

1 BOARD OF SUPERVISORS, COUNTY OF LAKE, STATE OF CALIFORNIA

2 ORDINANCE NO.

3 AN ORDINANCE AMENDING CHAPTER 21, ARTICLES 18, 19, AND 27 OF THE
4 LAKE COUNTY ZONING CODE TO AMEND REGULATIONS PERTAINING TO
5 CANNABIS-RELATED BUSINESSES

6 WHEREAS, the Board of Supervisors originally adopted regulations pertaining to
7 cannabis in 2014; and

8 WHEREAS, there have been numerous changes in state law and business
9 practices in the subsequent years; and

10 WHEREAS, the Board established the Cannabis Ordinance Task Force (COTF)
11 in 2021, and directed the Community Development Department (CDD) to work with
12 COTF to develop recommendations for an update to the cannabis ordinance; and

13 WHEREAS, COTF included representation from Agriculture, Lake County Farm
14 Bureau, local Fire Districts, Cannabis Industry, Lake County Cannabis Alliance, and
15 Residents from North and South County; and

16 WHEREAS, CDD and COTF worked diligently to develop regulations pertaining
17 to a wide variety of aspects of cannabis regulation, in meetings open to the public and
18 recorded for the public; and

19 WHEREAS, COTF's recommendations were presented to the Planning
20 Commission and Board of Supervisors, and were considered and approved in concept.

21 NOW THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF
22 LAKE, STATE OF CALIFORNIA, ORDAINS AS FOLLOWS:

23
24 SECTION ONE: Chapter 21, Article 18 of the County of Lake municipal code shall be
25 amended in the following ways:

26 **A.** Section 18.4(g) shall be added as follows:

27 "(g) Retail sales of Cannabis."

28 **B.** Section 18.5(h) shall be amended to read as follows: "Reserved".

SECTION TWO: Chapter 21, Article 19 of the County of Lake municipal code shall be
amended in the following ways:

1 **A.** Section 19.3(n) shall be amended to read as follows: “Reserved”

2 **B.** Section 19.4(o) shall be added to read as follows:

3 “(o) Retail sales of Cannabis.”

4 **SECTION THREE:** Chapter 21, Article 27 of the County of Lake municipal code shall be
5 amended in the following ways:

6 **A.** Section 27.3(ab)(6) shall be added to read as follows:

7 “Hemp cultivation is prohibited within 100 feet of commercial cannabis cultivation
8 areas.”

9 **B.** (XX) Section 27.11 Table B shall be amended to read as follows;

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M/A-Type 1A & B	20	100	N/A	N/A	6	8	5,000
M/A-Type 1c mixed light	5	100	N/A	N/A	6	8	2,500
M/A-Type 1C outdoor	5	100	50	25	6	8	2,500
M/A-Type 1C indoor	5	100	N/A	N/A	6	8	500
M/A-Type 2, 2A, & 2B	20	100	N/A	N/A	6	8	10,000
M/A-Type 3	20	100	N/A	N/A	6	8	43,560
M/A-Type 3A & 3B, and Type 4	20	100	N/A	N/A	6	8	22,000
Type 5	>20 acres	100	N/A	N/A	6	8	>1 acres (217,800 sf) ≤20 acres (871,200 sf)

D. Section 27.13(at)(1)(ii)(e) of Chapter 21 of the Lake County Code shall be amended to read as follows:

“(e) Applicant and Ownership Information and Qualifications

“Applicant must submit the same information required for a state license application, California Code of Regulations 4 CCR §15003. Applications must also include the same information for the property owner, if Applicant is not the property owner.”

E. Section 27.13(at)(1)(ii)(f) of Chapter 21 of the Lake County Code shall be amended to read as follows (additions in bold):

“All applicants, full time employees, and property owner(s) shall undergo a background check by the Lake County Sheriff Department. An individual may fail the background check if he/she/they has been convicted of an offense that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, except that if the Sheriff determines that the applicant, property owner, or permittee is otherwise suitable to be issued a permit and granting the permit would not compromise public safety, the Sheriff shall conduct a thorough review of the nature of the crime, conviction,

1 *circumstances, and evidence of the rehabilitation of the applicant, property*
2 *owner, or permittee, and shall evaluate the suitability of the applicant, property*
3 *owner, or permittee be issued a permit based on the evidence found through the*
4 *review. In determining which offenses are substantially related to the*
5 *qualifications, functions, or duties of the business or profession for which the*
6 *application is made, the Sheriff shall include, but not be limited to, the conditions*
7 *described in Section 26057 of the California Business and Professions Code.”*

8 **F.** Section 27.13(at)(1)(ii)(g)(1) of Chapter 21 of the Lake County Code shall be
9 amended to read as follows:

10 “(i) *Each applicant, full time employee, and property owner shall electronically*
11 *submit to the Department of Justice fingerprint images and related information*
12 *required by the Department of Justice for the purpose of obtaining information as*
13 *to the existence and content of a record of state or federal convictions and*
14 *arrests for which the Department of Justice establishes that the person is free on*
15 *bail or on his or her own recognizance, pending trial or appeal.”*

16 (ii) *An applicant shall not be eligible to receive a permit until electronic fingerprint*
17 *images have been submitted to the Department of Justice as described in this*
18 *Section and the Lake County Sheriff Department has reviewed the resulting*
19 *background information provided by the Department of Justice and determined*
20 *that the applicant is eligible to receive a permit, as the case may be.”*

21 (iii) “Reserved.”(iv) *The Sheriff’s Office shall request from the department of*
22 *Justice subsequent notification 24 service, as provided pursuant to Section*
23 *11105.2 of the Penal Code, for applicants. The applicant will be responsible to*
24 *pay any fee for the Department of Justice charges as set by the Department of*
25 *Justice and sufficient to cover the reasonable cost of processing the requests*
26 *described in this paragraph.*

27 (v) *Should the Community Development Department become aware of active*
28 *warrants issued for the applicant and/or property owner, the processing of the*
 application shall cease until resolution of the warrant.”

1 **G. Section 27.13(at)(1)(ii)(h)(3) of Chapter 21 of the Lake County Code shall be**
2 amended to read as follows:

3 *“(3) The applicant, property owner, or permittee has been convicted of an offense*
4 *that is substantially related to the qualifications, functions, or duties of the*
5 *business or profession for which the application is made, except that if the Lake*
6 *County Sheriff finds that the applicant, property owner, or permittee is otherwise*
7 *suitable to be issued a permit, and granting the permit would not compromise*
8 *public safety, the Lake County Sheriff shall conduct a thorough review of the*
9 *nature of the crime, conviction, circumstances, and evidence of rehabilitation of*
10 *the applicant, property owner, or permittee and shall evaluate the suitability of the*
11 *applicant, property owner, or permittee to be issued a permit based on the*
12 *evidence found through the review.”*

13 **H. Section 27.13(at)(1)(ii)(l) shall be amended to read as follows:**

14 **“(l) Construction hours, operating hours, and delivery hours**

15 (1) All construction activities including engine warm-up shall be limited
16 to Monday through Friday: 7:00 a.m. – 7:00 p.m., and Saturday: 12:00
17 p.m. – 5:00 p.m. Backup beepers shall be adjusted to the lowest
18 allowable level.

19 (2) Maximum non-construction related sound levels shall not exceed
20 levels of 55 dBA between the hours of 7:00 a.m. – 10:00 p.m., and 45
21 dBA between the hours of 10:00 p.m. – 7:00 a.m. at the property lines.

22 (3) Cultivation operational hours: Farming operations and activities
23 may be coordinated with other similar agricultural uses, with flexibility
24 to operate during hours essential for planting and harvesting periods.

25 (4) A retailer shall sell and deliver cannabis goods only between the
26 hours of 6:00 a.m. – 10:00 p.m.

27 Scheduled deliveries and pickups are restricted as follows: Monday
28 through Sunday: 7:00 a.m. – 7:00 p.m.”

I. Section 27.13(at)(1)(ii)(m) shall be amended to read as follows:

“(m) Reduced Canopy and Opt Out Requests

1 Cultivation Permittees, upon issuance of their state cultivation license(s), may
2 request a temporary adjustment to the permit activity on an annual basis, in
3 writing and no later than January 15th of each calendar year to:

4 Reduce the size of the canopy grown during the growing season to no less than
5 25% of the total approved canopy area; or

6 Not cultivate during the growing season (Opt Out). Opt Out requests shall not be
7 approved for consecutive years. Two consecutive years of noncultivation shall
8 result in the expiration of the use permit.

9 Two compliance monitoring site visits are required during the calendar year for all
10 permits granted Opt Out and Reduced Canopy. The Permittee is required to pay
11 the fees at the time of submitting the request. Failure to pay the fees in a timely
12 manner, and accommodate Staff for both site visits could result in fines and
13 revocation of the permit. Opt Out and Reduced Canopy requests are also subject
14 to fees from the Treasurer-Tax Collector's Office for processing the request, as
15 established by the Board of Supervisors Master Fee Schedule. Permits with
16 phased development stages approved by the approving body may request
17 reduced canopy to no less than 25% of approved canopy for the phase approved
18 at the time of the request."

19 **J.** Section 27.13(at)(1)(ii)(q) shall be added to read as follows:

20 "(q) Setbacks from Closest Offsite Residence

Zoning District	Setback from Closest Offsite Residence
"A" Agriculture	200 feet
"APZ" Agriculture Preserve Zone	200 feet
"TPZ" Timber Preserve Zone	200 feet
"RL" Rural Lands	300 feet
"RR" Rural Residential	500 feet

28 "

K. Section 27.13(at)(1)(ii)(r) shall be added to read as follows:

1 “(r) Maximum Canopy

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Zoning District	Maximum canopy
3 “A” Agriculture	20 acres
4 “APZ” Agriculture Preserve Zone	20 acres
5 “TPZ” Timber Preserve Zone	20 acres
6 “RL” Rural Lands	20 acres
7 “RR” Rural Residential	One acre

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10 **L.** Section 27.13(at)(1)(ii)(s) shall be added to read as follows:

11 “(s) Incomplete, Inactive, and Abandoned Applications

12 Incomplete applications shall not be processed. If applicant fails to demonstrate
13 significant progress toward completion within 180 days of date of Incomplete
14 Letter, the application shall be considered abandoned. Fees are not refunded for
15 abandoned applications.”

16 **M.** Section 27.13(at)(1)(ii)(t) shall be added to read as follows:

17 “(t) Surety Bond

18 Each permit is required to have a \$5,000 surety bond with County of Lake as
19 Obligee.”

20 **N.** Section 27.13(at)(1)(iii)(g) shall be added to read as follows:

21 “(g) Cultivation within greenhouses shall not include open venting of the sides of
22 the structure to the outside open air. Greenhouse(s) shall contain air filtration
23 systems sufficient to remove odors and not be an odor nuisance to offsite
24 residences.”

25 **O.** Section 27.13(at)(1)(v)(c) shall be amended to read as follows:

26 “c. Public lands, where, because of development or other actions, it is clear that
27 the public is invited to use such locations as places of recreation and other
28 destination activities, including but not limited to, hiking, bird watching, equestrian
 activities, and camping. Additionally, the waters of Clear Lake at 7.79 Rumsey,
 and all State and County parks are public lands.”

1 **P.** Section 27.13(at)(1)(v)(k) shall be added to read as follows:

2 "k. Parcels within the "FPZ" Farmland Protection Zone Boundaries"

3 **Q.** Section 27.13(at)(1)(vi)(e) shall be added to read as follows:

4 "e. Greenhouse construction shall utilize anchor-point foundations, where
5 feasible. Concrete slab foundations are discouraged."

6 **R.** Section 27.13(at)(2)(i)(b) shall be amended to read as follows:

7 "b. Major Use Permit: A major use permit is required for the following cannabis
8 cultivation licenses: M – Type 3, A – Type 3, M – Type 3A, A – Type 3A, M –
9 Type 3B, A – Type 3B, or Type 5 licenses."

10 **S.** Section 27.13(at)(2)(d)(8) shall be amended to read as follows:

11 "(8) A complete list of every owner of the applicant entity and property owner.

12 Each individual owner shall submit the following information:

13 (i) Full legal name;

14 (ii) Title within the applicant entity;

15 (iii) Home address;

16 (iv) Primary phone number;

17 (v) Email address;

18 (vi) Date ownership interest in the applicant entity was acquired;

19 (vii) Percentage of the ownership interest held in the applicant entity by the
20 owner;

21 (vii) A list of all valid licenses, including license type(s) and license number(s),
22 from the department and of her cannabis licensing authorities that the owner is
23 listed as either an owner or financial interest holder;

24 (ix) A copy of their government-issued identification. Acceptable forms of
25 identification are a document issued by a federal, state, county, or municipal
26 government that includes the name, date of birth, physical description, and
27 picture of the person, such as a driver's license or passport.

28 (x) For applicants that are a cannabis cooperative as defined by Division 10,
Chapter 22 (commencing with section 26220) of the Business and Professions
Code, identification of all members.

1 (xi) Evidence that the applicant entity has the legal right to occupy and use the
2 proposed location.

3 (xii) Evidence of enrollment with the applicable Regional Water Quality Control
4 Board or State Water Resources Control Board for water quality protection
5 programs or written verification from the appropriate board that enrollment is not
6 necessary;

7 (xiii) Evidence that the applicant has conducted a hazardous materials record
8 search of the EnviroStor database for the proposed premises. If hazardous sites
9 were encountered, the applicant shall provide documentation of protocols
10 implemented to protect employee health and safety;

11 (xiv) For indoor and mixed light license types, identification of all power sources
12 for cultivation activities, including but not limited to, illumination, heating, cooling,
13 and ventilation;

14 (xv) Identification of all water sources used for cultivation activities and the
15 estimated volume of water used on a monthly basis.

16 (xvi) An attestation that the local fire department has been notified of the
17 cultivation site if the applicant entity is an indoor license type;

18 (xvii) If construction is proposed, Building Elevations shall be submitted.”

19 **T.** Section 27.13(at)(2)(d)(10)(i) shall be amended to read as follows:

20 “(i) This section shall include a map of any spring, top of bank of any creek or
21 seasonal stream, edge of lake, delineated wetland or vernal pool on the lot of
22 record of land or within 200 feet of the lot of record. This section shall include
23 identification of water courses as defined by the State Water Resources
24 Quality Control Board as Class I-IV, and their corresponding setbacks.

25 **U.** Section 27.13(at)(4)(i) shall be amended to read as follows:

26 “i. A compliance monitoring inspection of the cultivation site shall be
27 conducted annually during growing season, and twice per calendar
28 year for cultivation where Opt Out or Reduced Canopy has been
granted. Inspection Staff shall use the current State canopy calculation
processes for measurement of canopy, so long as the process does

1 not conflict with canopy and cultivation area for local taxation
2 purposes.”

3 **V.** Section 27.13(at)(4)(iii) shall be amended to read as follows:

4 “iii. If there are no violations of the County permit or state license during the first
5 five years, the inspection frequency may be reduced by the Director to not less
6 than once every two years.”

7 **W.** Section 27.13(at)(5)(i) shall be amended to read as follows:

8 “i. Performance Review

9 (a) All cannabis permittees shall submit a “Performance Review
10 Report” on an annual basis on June 1st of each calendar year from
11 their initial date of operation for review by the Community
12 Development Department.

13 (b) Pursuant to sub-section 5(i) above, the premises shall be inspected
14 by the Department on an annual or biannual basis, or less
15 frequently if approved by the Director. A copy of the results from
16 this inspection shall be given to the permittee and made available
17 to the public.

18 (c) Compliance monitoring fees pursuant to the County’s adopted
19 master fee schedule shall be paid by permittee no later than June
20 1st of each calendar year, or January 1st of each calendar year in
21 which an Opt Out or Reduced Canopy request has been granted.

22 (d) Non-compliance by permittee in allowing the inspection by the
23 Department, or refusal to pay the required fees, or noncompliance
24 in submitting the annual “Performance Review Report” for review
25 by the Community Development Department shall be deemed
26 grounds for a revocation of the development permit or use permit
27 and subject the holder of the permit(s) to the penalties outlined in
28 this Code.”

X. Section 27.13(at)(6) shall be removed in its entirety.

Y. Section 27.13(au)(4)(vi) shall be added to read as follows:

1 “vi. If the applicant is other than a natural person (including general partnerships
2 of more than one individual natural person), the applicant must provide
3 documentation regarding the nature of the entity and the names of the individual
4 natural persons who manage, own or control the entity. Applicant, Permittee, and
5 Property Owner must submit the same information required for a state license
6 application and described in California Code of Regulations 4 CCR §15003.
7 Applications must also include the same information for the property owner if the
8 Applicant is not the property owner.”

9 **Z.** Section 27.13(au)(6) shall be amended to read as follows:

10 “6. Background Checks: All applicants, full time employees, and property
11 owner(s) shall undergo a background check by the Lake County Sheriff
12 Department. An individual may fail the background check if the individual has
13 been convicted of an offense that is substantially related to qualifications,
14 functions, or duties of the business or profession for which the application is
15 made, except that if the sheriff determines that the applicant, full time employee,
16 permittee, or property owner is otherwise suitable to be issued a permit and
17 granting the permit would not compromise public safety, the sheriff shall conduct
18 a thorough review of the nature of the crime, conviction, circumstances, and
19 evidence of rehabilitation of the applicant, and shall evaluate the suitability of the
20 applicant, full time employee, permittee or property owner be issued a permit
21 based on the evidence found through the review. In determining which offenses
22 are substantially related to the qualifications, functions, or duties of the business
23 or profession for which the application is made, the sheriff shall include, but not
24 be limited to, the conditions described in Section 26057 of the California Business
25 and Professions Code. Should the Community Development Department
26 become aware of active warrants issued for the applicant and/or property owner,
27 the processing of the application shall cease until resolution of the warrant. “

28 **AA.** Section 27.13(au)(7)(i) shall be amended to read as follows:

“i. Require that each applicant, full time employee, and property owner
electronically submit to the Department of Justice fingerprint images

1 and related information required by the Department of Justice for the
2 purpose of obtaining information as to the existence and content of a
3 record of state or federal convictions and arrests, and information as to
4 the existence and content of a record of state or federal convictions
5 and arrests for which the Department of Justice establishes that the
6 person is free on bail or on his or her own recognizance, pending trial
7 or appeal.”

8 **BB.** Section 27.13(au)(8)(i) is amended to read as follows:

9 “i. If the applicant(s), and/or property owner(s) fail the background
10 check.”

11 **CC.** Section 27.13(au)(9) shall be amended to read as follows:

12 “9. The applicant, property owner, or permittee has been convicted of an offense
13 that is substantially related to the qualifications, functions, or duties of the
14 business or profession for which the application is made, except that if the Lake
15 County Sheriff finds that the applicant, property owner, or permittee is otherwise
16 suitable to be issued a permit, and granting the permit would not compromise
17 public safety, the Lake County Sheriff shall conduct a thorough review of the
18 nature of the crime, conviction, circumstances, and evidence of rehabilitation of
19 the applicant or property owner, and shall evaluate the suitability of the applicant,
20 property owner, or permittee to be issued a permit based on the evidence found
21 through the review.”

22 **DD.** Section 27.13(au)(28)(vi) shall be amended to read as follows:

23 “vii. A complete list of every owner of the applicant entity. Each individual owner
24 shall submit the same information required for a state license application and
25 described in California Code of Regulations 4 CCR §15003. Applications must
26 also include the same information for the property owner, if the applicant is not
27 the property owner;”

28 **EE.** Section 27.13(au)(29) shall be amended to read as follows:

“Reserved.”

FF. Section 27.13(au)(32) shall be amended to read as follows:

1 32. Compliance monitoring: A compliance monitoring inspection of the
2 cannabis manufacturing facility shall be conducted at least annually. The
3 permittee shall pay a compliance monitoring fee established by resolution
4 of the Board of Supervisors no later than June 1st of each calendar year,
5 or January 1st of each calendar year in which an Opt Out or Reduced
6 Canopy request has been granted. If there are no violations of the County
7 permit or state license during the first five years, the inspection frequency
8 may be reduced by the Director to not less than once every two years.”

9 **GG.** Section 27.13(au)(33) is amended to read as follows:

10 “33. Annual Reports: Performance Review

- 11 i. All cannabis permittees shall submit a “Performance Review Report” on an
12 annual basis no later than June 1st of each calendar year, or January
13 1st of each calendar year in which an Opt Out or Reduced Canopy
14 request has been granted, for review by the Community Development
15 Department.
- 16 ii. Pursuant to subsection 6(i) above, the premises shall be inspected by the
17 Department on an annual or biannual basis, or less frequently if
18 approved by the Director. A copy of the results of this inspection shall
19 be given to the permittee and be made available to the public.
- 20 iii. Compliance monitoring fees pursuant to the County’s adopted master fee
21 schedule shall be paid by permittee and accompany the “Performance
22 Review Report” for costs associated with the review of the report by
23 County staff.
- 24 iv. Noncompliance by permittee in allowing the inspection by the Department,
25 or refusal to pay the required fees, or noncompliance in submitting the
26 annual “Performance Review Report” for review by the Community
27 Development Department shall be deemed grounds for a revocation of
28 the development permit or use permit and subject to the holder of the
permit(s) to the penalties outlined in this Code.”

HH. Section 27.13(au)(34) shall be removed in its entirety.

1 SECTION FOUR: All ordinances or parts of ordinances or resolutions or parts of
2 resolutions in conflict herewith are hereby repealed to the extent of such conflict and no
3 further.

4 SECTION FIVE: This ordinance originally adopted in 2018, was determined to be
5 exempt from CEQA pursuant to Business and Professions Code section 26055(h), for
6 the adoption of an ordinance, rule or regulation by a local jurisdiction that requires
7 discretionary review and approval of permits, licenses, or other authorizations to engage
8 in commercial cannabis activity where the discretionary review in any such law,
9 ordinance, rule, or regulation includes any applicable environmental review pursuant to
10 Division 13 (commencing with section 21000) of the Public Resources Code; and under
11 Section 15061(b)(3) of the CEQA Guidelines, as an activity that is covered by the
12 general rule that CEQA applies only to projects which have the potential for causing a
13 significant effect on the environment. The general exemption applies in this instance
14 because it can be seen with certainty that there is no possibility that the proposed
15 amendments could have a significant effect on the environment, and thus are not
16 subject to CEQA. The Board of Supervisors independently finds and determines that
17 this action is exempt from CEQA pursuant to CEQA Guidelines section 15061(b)(3) in
18 that it can be seen with certainty that there is no possibility that the activity in question
19 will have a significant impact on the environment.

20 SECTION SIX: This ordinance shall take effect on the ____ day of _____, and
21 within 15 days after adoption of the ordinance, the Clerk to the Board of Supervisors
22 shall publish a summary of the ordinance with the names of those Supervisors voting for
23 and against the ordinance and the Clerk shall post in the office of the Clerk to the Board
24 of Supervisors a certified copy of the full text of the adopted ordinance along with the
25 names of those Supervisors voting for and against the ordinance.

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27 The Foregoing ordinance was introduced before the Board of Supervisors on the
28 ____ day of _____ and passed by the following vote on the ____ day of

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AYES:

NOES:

ABSENT OR NOT VOTING:

Chair, Board of Supervisors

ATTEST: Susan Parker
Clerk of the Board of Supervisors

APPROVED AS TO FORM:
Lloyd Guintivano
County Counsel



Nicole Johnson
Sr. Deputy County Counsel