannabis activity; based on substantial evidence and following notice and public hearing pursuant to Section 20.67.120:

A. Failure to comply with one or more of the conditions of the Coastal Development Permit [or a Coastal Administrative Permit](#);

B. The Coastal Development Permit [or Coastal Administrative Permit](#) was granted on the basis of false material information, written or oral, given willfully or negligently by the applicant;

C. Any act or omission by an owner or permittee in contravention of the provisions of this Chapter;

D. Any act or omission by an owner or permittee that results in the denial, revocation or suspension of the owner's or permittee's State License;

E. Any act or omission that results in the revocation of that owner's or permittee's commercial cannabis permit under Chapter 7.90 of the Monterey County Code;

F. Any act or omission by an owner or permittee in contravention of State law or the Monterey County Code;

G. An owner's or permittee's failure to take appropriate action to evict or otherwise remove persons conducting commercial cannabis activities who do not maintain the necessary permits or licenses in good standing with the County or State;

H. Possession or delivery of any other form of illegal drugs without proper legal authorization; or

I. Conduct of the commercial cannabis activities in a manner that constitutes a nuisance, where the owner or permittee has failed to comply with reasonable conditions to abate the nuisance.

SECTION 57. Section 20.67.120 of the Monterey County Code is amended to read as follows:

A. If the Director of the Resource Management Agency or the Chief of Planning, or his or her designee determines that grounds for suspension or revocation of the Coastal Development Permit [or Coastal Administrative Permit](#) exist pursuant to section 20.67.110, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee shall issue a written Notice of Intention to revoke or suspend the Coastal Development Permit [or the Coastal Administrative Permit](#), as the case may be. The Notice of Intention shall be served on the owner, as reported on the latest equalized assessment roll, and shall also be served on permittees on the property, as reported on the commercial cannabis permits issued pursuant to Chapter 7.90. The Notice of Intention shall be served by either personal delivery or by certified U.S. Mail, postage prepaid, return receipt requested. The Notice of Intention shall describe the property, the intention to revoke or suspend the Coastal Development Permit [or the Coastal Administrative Permit](#), the grounds for revocation or suspension, the action necessary to abate the violation, the time limit for compliance, and the right to a hearing. The Notice of Intention shall notify the owner and permittees of the opportunity to request a hearing before a Hearing Officer to

present evidence as to why the Coastal Development Permit [or the Coastal Administrative Permit](#) should not be suspended or revoked and shall notify them of the 10-day deadline to submit a written request for a hearing.

B. The owner and permittees shall have ten (10) calendar days from the service of the Notice of Intention to submit a written request for a hearing before the Hearing Officer. Failure to submit the written request for a hearing shall be deemed a waiver of the right to challenge the suspension or revocation of the Coastal Development Permit [or Coastal Administrative Permit](#), and a failure to exhaust administrative remedies. If the hearing is not timely requested, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may suspend or revoke the Coastal Development Permit [or Coastal Administrative Permit](#) in accordance with the Notice of Intention.

C. Upon receipt of a timely written request for a hearing, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee shall set a date for a hearing to be held within 60 days of receipt of the request, unless an immediate threat to the public health, safety and welfare necessitates an earlier hearing date. Notice of the hearing, including the time, date, and location of the hearing, shall be served on the owner and permittees, such service to be accomplished by either personal delivery or by certified U.S. Mail, postage prepaid, return receipt requested.

D. Hearing by the Hearing Officer:

1. The Hearing Officer is authorized to conduct hearings, issue subpoenas, receive evidence, administer oaths, rule on questions of law and the admissibility of evidence, prepare a record of the proceedings, and render decisions on the suspension or revocation of the Coastal Development Permit [or the Coastal Administrative Permit](#).

2. In any proceeding before a Hearing Officer, oral testimony offered as evidence shall be taken only on oath or affirmation, and the Hearing Officer, his/her clerk, or other designee shall have the power to administer oaths and affirmations and to certify to official acts.

3. All parties to the hearing shall have the opportunity to testify, introduce exhibits, call and examine witnesses, and cross examine opposing witnesses on any matter relevant to the issues.

4. The Hearing Officer may postpone the hearing date upon good cause shown, continue the hearing during the course of the hearing, and make such other procedural orders and rulings as he or she deems appropriate during the course of the hearing.

5. Within thirty (30) calendar days after the close of the hearing, the Hearing Officer shall issue a written decision, including a statement of the basis for the decision. The Hearing Officer's written decision shall constitute the final administrative decision of the County.

E. In the event a civil action is initiated to obtain enforcement of the decision of the Hearing Officer, and judgment is entered to enforce the decision, the person against whom the order of enforcement has been entered shall be liable to pay the County's total costs of enforcement, including reasonable attorney fees.

F. If neither owner nor any permittee nor their authorized representatives appear at the noticed hearing, such failure to appear shall constitute an abandonment of the hearing request and a failure to exhaust administrative remedies.

SECTION 58. 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 59. This Ordinance shall become effective on the thirty-first day following its adoption or upon California Coastal Commission confirmation that County's ordinance satisfies the Coastal Commission's certification order, whichever occurs later.

PASSED AND ADOPTED on this ___ day of _____, 2018, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Luis A. Alejo, Chair
Monterey County Board of Supervisors

A T T E S T:

Valerie Ralph
Clerk of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM BY:

Wendy S. Strimling
Senior Deputy County Counsel

ORDINANCE NO. _____

**AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA,
AMENDING TITLE 21 (NON-COASTAL ZONING) OF THE MONTEREY COUNTY
CODE RELATING TO COMMERCIAL CANNABIS ACTIVITIES**

County Counsel Summary

This ordinance amends Title 21 (non-coastal zoning) of the Monterey County Code related to regulation of commercial cannabis activities in the inland unincorporated area of Monterey County. This ordinance changes commercial cannabis activities from a conditional use allowed subject to a use permit in each case within specified zoning districts, to a principal use allowed subject to an administrative permit in each case within the same specified zoning districts. This ordinance also provides that the 1500-foot setback required between commercial cannabis retailers may be reduced if findings are made to support a Use Permit. New findings have been added for granting a Use Permit to reduce the required setback between dispensaries including finding that special circumstances are applicable to the project, the project will not result in disproportionate impacts to low income communities or communities with a high percentage of youth population, and the project would not result in adverse impacts because of excessive concentrations of retailers. The Planning Commission is designated as the appropriate Authority to consider such permits.

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

[LIGHT COMMERCIAL “LC” ZONING DISTRICT CHAPTER 21.18]

SECTION 1. 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, new commercial cannabis activities shall require an administrative permit in each case.

SECTION 2. Subsection BB is added to Section 21.18.050 of the Monterey County Code to read as follows:

BB. Cannabis retailer pursuant to Chapter 21.67.

SECTION 3. Subsection HH of Section 21.18.060 of the Monterey County Code is repealed.

[HEAVY COMMERCIAL “HC” ZONING DISTRICT CHAPTER 21.20]

SECTION 4. 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, new commercial cannabis activities shall require an [administrative-use](#) permit in each case.

SECTION 5. Subsections V, W, X, and Y are added to Section 21.20.050 of the Monterey County Code to read as follows:

- [V. Cannabis retailer pursuant to Chapter 21.67;](#)
- [W. Non-volatile cannabis manufacturing pursuant to Chapter 21.67;](#)
- [X. Cannabis distribution facilities pursuant to Chapter 21.67;](#)
- [Y. Cannabis testing facilities pursuant to Chapter 21.67.](#)

SECTION 6. Subsections OO, PP, QQ, and RR of Section 21.20.060 of the Monterey County Code are repealed.

[AGRICULTURAL INDUSTRIAL “AC” ZONING DISTRICT CHAPTER 21.24]

SECTION 7. Subsection A of Section 21.24.040 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, new commercial cannabis activities shall require an [administrative-use](#) permit in each case.

SECTION 8. Subsections O, P, Q, and R are added to Section 21.24.050 of the Monterey County Code to read as follows:

- [O. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 21.67;](#)
- [P. Non-volatile cannabis manufacturing pursuant to Chapter 21.67;](#)
- [Q. Cannabis distribution facilities pursuant to Chapter 21.67;](#)
- [R. Cannabis testing facilities pursuant to Chapter 21.67.](#)

SECTION 9. Subsections EE, FF, GG, and HH of Section 21.24.060 of the Monterey County Code are repealed.

[LIGHT INDUSTRIAL “LI” ZONING DISTRICT CHAPTER 21.26]

SECTION 10. 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, new commercial cannabis activities shall require an [administrative-use](#) permit in each case.

SECTION 11. Subsections BB, CC, DD, and EE are added to Section 21.26.050 of the Monterey County Code to read as follows:

- [BB. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 21.67;](#)
- [CC. Non-volatile cannabis manufacturing pursuant to Chapter 21.67;](#)
- [DD. Cannabis distribution facilities pursuant to Chapter 21.67;](#)
- [EE. Cannabis testing facilities pursuant to Chapter 21.67.](#)

SECTION 12. Subsections II, JJ, KK, and LL of Section 21.26.060 of the Monterey County Code are repealed.

[HEAVY INDUSTRIAL “HI” ZONING DISTRICT CHAPTER 21.28]

SECTION 13. 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, new commercial cannabis activities shall require an [administrative-use](#) permit in each case.

SECTION 14. Subsections X, Y, Z, AA, and BB are added to Section 21.28.050 of the Monterey County Code to read as follows:

- [X. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 21.67;](#)
- [Y. Non-volatile cannabis manufacturing pursuant to Chapter 21.67;](#)
- [Z. Volatile cannabis manufacturing pursuant to Chapter 21.67;](#)
- [AA. Cannabis distribution facilities pursuant to Chapter 21.67;](#)
- [BB. Cannabis testing facilities pursuant to Chapter 21.67.](#)

SECTION 15. Subsections KK, LL, MM, NN, and OO of Section 21.28.060 of the Monterey County Code are repealed.

[FARMLAND “F” ZONING DISTRICT CHAPTER 21.30]

SECTION 16. Subsections I and J are added to Section 21.30.040 of the Monterey County Code to read as follows:

- [I. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 21.67;](#)
- [J. Non-volatile cannabis manufacturing pursuant to Chapter 21.67.](#)

SECTION 17. Subsections JJ and KK of Section 21.30.050 of the Monterey County Code are repealed.

[CANNABIS REGULATIONS – CHAPTER 21.67]

SECTION 18. Section 21.67.010 of the Monterey County Code is amended to read as follows:

For the purpose of this Chapter, unless the context otherwise requires, certain terms used in this Chapter shall be as defined below. The definitions in Chapter 21.06 shall otherwise apply.

A. “Bureau” means the Bureau of Cannabis Control within the California Department of Consumer Affairs.

B. “Cannabis concentrate” means cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product’s potency. Resin from granular trichomes from a cannabis plant is a concentrate for purposes of this Chapter. A cannabis concentrate is not considered food, as defined by Section 109935 of the California Health and Safety Code, or a drug, as defined by Section 109925 of the California Health and Safety Code.

C. “Cannabis product” has the same meaning as in Section 11018.1 of the California Health and Safety Code.

D. “Canopy” means all areas occupied by any portion of a cannabis plant, inclusive of all vertical planes, whether contiguous or noncontiguous on any one site.

E. “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.

F. ~~G.~~ “Child care center” means any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, transitional kindergartens, and school age child care centers.

G. “Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis. Within the definition of cultivation, the following specific Permit Types, corresponding to state cultivator license types set forth in California Business and Professions Code Section 26061 apply:

1. Type 1A or “specialty indoor” means indoor cultivation using exclusively artificial lighting of between five hundred one (501) and five thousand (5,000) square feet of total canopy size on one premises;

2. Type 1B or “specialty mixed-light” means cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, of between two thousand five hundred one (2,501) and five thousand (5,000) square feet of total canopy size on one premises;

3. Type 1C, or “specialty cottage,” for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, of two thousand five hundred (2,500) square feet or less of total canopy size for mixed-light cultivation, or five hundred (500) square feet or less of total canopy size for indoor cultivation, on one premises;

4. 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 on one premises;

5. 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 on one premises;

6. Type 3A or “indoor” means indoor cultivation using exclusively artificial lighting and having a total canopy area between ten thousand one (10,001) and twenty-two thousand (22,000) square feet on one premises;

7. 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 on one premises; and

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

~~G. “Child Care Center” means any child day care facility other than a family day care home, and includes infant centers, preschools, extended day care facilities, transitional kindergartens, and school age child care centers.~~

H. “Delivery” means the commercial transfer of cannabis or cannabis products to a customer. “Delivery” also includes the use by a retailer of any technology platform owned and controlled by the retailer.

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

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

K. “Edible cannabis product” means cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Division 15 (commencing with Section 32501) of the California Food and Agricultural Code. An edible cannabis product is not considered food, as defined by Section 109935 of the California Health and Safety Code, or a drug, as defined by Section 109925 of the California Health and Safety Code

L. “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.

M. “Hearing Officer” means a person appointed by the County to conduct an administrative hearing under this Chapter. The appointed Hearing Officer shall be an impartial decision-maker selected by a process that eliminates risk of bias, such as:

1. An administrative law judge provided by the State of California Office of Administrative Hearings to function as the County Hearing Officer pursuant to Chapter 14 of Part 3 of Division 2 of Title 3 of the California Government Code;

2. A person selected randomly from a panel of attorneys willing to serve as a Hearing Officer; or

3. An independent contractor assigned by an organization or entity which provides hearing officers.

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

O. “Large shopping center” means a shopping center or contiguous shopping centers where all of the following are met:

1. The shopping center(s) are designed, planned, and managed to serve regional shopping needs;

2. The shopping center(s) consist of at least twelve (12) retail stores and service establishments connected by parking areas and common walkways; and

3. The shopping center(s) are located on at least two acres of land inclusive of parking areas.

P. “Licensee” means any person holding a state license under California Business and Professions Code Sections 26000, *et seq.*

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

QR. “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.

~~RS~~. “Manufacturing site” means a location that produces, prepares, propagates, or compounds cannabis or cannabis products either 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.

~~ST~~. “Medicinal cannabis” or “medicinal cannabis product” means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the California Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician’s recommendation.

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

~~VU~~. “One ownership” and “owner” have the same definition as set forth in Chapter 21.06 of this Title.

~~YW~~. “Permittee” means a person issued an Administrative Use Permit under this Chapter.

~~WX~~. “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.

~~XY~~. “Playground” means any park or recreational area specifically designed to be used by children which has play equipment installed, including public grounds designed for athletic activities such as baseball, football, soccer, or basketball, or any similar facility located on public or private school grounds, or on city, county, or state parks.

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

~~ZAA~~. “Public park” means an area created, established, designated, or maintained by a special district, a County, the State, or the Federal government for public play, recreation, or enjoyment or for the protection of natural resources and features at the site.

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

~~BBCC~~. “Retailer” and “retail facility” shall have the same meaning as “Dispensary.”

~~CCDD~~. “State” means the State of California.

~~DD EE~~. “State license,” “license,” or “registration” means a state license issued pursuant to California Business & Professions Code Sections 26000, *et seq.*

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

1. Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activities in the state; and
2. Licensed by the Bureau.

~~FFGG~~. “Transport” or “transportation” mean the transfer of cannabis or 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 California Business & Professions Code Sections 26000, *et seq.*

~~GGHH~~. “Volatile Manufacturing” means a manufacturing site that manufactures cannabis products using volatile solvents.

~~HHII~~. “Volatile solvent” shall have the same meaning as in paragraph (3) of subsection (b) of Section 11362.3 of the Health and Safety Code, unless otherwise provided by law or regulation.

~~IJJJ~~. “Youth center” means any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

SECTION 19. Subsection A of Section 21.67.030 of the Monterey County Code is amended to read as follows:

A. ~~An administrative-use~~ permit shall be required for all commercial cannabis activities. The application for an ~~administrative-use~~ permit, and for amendments thereto and extensions thereof, shall be processed in accordance with Chapter 21.7074 of the Monterey County Code. ~~The Chief of Planning Commission~~ is the Appropriate Authority to consider an ~~use-administrative~~ permit for commercial cannabis activities and to consider extensions of and amendments to such ~~use-administrative~~ permits ~~unless the matter is referred to public hearing under Section 21.70.060 of this Chapter~~. Appeals from the decision of the ~~Planning Commission~~ ~~Chief of Planning~~ shall be governed by Chapter 21.80 of the Monterey County Code. ~~Notwithstanding the foregoing, the procedures for suspension and revocation of an~~ ~~use-administrative~~ permit granted under this Chapter shall be as set forth in Sections 21.67.110 and 21.67.120 of this Chapter.

SECTION 20. Subsection B of Section 21.67.030 of the Monterey County Code is amended to read as follows:

B. In addition to an ~~administrative-use~~ permit, a commercial cannabis permit pursuant to Chapter 7.90 of the Monterey County Code shall be required for all commercial cannabis activities.

SECTION 21. Subsection D of Section 21.67.030 of the Monterey County Code is amended to read as follows:

D. The owner shall post or cause to be posted on site the ~~use-administrative~~ permit and all required County and state permits and licenses required to operate. Such posting shall be in a central location, visible to the patrons, at the operating site, and in all vehicles that deliver or transport cannabis or cannabis products.

SECTION 22. Subsection B.3 of Section 21.67.040 of the Monterey County Code is amended to read as follows:

3. Retail facilities shall not be located within one thousand five hundred (1,500) feet of another ~~approved dispensary~~ retail facility. The 1,500 foot setback is established once an entitlement is granted by the Appropriate Authority. Entitlements for commercial cannabis retailers shall be considered in the order that the application for the entitlement is deemed complete. A Use Permit pursuant to Subsection E of this Section shall be required for a proposed retail facility that does not comply with the 1,500 foot setback from another approved retail facility.

SECTION 23. Subsection C of Section 21.67.040 of the Monterey County Code is amended to read as follows:

C. Required Findings. ~~An administrative-use~~ permit for a cannabis retailer shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 24. Subsection C.2 of Section 21.67.040 of the Monterey County Code is amended to read as follows:

2. The retail facility will not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority, and the retail facility will not be located within one thousand five hundred (1,500) feet of another retail facility.

SECTION 25. Subsection C.4 of Section 21.67.040 of the Monterey County Code is amended to read as follows:

4. The retailer includes adequate measures that minimize, to the extent feasible, nuisances to the immediate neighborhood and community including minimizing the detection of odor from off site, minimizing the effects of loitering, providing adequate security measures, and not exceeding the ~~use~~ permit's limits on hours of operation.

SECTION 26. Subsection D.5 of Section 21.67.040 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and state law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or state shall be grounds for the suspension or revocation of an ~~administrative-use or use~~ permit pursuant to Sections 21.67.110 and 21.67.120 of this Chapter ~~Monterey County Code~~.

SECTION 27. Subsection E is added to Section 21.67.040 of the Monterey County Code to read as follows:

E. Modification to setback. The one thousand five hundred (1,500) foot setback required between retail facilities may be modified with a Use Permit. The Planning Commission is the Appropriate Authority to consider said permit, and the decision of the Planning Commission may be appealed to the Board of Supervisors pursuant to Chapter 21.80 of this Title. As part of the review of such a Use Permit, the Appropriate Authority shall consider a written report from the Monterey County Health Department concerning public health impacts that may result from the proposed activity. To grant the Use Permit, the Appropriate Authority must make all applicable findings required by Title 21, the findings required for a cannabis retailer under Subsection C of section 21.67.040, except for the 1,500 setback requirement, and the following findings based on substantial evidence:

1. The applicant for the proposed retail facility has demonstrated there are special circumstances applicable to the subject property and within the project vicinity including but not limited to location within a community area, rural center, or large shopping center.

2. The applicant for the proposed retail facility has demonstrated that the proposed retail facility will not result in a density or concentration of retailers in the community, as compared to the density of retail facilities existing in other communities, that would do any of the following:

- a. Disproportionately impact a low-income community;
- b. Disproportionately impact a community with a high proportion of youth; or
- c. Adversely impact the public health of persons residing or working in the community.

SECTION 28. Subsection A of Section 21.67.050 of the Monterey County Code is amended to read as follows:

A. Applicability. Except as provided in Section 21.67.090 of this Chapter, cannabis cultivation may only be permitted in the Light Industrial (LI), Heavy Industrial (HI), Agricultural Industrial (AI), or Farmland (F) zoning districts with an ~~administrative-use~~ permit in each case and as may be further restricted by this Section. Outdoor cannabis cultivation is prohibited in all zones within the unincorporated areas of Monterey County except as provided in Section 21.67.090 of this Chapter. The table below summarizes the zoning districts where cultivation may be considered with an ~~administrative-use~~ permit.

	Type 1A	Type 1B	Type 1C	Type 2A	Type 2B	Type 3A	Type 3B	Type 4
LI	UPAP							
HI	UPAP							
AI	UPAP							
F	UPAP							

~~UP-AP~~ = ~~Use-Administrative~~ permit pursuant to Chapter 21.7470

* For Type 1C “Specialty Cottage” only mixed-light and indoor cultivation are permitted. “Specialty cottage” outdoor cultivation is prohibited in Monterey County.

SECTION 29. Subsection B.1 of Section 21.67.050 of the Monterey County Code is amended to read as follows:

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 cannabis cultivation and cannabis nurseries (Type 1A, 1B, 1C, 2A, 2B, 3A, 3B and 4 state license types) may be permitted with an ~~administrative-use~~ permit in each case provided that within the Farmland (F) zoning district, the cultivation occurs only within a greenhouse or industrial building that was permitted or legally established prior to January 1, 2016. Greenhouses and industrial buildings may be improved for cannabis activities after January 1, 2016 provided that the footprint of the existing greenhouse(s) or industrial buildings does not change.

SECTION 30. Subsection B.2 of Section 21.67.050 of the Monterey County Code is amended to read as follows:

2. Within the Light Industrial (LI), Heavy Industrial (HI), and Agricultural Industrial (AI) zoning districts, indoor or mixed-light cannabis cultivation or cannabis nurseries (Type 1A, 1B, 1C, 2A, 2B, 3A, 3B, or 4 state license types) may be permitted subject to an ~~administrative-use~~ permit in each case, except that Type 3A, 3B and 4 cultivation types shall not be permitted in the Light Industrial (LI) zoning district, and provided that the cultivation occurs only within a greenhouse or industrial building that was permitted or legally established prior to January 1, 2016. Subject to other permit requirements of this Title, greenhouses and industrial buildings may be improved for cannabis activities after January 1, 2016 provided that the footprint of the existing greenhouse(s) or industrial building(s) does not change.

SECTION 31. Subsection B.12 of Section 21.67.050 of the Monterey County Code is amended to read as follows:

12. Unless restricted under the terms or conditions of an ~~administrative-use~~ permit, permittees who hold an ~~administrative-use~~ permit for cannabis cultivation or nursery

operations may transport their own cannabis grown on site to another permitted and licensed cannabis business at an off-site facility provided the cultivation or nursery permittee hold a Type 11 state license or other applicable state license that allows for the transportation of cannabis. A separate [administrative-use](#) permit under this Section shall not be required for permittees that transport their own cannabis grown on site to another permitted and licensed cannabis business at an off-site facility. Failure to adhere to County or state laws and regulations for cannabis transportation may be grounds for suspension or revocation of an [administrative-use](#) permit pursuant to Sections [21.67.110](#) and [21.67.120](#) of this ~~Chapter~~ [Monterey County Code](#).

SECTION 32. Subsection C of Section 21.67.050 of the Monterey County Code is amended to read as follows:

C. Required Findings. An [administrative-use](#) permit for cannabis cultivation shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 33. Subsection D.5 of Section 21.67.050 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and state law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or state shall be grounds for the suspension or revocation of an ~~use-administrative~~ [administrative-use](#) permit pursuant to Sections [21.67.110](#) and [21.67.120](#) of this ~~Chapter~~ [Monterey County Code](#).

SECTION 34. Subsection A of Section 21.67.060 of the Monterey County Code is amended to read as follows:

A. Applicability. Non-volatile cannabis manufacturing facilities (requiring a Type 6 state license) may be permitted in the Heavy Commercial (HC), Light Industrial (LI), Heavy Industrial (HI), Agricultural Industrial (AI), or in Farmland (F) zoning districts when combined with a cannabis cultivation permit, subject to an [administrative-use](#) permit in each case. Cannabis manufacturing facilities involving volatile processes or substances (requiring a Type 7 state license) shall only be permitted in the Heavy Industrial (HI) zoning district with an [administrative-use](#) permit in each case. Except as provided in Section 21.67.090 of this Chapter, cannabis manufacturing shall be subject to the requirements contained in this Section.

SECTION 35. Subsection B.7 of Section 21.67.060 of the Monterey County Code is amended to read as follows:

7. Unless restricted under the terms or conditions of an [administrative-use](#) permit, permittees who hold an [administrative-use](#) permit for cannabis manufacturing may transport their own cannabis products manufactured on site to another permitted and licensed cannabis

business at an off-site facility provided the manufacturing permittee holds a Type 11 state license or other applicable state license that allows for the transportation of cannabis products. A separate ~~administrative-use~~ permit under this Section shall not be required for permittees that transport their own cannabis products manufactured on site to another permitted and licensed cannabis business at an off-site facility. Failure to adhere to County or state laws and regulations for manufactured cannabis transportation may be grounds for suspension or revocation of an ~~administrative-use~~ permit pursuant to Sections 21.67.110 ~~and 21.67.120~~ of ~~this Chapter~~ Monterey County Code.

SECTION 36. Subsection C of Section 21.67.060 of the Monterey County Code is amended to read as follows:

C. Required Findings. An ~~administrative-use~~ permit for cannabis manufacturing shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 37. Subsection D.5 of Section 21.67.060 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and state law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or state shall be grounds for the suspension or revocation of an ~~administrative-use~~ permit pursuant to Sections 21.67.110 and 21.67.120 of this Chapter.

SECTION 38. Subsection A of Section 21.67.070 of the Monterey County Code is amended to read as follows:

A. 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 an ~~administrative-use~~ permit in each case. Testing facilities shall be subject to the requirements of this Section.

SECTION 39. Subsection C of Section 21.67.070 of the Monterey County Code is amended to read as follows:

C. Required Findings. An ~~administrative-use~~ permit for a cannabis testing facility shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 40. Subsection D.5 of Section 21.67.070 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and state law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or state shall be grounds for the suspension or revocation of an [administrative-use](#) permit pursuant to Sections [21.67.110 and 21.67.120](#) of this ~~Chapter~~ [Monterey County Code](#).

SECTION 41. Subsection A of Section 21.67.080 of the Monterey County Code is amended to read as follows:

A. Applicability. Except as provided in Section 21.67.090, cannabis distribution facilities (requiring a Type 11 state license) may be permitted in the Heavy Commercial (HC), Light Industrial (LI), Heavy Industrial (HI), and Agricultural Industrial (AI) zoning districts subject to an [administrative-use](#) permit in each case. Cannabis distribution facilities shall be subject to all of the requirements contained in this Section.

SECTION 42. Subsection C of Section 21.67.080 of the Monterey County Code is amended to read as follows:

C. Required Findings. An [administrative-use](#) permit for a cannabis distribution facility shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 43. Subsection D.5 of Section 21.67.080 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with permits and licenses required by the Monterey County Code and state law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or state shall be grounds for the [modification-suspension](#) or revocation of an [administrative-use](#) permit pursuant to Sections [21.67.110 and 21.67.120](#) of this ~~Chapter~~ [Monterey County Code](#).

SECTION 44. Section 21.67.090 of the Monterey County Code is amended to read as follows:

All of the following cannabis activities are exempt from the [AdministrativeUse](#) Permit requirements of this Chapter in all zoning districts:

A. Possession, storage, manufacturing, or transportation of medicinal cannabis, or cultivation of up to one hundred (100) square feet total canopy area of medicinal cannabis by a qualified patient, as that term is defined in Section 11362.7 of the California Health and Safety Code, provided the qualified patient, possesses, stores, manufactures, transports, or cultivates cannabis exclusively for his or her personal medical use, and does not provide, donate, sell, or

distribute cannabis to any other person. Qualified patients shall, upon request, provide appropriate documentation to law enforcement demonstrating that they have a valid doctor's recommendation to use cannabis for medicinal purposes.

B. Possession, storage, manufacturing, transportation of medicinal cannabis, or cultivation of up to one hundred (100) square feet of canopy area of medicinal cannabis by a primary caregiver on behalf of a qualified patient, within the meaning of Section 11362.7 of the California Health and Safety Code, provided the primary caregiver does not receive remuneration for these activities except for compensation in full compliance with Section 11362.765(c) of the California Health and Safety Code. Primary caregivers shall, upon request, provide appropriate documentation to law enforcement demonstrating that they are a primary caregiver for a qualified patient.

C. Possession, processing, storage, transportation, or donation of not more than 28.5 grams of cannabis or not more than eight (8) grams of concentrated cannabis to persons twenty-one (21) years of age or older by persons twenty-one (21) years of age or older.

D. The cultivation of up to six (6) cannabis plants by persons twenty-one (21) years of age or older as allowed pursuant to Section 11362.1(a) of the California Health and Safety Code.

SECTION 45. Section 21.67.100 of the Monterey County Code is amended to read as follows:

All applications for an ~~Administrative Use~~ Permit for a commercial cannabis activity under this Chapter shall be filed with the Resource Management Agency on the form and in the manner prescribed by the Director of the Resource Management Agency or the Chief of Planning, or his or her designee. In all cases the application shall contain, without limitation, the following documentation:

A. Notarized, written authorization from all persons and entities having a right, title or interest in the property that is the subject of the application consenting to the application and the operation of the proposed commercial cannabis activity on the subject property.

B. The name and address of all persons and entities responsible for the operation of the commercial cannabis activity, 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 activity.

C. Site plans, floor plans, conceptual improvement plans, and a general description of the nature, size, and type of commercial cannabis activity(ies) being requested.

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

1. Onsite 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. A water management plan including the proposed water supply and proposed conservation measures;

6. Medical recommendation verification when applicable 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. Track and trace measures;

10. Sustainability measures including water efficiency measures, energy efficiency measures, high efficiency mechanical systems, and alternative fuel transportation methods;

11. Odor prevention devices;

12. Size, height, colors, and design of any proposed signage at the site;

13. Parking plan; and

14. Such other information as the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may require.

E. Additional application requirements: Based on the type of commercial cannabis activities proposed, the following additional information may be required by the Director of the Resource Management Agency or the Chief of Planning, or his or her designee:

1. Cannabis retailer: In reviewing an application for an [Administrative-Use or Use](#) Permit to dispense cannabis or cannabis products, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request operational plans detailing how operations will comply with federal enforcement priorities.

2. Cannabis cultivation: In reviewing an application for an [Administrative Use](#) Permit to cultivate cannabis, the Director of the Resource Management Agency or

the Chief of Planning, or his or her designee may request the following additional information:

- a. Water conservation measures;
- b. Projected energy demand and proposed renewable energy generation facilities;
- c. Unique identifier, inventory, and quality control procedures; and
- d. A floor plan identifying the location, dimensions, and boundaries of all proposed canopy areas taking into account space needed for ongoing care of plants and a description of the proposed method of physically delineating those boundaries at the site.

3. Cannabis manufacturing: In reviewing an application for an [Administrative Use](#) Permit to operate a cannabis manufacturing facility, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request the following additional information:

- 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 the Resource Management Agency or the Chief of Planning, or his or her designee.

4. Cannabis testing facilities: In reviewing an application for an [Administrative Use](#) Permit to operate a cannabis testing facility, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request the following additional information:

- 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 the Resource Management Agency or the Chief of Planning, or his or her designee.

5. Cannabis transportation and distribution facility: In reviewing an application for an [Administrative-Use](#) Permit to operate a cannabis transportation and/or distribution facility, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request any following additional information:

- 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 the Resource Management Agency or the Chief of Planning, or his or her designee.

F. All required application materials shall be prepared by the applicant and submitted at the time of application.

SECTION 46. Section 21.67.110 of the Monterey County Code is amended to read as follows:

Any of the following shall be grounds for suspension or revocation of ~~the a~~ Use Permit, [or Administrative Permit granted for a commercial cannabis activity](#) based on substantial evidence and following notice and public hearing pursuant to Section 21.67.120:

- A. Failure to comply with one or more of the conditions of the Use Permit [or Administrative Permit](#);
- B. The Use Permit [or Administrative Permit](#) was granted on the basis of false material information, written or oral, given willfully or negligently by the applicant;
- C. Any act or omission by an owner or permittee in contravention of the provisions of this Chapter;
- D. Any act or omission by an owner or permittee that results in the denial, revocation or suspension of the owner's or permittee's State License;
- E. Any act or omission that results in the revocation of that owner's or permittee's commercial cannabis permit under Chapter 7.90 of the Monterey County Code;
- F. Any act or omission by an owner or permittee in contravention of State law or the Monterey County Code;

G. An owner's or permittee's failure to take appropriate action to evict or otherwise remove persons conducting commercial cannabis activities who do not maintain the necessary permits or licenses in good standing with the County or State;

H. Possession or delivery of any other form of illegal drugs without proper legal authorization; or

I. Conduct of the commercial cannabis activities in a manner that constitutes a nuisance, where the owner or permittee has failed to comply with reasonable conditions to abate the nuisance.

SECTION 47. Subsection A of Section 21.67.120 of the Monterey County Code is amended to read as follows:

A. If the Director of the Resource Management Agency or the Chief of Planning, or his or her designee determines that grounds for suspension or revocation of the Use Permit [or Administrative Permit](#) exist pursuant to section 21.67.110, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee shall issue a written Notice of Intention to revoke or suspend the Use Permit [or Administrative Permit](#), as the case may be. The Notice of Intention shall be served on the owner, as reported on the latest equalized assessment roll, and shall also be served on permittees on the property, as reported on the commercial cannabis permits issued pursuant to Chapter 7.90. The Notice of Intention shall be served by either personal delivery or by certified U.S. Mail, postage prepaid, return receipt requested. The Notice of Intention shall describe the property, the intention to revoke or suspend the Use Permit [or Administrative Permit](#), the grounds for revocation or suspension, the action necessary to abate the violation, the time limit for compliance, and the right to a hearing. The Notice of Intention shall notify the owner and permittees of the opportunity to request a hearing before a Hearing Officer to present evidence as to why the Use Permit [or Administrative Permit](#) should not be suspended or revoked and shall notify them of the 10-day deadline to submit a written request for a hearing.

SECTION 48. Subsection B of Section 21.67.120 of the Monterey County Code is amended to read as follows:

B. The owner and permittees shall have ten (10) calendar days from the service of the Notice of Intention to submit a written request for a hearing before the Hearing Officer. Failure to submit the written request for a hearing shall be deemed a waiver of the right to challenge the suspension or revocation of the Use Permit [or Administrative Permit](#) and a failure to exhaust administrative remedies. If the hearing is not timely requested, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may suspend or revoke the Use Permit [or Administrative Permit](#) in accordance with the Notice of Intention.

SECTION 49. Subsection D.1 of Section 21.67.120 of the Monterey County Code is amended to read as follows:

1. The Hearing Officer is authorized to conduct hearings, issue subpoenas, receive evidence, administer oaths, rule on questions of law and the admissibility of evidence, prepare a record of the proceedings, and render decisions on the suspension or revocation of the Use Permit or Administrative Permit.

SECTION 50. 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 51. This ordinance shall become effective on the thirty-first day following its adoption.

PASSED AND ADOPTED on this ___ day of _____, 2018, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Luis A. Alejo, Chair
Monterey County Board of Supervisors

A T T E S T:

Valerie Ralph
Clerk of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM BY:

Wendy S. Strimling
Senior Deputy County Counsel

ORDINANCE NO. _____

**AN ORDINANCE OF THE COUNTY OF MONTEREY, STATE OF CALIFORNIA,
AMENDING TITLE 20 (COASTAL ZONING) OF THE MONTEREY COUNTY CODE
RELATING TO COMMERCIAL CANNABIS ACTIVITIES**

County Counsel Summary

This ordinance amends Title 20 (coastal zoning) of the Monterey County Code related to regulation of commercial cannabis activities in the coastal unincorporated area of Monterey County. This ordinance changes commercial cannabis activities from a conditional use allowed subject to a Coastal Development Permit in each case within specified zoning districts, to a principal use allowed subject to a Coastal Administrative Permit in each case within the same specified zoning districts. This ordinance also provides that the 1500-foot setback required between commercial cannabis retailers may be reduced if findings are made to support a Coastal Development Permit. New findings have been added for granting a Coastal Development Permit to reduce the required setback between dispensaries including finding that special circumstances are applicable to the project, the project will not result in disproportionate impacts to low income communities or communities with a high percentage of youth population, and the project would not result in adverse impacts because of excessive concentrations of retailers. The Planning Commission is designated as the appropriate Authority to consider such permits.

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

[COASTAL GENERAL COMMERCIAL “CGC” ZONING DISTRICT CHAPTER 20.18]

SECTION 1. Subsection A of Section 20.18.050 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, new commercial cannabis activities that are allowed under Section 20.18.060 shall require a Coastal Development Permit in each case.~~

SECTION 2. Subsection AA is added to Section 20.18.050 of the Monterey County Code to read as follows:

AA. Cannabis retailer pursuant to Chapter 20.67

SECTION 3. Subsection QQ of Section 20.18.060 of the Monterey County Code is repealed.

[MOSS LANDING COMMERCIAL “MLC” ZONING DISTRICT CHAPTER 20.20]

SECTION 4. Subsection A of Section 20.20.050 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, new commercial cannabis activities that are allowed under Section 20.20.060 shall require a Coastal Development Permit in each case.~~

SECTION 5. Subsection U is added to Section 20.20.050 of the Monterey County Code to read as follows:

U. Cannabis retailer pursuant to Chapter 20.67.

SECTION 6. Subsection W of Section 20.20.060 of the Monterey County Code is repealed.

[AGRICULTURAL INDUSTRIAL “AI” ZONING DISTRICT CHAPTER 20.24]

SECTION 7. Subsection A of Section 20.24.050 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, new commercial cannabis activities that are allowed under Section 20.24.060 shall require a Coastal Development Permit in each case.~~

SECTION 8. Subsections N, O, P, and Q are added to Section 20.24.050 of the Monterey County Code to read as follows:

N. Indoor, mixed light, or nursery cannabis cultivation pursuant to Chapter 20.67;
O. Non-volatile cannabis manufacturing pursuant to Chapter 20.67;
P. Cannabis distribution facilities pursuant to Chapter 20.67;
Q. Cannabis testing facilities pursuant to Chapter 20.67.

SECTION 9. Subsections JJ, KK, LL, and MM of Section 20.24.060 of the Monterey County Code are repealed.

[LIGHT INDUSTRIAL “LI” ZONING DISTRICT CHAPTER 20.26]

SECTION 10. Subsection A of Section 20.26.050 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, new commercial cannabis~~

~~activities that are allowed under Section 20.26.060 shall require a Coastal Development Permit in each case.~~

SECTION 11. Subsections DD, EE, FF, GG, and HH are added to Section 20.26.050 of the Monterey County Code to read as follows:

- DD. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 20.67;
- EE. Non-volatile cannabis manufacturing pursuant to Chapter 20.67;
- FF. Cannabis distribution facilities pursuant to Chapter 20.67;
- GG. Cannabis testing facilities pursuant to Chapter 20.67.

SECTION 12. Subsections DD, EE, FF of Section 20.26.060 of the Monterey County Code are amended to read as follows:

- DD. Food processing, fish canning and other uses of a similar character (ZA);
- EE. Processing for market of poultry, rabbits and small animals, but not including canning, rendering, tanning or reduction of meat or animal products (ZA);
- FF. Warehouses for the collection, packaging and distribution of agricultural and horticultural products (ZA);

[HEAVY INDUSTRIAL “HI” ZONING DISTRICT CHAPTER 20.28]

SECTION 13. Subsection A of Section 20.28.050 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, new commercial cannabis activities that are allowed under Section 20.28.060 shall require a Coastal Development Permit in each case.~~

SECTION 14. Subsections Y, Z, AA, BB, and CC are added to Section 20.28.050 of the Monterey County Code to read as follows:

- Y. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 20.67;
- Z. Non-volatile cannabis manufacturing pursuant to Chapter 20.67;
- AA. Volatile cannabis manufacturing pursuant to Chapter 20.67;
- BB. Cannabis distribution facilities pursuant to Chapter 20.67;
- CC. Cannabis testing facilities pursuant to Chapter 20.67.

SECTION 15. Subsections NN, OO, PP, QQ, and RR of Section 20.28.060 of the Monterey County Code are repealed.

[COASTAL AGRICULTURAL PRESERVE “CAP” ZONING DISTRICT CHAPTER 20.30]

SECTION 16. Subsections U and V are added to Section 20.30.040 of the Monterey County Code to read as follows:

- [U. Indoor, mixed light, or nursery cannabis cultivation pursuant to Chapter 20.67;](#)
- [V. Non-volatile cannabis manufacturing pursuant to Chapter 20.67](#)

SECTION 17. Subsections EE and FF of Section 20.30.050 of the Monterey County Code are repealed.

[AGRICULTURAL CONSERVATION “AC” ZONING DISTRICT CHAPTER 20.32]

SECTION 18. Subsections V and W are added to Section 20.32.040 of the Monterey County Code to read as follows:

- [V. Indoor, mixed-light, or nursery cannabis cultivation pursuant to Chapter 20.67;](#)
- [W. Non-volatile cannabis manufacturing pursuant to Chapter 20.67.](#)

SECTION 19. Subsections II and JJ of Section 20.32.050 of the Monterey County Code are repealed.

SECTION 20. Section 20.67.010 of the Monterey County Code is amended to read as follows:

For the purpose of this Chapter, unless the context otherwise requires, certain terms used in this Chapter shall be as defined below. The definitions in Chapter 20.06 shall otherwise apply.

- A. “Bureau” means the Bureau of Cannabis Control within the California Department of Consumer Affairs.
- B. “Cannabis concentrate” means cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product’s potency. Resin from granular trichomes from a cannabis plant is a concentrate for purposes of this Chapter. A cannabis concentrate is not considered food, as defined by Section 109935 of the California Health and Safety Code, or a drug, as defined by Section 109925 of the California Health and Safety Code.
- C. “Cannabis product” has the same meaning as in Section 11018.1 of the California Health and Safety Code.
- D. “Canopy” means all areas occupied by any portion of a cannabis plant, inclusive of all vertical planes, whether contiguous or noncontiguous on any one site.
- E. “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.

F. “Child care center” means any child day care facility other than a family day care home, and includes infant centers, preschools, extended child care facilities, transitional kindergartens, and school age child care centers.

GF. “Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis. Within the definition of cultivation, the following specific Permit Types, corresponding to state cultivator license types set forth in California Business and Professions Code Section 26061, apply:

1. Type 1A or “specialty indoor” means indoor cultivation using exclusively artificial lighting of between five hundred one (501) and five thousand (5,000) square feet of total canopy size on one premises;
2. Type 1B or “specialty mixed-light” means cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, of between two thousand five hundred one (2,501) and five thousand (5,000) square feet of total canopy size on one premises;
3. Type 1C, or “specialty cottage,” for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, of two thousand five hundred (2,500) square feet or less of total canopy size for mixed-light cultivation, or five hundred (500) square feet or less of total canopy size for indoor cultivation, on one premises;
4. 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 on one premises;
5. 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 on one premises;
6. Type 3A or “indoor” means indoor cultivation using exclusively artificial lighting and having a total canopy area between ten thousand one (10,001) and twenty two thousand (22,000) square feet on one premises;
7. 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 on one premises; and
8. Type 4 or “nursery” means cultivation of cannabis solely as a nursery.

HG. “Delivery” means the commercial transfer of cannabis or cannabis products to a customer. “Delivery” also includes the use by a retailer of any technology platform owned and controlled by the retailer.

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

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

K. “Edible cannabis product” means cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Division 15 (commencing with Section 32501) of the California Food and Agricultural Code. An edible cannabis product is not considered food, as defined by Section 109935 of the California Health and Safety Code, or a drug, as defined by Section 109925 of the California Health and Safety Code.

L. “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.

M. “Hearing Officer” means a person appointed by the County to conduct an administrative hearing under this Chapter. The appointed Hearing Officer shall be an impartial decision-maker selected by a process that eliminates risk of bias, such as:

1. An administrative law judge provided by the State of California Office of Administrative Hearings to function as the County Hearing Officer pursuant to Chapter 14 of Part 3 of Division 2 of Title 3 of the California Government Code;
2. A person selected randomly from a panel of attorneys willing to serve as a Hearing Officer; or
3. An independent contractor assigned by an organization or entity which provides hearing officers.

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

O. “Large shopping center” means a shopping center or contiguous shopping centers where all of the following are met:

1. The shopping center(s) are designed, planned, and managed to serve regional shopping needs;
2. The shopping center(s) consist of at least twelve (12) retail stores and service establishments connected by parking areas and common walkways; and

3. The shopping center(s) are located on at least two acres of land inclusive of parking areas.

PN. “Licensee” means any person holding a state license under California Business and Professions Code Sections 26000, *et seq.*

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

RP. “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.

SEQ. “Manufacturing site” means a location that produces, prepares, propagates, or compounds cannabis or cannabis products either 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.

TR. “Medicinal cannabis” or “medicinal cannabis product” means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the California Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician’s recommendation.

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

VF. “One ownership” and “owner” have the same definition as set forth in Chapter 20.06 of this Title.

WU. “Permittee” means a person issued a Coastal Administrative Development Permit under this Chapter.

XV. “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.

Y. “Playground” means any park or recreational area specifically designed to be used by children which has play equipment installed, including public grounds designed for athletic activities such as baseball, football, soccer, or basketball, or any similar facility located on public or private school grounds, or on city, county, or state parks.

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

~~X.~~ “Public park” means an area created, established, designated, or maintained by a special district, a County, the State, or the Federal government for public play, recreation, or enjoyment or for the protection of natural resources and features at the site. ~~AA~~Y. “Qualified patient” has the same definition as in Section 11362.7 of the California Health and Safety Code, as it may be amended.

~~BB~~Z. “Retailer” and “retail facility” shall have the same meaning as “Dispensary.”

~~CC~~AA. “State” means the State of California.

~~DD~~BB. “State license,” “license,” or “registration” means a state license issued pursuant to California Business & Professions Code Sections 26000, *et seq.*

~~EE~~CC. “Testing laboratory” means a facility, entity, or site in the state that offers or performs test of cannabis or 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 cannabis activities in the state; and
2. Licensed by the Bureau.

~~FF~~DD. “Transport” or “transportation” mean the transfer of cannabis or 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 California Business & Professions Code Sections 26000, *et seq.*

~~GG~~EE. “Volatile Manufacturing” means a manufacturing site that manufactures cannabis products using volatile solvents.

~~HH~~FF. “Volatile solvents” shall have the same meaning as in paragraph (3) of subsection (b) of Section 11362.3 of the California Health and Safety Code, unless otherwise provided by law or regulation.

II. “Youth center” means any public or private facility that is primarily used to host recreational or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades, or similar amusement park facilities.

SECTION 21. Subsection A of Section 20.67.030 of the Monterey County Code is amended to read as follows:

A. A Coastal ~~AdministrativeDevelopment~~ Permit shall be required for all commercial cannabis activities. The application for a Coastal ~~AdministrativeDevelopment~~ Permit, and for amendments thereto and extensions thereof, shall be processed in accordance with Chapter 20.760 of the Monterey County Code. The ~~Chief of Planning~~ ~~Planning Commission~~ is the Appropriate Authority to consider a Coastal ~~AdministrativeDevelopment~~ Permit for commercial cannabis activities and to consider extensions of and amendments to such Permits

unless the matter is referred to public hearing under Section 20.76.060 of this Title. Appeals from the decision of the ~~Chief of Planning~~Planning Commission shall be governed by Chapter 20.86 of the Monterey County Code. Notwithstanding the foregoing, the procedures for suspension and revocation of a Coastal ~~Administrative~~Development Permit granted under this Chapter shall be as set forth in sections 20.67.110 and 20.67.120 of this Chapter.

SECTION 22. Subsection B of Section 20.67.030 of the Monterey County Code is amended to read as follows:

B. In addition to a Coastal Administrative~~Development~~ Permit, a commercial cannabis permit pursuant to Chapter 7.90 of the Monterey County Code shall be required for all commercial cannabis activities.

SECTION 23. Subsection D of Section 20.67.030 of the Monterey County Code is amended to read as follows:

D. The owner shall post or cause to be posted on site the Coastal Administrative~~Development~~ Permit and all required County and state permits and licenses required to operate. Such posting shall be in a central location, visible to the patrons, at the operating site, and in all vehicles that deliver or transport cannabis or cannabis products.

SECTION 24. Subsection B.2 of Section 20.67.040 of the Monterey County Code is amended to read as follows:

2. Retail facilities shall not be located within a six hundred (600) footfeet radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority. The distance specified in this section shall be measured from property line to property line, except for playgrounds, which will be measured from the boundary of the playground facility. ~~from any school, public park, or a drug recovery facility.~~

SECTION 25. Subsection B.3 of Section 20.67.040 of the Monterey County Code is amended to read as follows:

3. Retail facilities shall not be located within one thousand five hundred (1,500) feet of another approved retail facility. The 1,500 foot setback is established once an entitlement is granted by the Appropriate Authority. Entitlements for commercial cannabis retailers shall be considered in the order that the application for the entitlement is deemed complete. A Coastal Development Permit pursuant to Subsection E of this Section shall be required for a proposed retail facility that does not comply with the 1,500 foot setback from another approved retail facility.

SECTION 26. Subsection C of Section 20.67.040 of the Monterey County Code is amended to read as follows:

C. Required Findings: A Coastal ~~Administrative Development~~ Permit for a cannabis retailer shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 27. Subsection C.2 of Section 20.67.040 of the Monterey County Code is amended to read as follows:

2. The retail facility will not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority, and the retail facility complies with the minimum setbacks required between retailers as provided in Section 20.67.040.B.3 of this Chapter.~~feet from any school, public park, or drug recovery facility, or within one thousand five hundred (1,500) feet of another retail facility.~~

SECTION 28. Subsection C.4 of Section 20.67.040 of the Monterey County Code is amended to read as follows:

4. The retailer includes adequate measures that minimize, to the extent feasible, nuisances to the immediate neighborhood and community including minimizing the detection of odor from offsite, minimizing the effects of loitering, providing adequate security measures, and not exceeding the ~~Coastal Development P~~ermit's limits on hours of operation.

SECTION 29. Subsection D.5 of Section 20.67.040 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or State shall be grounds for the suspension or revocation of a Coastal ~~Administrative Development~~ Permit pursuant to Sections 20.67.110 and 20.67.120 of this Chapter~~Monterey County Code~~.

SECTION 30. Subsection E is added to Section 21.67.040 of the Monterey County Code to read as follows:

E. Modification to setback. The one thousand five hundred (1,500) foot setback required between retail facilities may be modified with a Coastal Development Permit. The Planning Commission is the Appropriate Authority to consider said permit, and the decision of the Planning Commission may be appealed to the Board of Supervisors pursuant to Chapter 20.86 of this Title. As part of the review of such a Coastal Development Permit, the Appropriate Authority shall consider a written report from the Monterey County Health Department concerning public health impacts that may result from the proposed activity. To grant the Coastal Development Permit, the Appropriate Authority must make all applicable findings required by Title 20, the findings required for a cannabis retailer under Subsection C of section

20.67.040, except for the 1,500 setback requirement, and the following findings based on substantial evidence:

1. The applicant for the proposed retail facility has demonstrated there are special circumstances applicable to the subject property and within the project vicinity including but not limited to location within a community area or large shopping center.

2. The applicant for the proposed retail facility has demonstrated that the proposed retail facility will not result in a density or concentration of retailers in the community, as compared to the density of retail facilities existing in other communities, that would do any of the following:

- a. Disproportionately impact a low-income community;
- b. Disproportionately impact a community with a high proportion of youth; or
- c. Adversely impact the public health of persons residing or working in the community.

SECTION 31. Subsection A of Section 20.67.050 of the Monterey County Code is amended to read as follows:

A. Applicability: Except as provided in Section 20.67.090 of this Chapter, cannabis cultivation may only be permitted in the Light Industrial (LI), Heavy Industrial (HI), Agricultural Industrial (AI), Agricultural Conservation (AC), or Coastal Agricultural Preserve (CAP) zoning districts with a Coastal ~~AdministrativeDevelopment~~ Permit in each case and as may be further restricted by this Section. Outdoor cannabis cultivation is prohibited in all zones within the unincorporated areas of Monterey County except as provided in Section 20.67.090 of this Chapter. The table below summarizes the zoning districts where cultivation may be considered with a Coastal ~~AdministrativeDevelopment~~ Permit.

	Type 1A	Type 1B	Type 1C*	Type 2A	Type 2B	Type 3A	Type 3B	Type 4
LI	APCDP	APCDP	APCDP	APCDP	APCDP			
HI	APCDP							
AI	APCDP							
CAP	APCDP							
AC	APCDP							

~~APCDP~~ = Coastal ~~AdministrativeDevelopment~~ Permit pursuant to Chapter 21.7670

* For Type 1C “Specialty Cottage” only mixed-light and indoor cultivation are permitted. “Specialty Cottage” outdoor cultivation is prohibited in Monterey County.

SECTION 32. Subsection B.1 of Section 20.67.050 of the Monterey County Code is amended to read as follows:

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 Agricultural Conservation (AC) and Coastal Agricultural Preserve (CAP) zoning districts, indoor and mixed-light cannabis cultivation and cannabis nurseries (Type 1A, 1B, 1C, 2A, 2B, 3A, 3B, and 4 state license types) may be permitted with a Coastal ~~AdministrativeDevelopment~~ Permit in each case provided that cultivation is consistent with all land use designations and, within the Agricultural Conservation (AC) and Coastal Agricultural Preserve (CAP) zoning districts, the cultivation occurs only within a greenhouse or industrial building that was permitted or legally established prior to January 1, 2016. Greenhouses and industrial buildings may be improved for cannabis activities after January 1, 2016 provided that the footprint of the existing greenhouse(s) or industrial building(s) does not change.

SECTION 33. Subsection B.2 of Section 20.67.050 of the Monterey County Code is amended to read as follows:

2. Within the Light Industrial (LI), Heavy Industrial (HI), and Agricultural Industrial (AI) zoning districts, indoor or mixed-light cannabis cultivation or cannabis nurseries (Type 1A, 1B, 1C, 2A, 2B, 3A, 3B, or 4 state license types) may be allowed subject to a Coastal ~~AdministrativeDevelopment~~ Permit in each case, except that type 3A, 3B and 4 cultivation types shall not be permitted in the Light Industrial (LI) zoning district, and provided that the cultivation is consistent with all land use designations and occurs only within a greenhouse or industrial building that was permitted or legally established prior to January 1, 2016. Subject to other permit requirements of this Title, greenhouses and industrial buildings may be improved for cannabis activities after January 1, 2016 provided that the footprint of the existing greenhouse(s) or industrial building(s) does not change.

SECTION 34. Subsection B.4 of Section 20.67.050 of the Monterey County Code is amended to read as follows:

4. Cannabis cultivation shall not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority. The distance specified in this section shall be measured from property line to property line, except for playgrounds, which will be measured from the boundary of the playground facility. ~~feet of a school, public park, or drug recovery facility.~~

SECTION 35. Subsection B.12 of Section 20.67.050 of the Monterey County Code is amended to read as follows:

12. Unless restricted under the terms or conditions of a Coastal ~~AdministrativeDevelopment~~ Permit, permittees who hold a Coastal ~~AdministrativeDevelopment~~

Permit for cannabis cultivation or nursery operations may transport their own cannabis grown onsite to another permitted and licensed cannabis business at an offsite facility provided the cultivation or nursery permittee holds a Type 11 state license or other applicable state license that allows for the transportation of cannabis. A separate Coastal [Administrative Development](#) Permit under this Section shall not be required for permittees that transport their own cannabis grown onsite to another permitted and licensed cannabis business at an offsite facility. Failure to adhere to County or State laws and regulations for cannabis transportation may be grounds for suspension or revocation of a Coastal [Administrative Development](#) Permit pursuant to Sections [20.67.110](#) and [20.67.120](#) of this ~~Chapter~~ [Monterey County Code](#).

SECTION 36. Subsection C of Section 20.67.050 of the Monterey County Code is amended to read as follows:

C. Required Findings. A Coastal [Administrative Development](#) Permit for cannabis cultivation shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 37. Subsection C.2 of Section 20.67.050 of the Monterey County Code is amended to read as follows:

2. The cultivation will not be located within [a six hundred \(600\) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority.](#) ~~feet from any school, public park, or drug recovery facility.~~

SECTION 38. Subsection D.5 of Section 20.67.050 of the Monterey County Code is amended to read as follows.

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or State shall be grounds for the suspension or revocation of a Coastal [Administrative Development](#) pursuant to Sections [20.27.110](#) and [20.67.120](#) of this ~~Chapter~~ [Monterey County Code](#).

SECTION 39. Subsection A of Section 20.67.060 of the Monterey County Code is amended to read as follows:

A. Applicability: Non-volatile cannabis manufacturing facilities (requiring a Type 6 state license) may be permitted in the Light Industrial (LI), Heavy Industrial (HI), Agricultural Industrial (AI), Agricultural Conservation (AC), or in Coastal Agricultural Preserve (CAP) zoning districts. Non-volatile manufacturing may only be permitted in the AC and CAP zoning districts when combined with a cannabis cultivation permit, and subject to a Coastal [Administrative Development](#) Permit in each case. Cannabis manufacturing facilities involving

volatile processes or substances (requiring a Type 7 state license) shall only be permitted in the Heavy Industrial (HI) zoning district with a Coastal ~~AdministrativeDevelopment~~ Permit in each case. Except as provided in Section 20.67.090 of this Chapter, cannabis manufacturing shall be subject to the requirements contained in this Section.

SECTION 40. Subsection B.2 of Section 20.67.060 of the Monterey County Code is amended to read as follows:

2. Cannabis manufacturing facilities shall not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority. The distance specified in this section shall be measured from property line to property line, except for playgrounds, which will be measured from the boundary of the playground facility. ~~feet from any school, public park, or a drug recovery facility.~~

SECTION 41. Subsection B.7 of Section 20.67.060 of the Monterey County Code is amended to read as follows:

7. Unless restricted under the terms or conditions of a Coastal ~~AdministrativeDevelopment~~ Permit, permittees who hold a Coastal ~~AdministrativeDevelopment~~ Permit for cannabis manufacturing may transport their own cannabis products manufactured onsite to another permitted and licensed cannabis business at an offsite facility provided the manufacturing permittee holds a Type 11 state license or other applicable state license that allows for the transportation of cannabis products. A separate Coastal ~~AdministrativeDevelopment~~ Permit under this Section shall not be required for permittees that transport their own cannabis products manufactured onsite to another permitted and licensed cannabis business at an offsite facility. Failure to adhere to County or State laws and regulations for manufactured cannabis transportation may be grounds for suspension or revocation of a Coastal ~~AdministrativeDevelopment~~ Permit pursuant to Sections 20.67.110 and 20.67.120 of this ~~Chapter~~ Monterey County Code.

SECTION 42. Subsection C of Section 20.67.060 of the Monterey County Code is amended to read as follows:

C. Required Findings. A Coastal ~~AdministrativeDevelopment~~ Permit for cannabis manufacturing shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 43. Subsection C.2 of Section 20.67.060 of the Monterey County Code is amended to read as follows:

2. The manufacturing facility will not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of

approval of permits by the Appropriate Authority. feet from any school, public park, or drug recovery facility.

SECTION 44. Subsection D.5 of Section 20.67.060 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or State shall be grounds for the suspension or revocation of a Coastal AdministrativeDevelopment Permit pursuant to Sections 20.67.110 and 20.67.120 of this Chapter.

SECTION 45. Subsection A of Section 20.67.070 of the Monterey County Code is amended to read as follows:

A. Applicability: Cannabis testing facilities (requiring a Type 8 state license) may be permitted in the Light Industrial (LI), Heavy Industrial (HI), and Agricultural Industrial (AI) zoning districts subject to a Coastal AdministrativeDevelopment Permit in each case. Testing facilities shall be subject to the requirements of this Section.

SECTION 46. Subsection B.2 of Section 20.67.070 of the Monterey County Code is amended to read as follows:

2. Cannabis testing facilities shall not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority. The distance specified in this section shall be measured from property line to property line, except for playgrounds, which will be measured from the boundary of the playground facility.~~feet from any school, public park, or a drug recovery facility.~~

SECTION 47. Subsection C of Section 20.67.070 of the Monterey County Code is amended to read as follows:

C. Required Findings. A Coastal AdministrativeDevelopment Permit for cannabis testing facility shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 48. Subsection C.2 of Section 20.67.070 of the Monterey County Code is amended to read as follows:

2. The testing facility will not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval

of permits by the Appropriate Authority. feet from any school, public park, or drug recovery facility.

SECTION 49. Subsection D.5 of Section 20.67.070 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or State shall be grounds for the suspension or revocation of a Coastal AdministrativeDevelopment Permit pursuant to Sections 20.67.110 and 20.67.120 of this Chapter Monterey County Code.

SECTION 50. Subsection A of Section 20.67.080 of the Monterey County Code is amended to read as follows:

A. Applicability: Except as provided in Section 20.67.090, cannabis distribution facilities (requiring a Type 11 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 Coastal AdministrativeDevelopment Permit in each case. Cannabis distribution facilities shall be subject to a to all of the requirement contained in this Section.

SECTION 51. Subsection B.2 of Section 20.67.080 of the Monterey County Code is amended to read as follows:

2. Cannabis distribution facilities shall not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority. The distance specified in this section shall be measured from property line to property line, except for playgrounds, which will be measured from the boundary of the playground facility.~~feet from any school, public park, or a drug recovery facility.~~

SECTION 52. Subsection C of Section 20.67.080 of the Monterey County Code is amended to read as follows:

C. Required Findings. A Coastal AdministrativeDevelopment Permit for a cannabis distribution facility shall not be granted by the Appropriate Authority unless all of the following findings are made based on substantial evidence:

SECTION 53. Subsection C.2 of Section 20.67.080 of the Monterey County Code is amended to read as follows:

2. The facility will not be located within a six hundred (600) foot radius of a school providing instruction in kindergarten or any grades 1 through 12, a child care center, a youth

center, a playground, or a drug recovery facility that is in existence at the time of approval of permits by the Appropriate Authority. feet from any school, public park, or drug recovery facility.

SECTION 54. Subsection D.5 of Section 20.67.080 of the Monterey County Code is amended to read as follows:

5. The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with permits and licenses required by the Monterey County Code and State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or State shall be grounds for the modification or revocation of a Coastal ~~AdministrativeDevelopment~~ Permit pursuant to Sections 20.67.110 and 20.67.120 of ~~this Chapter~~ Monterey County Code.

SECTION 55. Section 20.67.090 of the Monterey County Code is amended to read as follows:

All the following cannabis activities are exempt from the Coastal ~~AdministrativeDevelopment~~ Permit requirements of this Chapter in all zoning districts, provided the activity does not include any form of non-exempt development pursuant to this Title:

A. Possession, storage, manufacturing, or transportation of medicinal cannabis, or cultivation of up to one hundred (100) square feet total canopy area of medicinal cannabis by a qualified patient, as that term is defined in Section 11362.7 of the California Health and Safety Code, provided that the qualified patient, possesses, stores, manufactures, transports, or cultivates cannabis exclusively for his or her personal medical use, and does not provide, donate, sell, or distribute cannabis to any other person. Further, the possession, storage, manufacture, transportation, or cultivation activities must not involve development as defined in Section 20.06.310 of the Monterey County Code. Qualified patients shall, upon request, provide appropriate documentation to law enforcement demonstrating that they have a valid doctor's recommendation to use cannabis for medicinal purposes.

B. Possession, storage, manufacturing, transportation of medicinal cannabis, or cultivation of up to one hundred (100) square feet of canopy area of medicinal cannabis by a primary caregiver on behalf of a qualified patient, within the meaning of Section 11362.7 of the California Health and Safety Code, provided that the primary caregiver does not receive remuneration for these activities except for compensation in full compliance with Section 11362.765(c) of the California Health and Safety Code and the possession, storage, manufacture, transportation, or cultivation activities do not involve development as defined in Section 20.06.310 of the Monterey County Code. Primary caregivers shall, upon request, provide appropriate documentation to law enforcement demonstrating that they are a primary caregiver for a qualified patient.

C. Possession, processing, storage, transportation, or donation of not more than 28.5 grams of cannabis or not more than eight (8) grams of concentrated cannabis to persons twenty-one (21) years of age or older by persons twenty-one (21) years of age or older.

D. The cultivation of up to six (6) cannabis plants by persons twenty-one (21) years of age or older as allowed pursuant to Section 11362.1(a) of the California Health and Safety Code.

SECTION 56. Section 20.67.100 of the Monterey County Code is amended to read as follows:

All applications for a ~~Coastal Development Permit~~ permit for a commercial cannabis activity under this Chapter shall be filed with the Resource Management Agency on the form and in the manner prescribed by the Director of the Resource Management Agency or the Chief of Planning, or his or her designee. In all cases the application shall contain, without limitation, the following documentation:

A. Notarized, written authorization from all persons and entities having a right, title or interest in the property that is the subject of the application consenting to the application and the operation of the proposed commercial cannabis activity on the subject property.

B. The name and address of all persons and entities responsible for the operation of the commercial cannabis activity, 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 activity.

C. Site plans, floor plans, conceptual improvement plans, and a general description of the nature, size, and type of commercial cannabis activity(ies) being requested.

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. A water management plan including the proposed water supply and proposed conservation measures;

6. Medical recommendation verification when applicable 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. Track and trace measures;

10. Sustainability measures including water efficiency measures, energy efficiency measures, high efficiency mechanical systems, and alternative fuel transportation methods;

11. Odor prevention devices;

12. Size, height, colors, and design of any proposed signage at the site;

13. Parking plan; and

14. Such other information as the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may require.

E. Additional application requirements: Based on the type of commercial cannabis activities proposed, the following additional information may be required by the Director of the Resource Management Agency or the Chief of Planning, or his or her designee:

1. Cannabis retailer: In reviewing an application for a Coastal [Administrative or Coastal](#) Development Permit to dispense cannabis or cannabis products, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request operational plans detailing how operations will comply with federal enforcement priorities.

2. Cannabis cultivation: In reviewing an application for a Coastal [Administrative Development](#) Permit to cultivate cannabis, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request the following additional information:

a. Water conservation measures;

b. Projected energy demand and proposed renewable energy generation facilities;

c. Unique identifier, inventory, and quality control procedures; and

d. A floor plan identifying the location, dimensions, and boundaries of all proposed canopy areas taking into account space needed for ongoing care of plants and description of the proposed method of physically delineating those boundaries at the site.

3. Cannabis manufacturing: In reviewing an application for a Coastal [AdministrativeDevelopment](#) Permit to operate a cannabis manufacturing facility, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request the following additional information:

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 the Resource Management Agency or the Chief of Planning, or his or her designee.

4. ~~Medical~~ Cannabis testing facilities: In reviewing an application for a Coastal [AdministrativeDevelopment](#) Permit to operate a cannabis testing facility, the Director the Resource Management Agency or the Chief of Planning, or his or her designee may request the following additional information:

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.

5. Cannabis transportation and distribution facility: In reviewing an application for a Coastal [AdministrativeDevelopment](#) Permit to operate a cannabis transportation and/or distribution facility, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may request any following additional information:

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 the Resource Management Agency or the Chief of Planning, or his or her designee.

F. All required application materials shall be prepared by the applicant and submitted at the time of application.

SECTION 57. Section 20.67.110 of the Monterey County Code is amended to read as follows:

Any of the following shall be grounds for suspension or revocation of ~~the a~~ Coastal Development Permit or a Coastal Administrative Permit granted for a commercial cannabis activity; based on substantial evidence and following notice and public hearing pursuant to Section 20.67.120:

A. Failure to comply with one or more of the conditions of the Coastal Development Permit or a Coastal Administrative Permit;

B. The Coastal Development Permit or Coastal Administrative Permit was granted on the basis of false material information, written or oral, given willfully or negligently by the applicant;

C. Any act or omission by an owner or permittee in contravention of the provisions of this Chapter;

D. Any act or omission by an owner or permittee that results in the denial, revocation or suspension of the owner's or permittee's State License;

E. Any act or omission that results in the revocation of that owner's or permittee's commercial cannabis permit under Chapter 7.90 of the Monterey County Code;

F. Any act or omission by an owner or permittee in contravention of State law or the Monterey County Code;

G. An owner's or permittee's failure to take appropriate action to evict or otherwise remove persons conducting commercial cannabis activities who do not maintain the necessary permits or licenses in good standing with the County or State;

H. Possession or delivery of any other form of illegal drugs without proper legal authorization; or

I. Conduct of the commercial cannabis activities in a manner that constitutes a nuisance, where the owner or permittee has failed to comply with reasonable conditions to abate the nuisance.

SECTION 58. Section 20.67.120 of the Monterey County Code is amended to read as follows:

A. If the Director of the Resource Management Agency or the Chief of Planning, or his or her designee determines that grounds for suspension or revocation of the Coastal Development Permit or Coastal Administrative Permit exist pursuant to section 20.67.110, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee shall issue a written Notice of Intention to revoke or suspend the Coastal Development Permit or the Coastal Administrative Permit, as the case may be. The Notice of Intention shall be served on the owner, as reported on the latest equalized assessment roll, and shall also be served on permittees on the property, as reported on the commercial cannabis permits issued pursuant to Chapter 7.90. The Notice of Intention shall be served by either personal delivery or by certified U.S. Mail, postage prepaid, return receipt requested. The Notice of Intention shall describe the property, the intention to revoke or suspend the Coastal Development Permit or the Coastal Administrative Permit, the grounds for revocation or suspension, the action necessary to abate the violation, the time limit for compliance, and the right to a hearing. The Notice of Intention shall notify the owner and permittees of the opportunity to request a hearing before a Hearing Officer to present evidence as to why the Coastal Development Permit or the Coastal Administrative Permit should not be suspended or revoked and shall notify them of the 10-day deadline to submit a written request for a hearing.

B. The owner and permittees shall have ten (10) calendar days from the service of the Notice of Intention to submit a written request for a hearing before the Hearing Officer. Failure to submit the written request for a hearing shall be deemed a waiver of the right to challenge the suspension or revocation of the Coastal Development Permit or Coastal Administrative Permit, and a failure to exhaust administrative remedies. If the hearing is not timely requested, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee may suspend or revoke the Coastal Development Permit or Coastal Administrative Permit in accordance with the Notice of Intention.

C. Upon receipt of a timely written request for a hearing, the Director of the Resource Management Agency or the Chief of Planning, or his or her designee shall set a date for a hearing to be held within 60 days of receipt of the request, unless an immediate threat to the public health, safety and welfare necessitates an earlier hearing date. Notice of the hearing, including the time, date, and location of the hearing, shall be served on the owner and permittees, such service to be accomplished by either personal delivery or by certified U.S. Mail, postage prepaid, return receipt requested.

D. Hearing by the Hearing Officer:

1. The Hearing Officer is authorized to conduct hearings, issue subpoenas, receive evidence, administer oaths, rule on questions of law and the admissibility of

evidence, prepare a record of the proceedings, and render decisions on the suspension or revocation of the Coastal Development Permit [or the Coastal Administrative Permit](#).

2. In any proceeding before a Hearing Officer, oral testimony offered as evidence shall be taken only on oath or affirmation, and the Hearing Officer, his/her clerk, or other designee shall have the power to administer oaths and affirmations and to certify to official acts.

3. All parties to the hearing shall have the opportunity to testify, introduce exhibits, call and examine witnesses, and cross examine opposing witnesses on any matter relevant to the issues.

4. The Hearing Officer may postpone the hearing date upon good cause shown, continue the hearing during the course of the hearing, and make such other procedural orders and rulings as he or she deems appropriate during the course of the hearing.

5. Within thirty (30) calendar days after the close of the hearing, the Hearing Officer shall issue a written decision, including a statement of the basis for the decision. The Hearing Officer's written decision shall constitute the final administrative decision of the County.

E. In the event a civil action is initiated to obtain enforcement of the decision of the Hearing Officer, and judgment is entered to enforce the decision, the person against whom the order of enforcement has been entered shall be liable to pay the County's total costs of enforcement, including reasonable attorney fees.

F. If neither owner nor any permittee nor their authorized representatives appear at the noticed hearing, such failure to appear shall constitute an abandonment of the hearing request and a failure to exhaust administrative remedies.

SECTION 59. 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 60. This Ordinance shall become effective on the thirty-first day following its adoption or upon California Coastal Commission confirmation that County's ordinance satisfies the Coastal Commission's certification order, whichever occurs later.

PASSED AND ADOPTED on this ___ day of _____, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Luis A. Alejo, Chair
Monterey County Board of Supervisors

A T T E S T:

Valerie Ralph
Clerk of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM BY:

Wendy S. Strimling
Senior Deputy County Counsel