

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

2 ORDINANCE NO. _____

3 AN ORDINANCE AMENDING CHAPTER 21, ARTICLE 27 OF THE LAKE COUNTY CODE PERTAINING TO
4 CANNABIS MANUFACTURING, DISTRIBUTION, AND TESTING

5 WHEREAS, in 2015, the Legislature enacted Assembly Bill 243, Assembly Bill 266 and Senate Bill 643
6 collectively as the Medical Marijuana Regulation and Safety Act (MMRSA), later changed to Medical
7 Cannabis Regulation and Safety Act (MCRSA); and

8 WHEREAS, the intent of MCRSA was to provide a regulatory structure for the cultivation, manufacture,
9 testing, distribution, and sale of medical cannabis to support the voter approved Propositions 215
10 (1996) and 420 (2004) regarding medical cannabis usage by patients; and

11 WHEREAS, in 2016, voters approved Proposition 64, The Adult Use of Marijuana Act (AUMA), allowing
12 adults 21 years and older to possess up to one ounce of cannabis and cultivate up to six plants for
13 personal use, and regulate and tax the production, manufacture, and sale of cannabis for adult use; and

14 WHEREAS, the Health and Safety Code, Section 11362.2 allows cities and counties to enact and enforce
15 reasonable regulations to reasonably regulate the cultivation, harvest, drying, processing,
16 transportation, purchase, possession, smoking, ingesting, obtaining and giving away cannabis, including
17 concentrated cannabis and cannabis products; and

18 WHEREAS, the Health and Safety Code, Section 11362.2 allows for cities and counties to completely
19 prohibit persons from engaging in the above listed actions and conduct outdoors upon the grounds of
20 a private residence house, apartment unit, mobile home, or similar dwelling); until such time as the
21 California Attorney General determines that nonmedical use of cannabis is lawful in the State of
22 California under federal law; and

23 WHEREAS, the Federal Controlled Substances Act, 21 U.S.C. §§ 801 et seq., classifies cannabis as a
24 Schedule 1 Drug, which is defined as a drug or other substance that has a high potential for abuse, that
25 has no currently accepted medical use in treatment in the United States, and that has not been accepted
26 as safe for use under medical supervision. The Federal Controlled Substances Act makes it unlawful,
27 under federal law, for any person to cultivate, manufacture, distribute or dispense, or possess with
28 intent to manufacture, distribute or dispense, cannabis. The Federal Controlled Substances Act contains
29 no exemption for the cultivation, manufacture, distribution, dispensation, or possession of marijuana
30 for medical purposes; and

31 WHEREAS, Senate Bill 94 (MAUCRSA) creates a comprehensive state licensing system for the
32 commercial cultivation, manufacture, transport, testing, distribution, retail sale and delivery of medical
33 and adult-use cannabis. A local permit for the activity is required in order to obtain a state license; and

34 WHEREAS, Standards are necessary to protect adjacent property owners and residents; and to limit
35 incompatible uses on residential, agricultural and commercial lots and protect the public safety and
36 welfare.

37 THE BOARD OF SUPERVISORS OF THE COUNTY OF LAKE, STATE OF CALIFORNIA, ORDAINS AS FOLLOWS:

1 **Section 1: Purpose and Intent**

- 2 A. It is the purpose of this ordinance to implement State law by providing a means for regulating the
3 commercial manufacturing, distribution, and testing of cannabis products in a manner that is
4 consistent with State law and which balances the needs of consumers of cannabis and promotes the
5 health, safety and welfare of the residents and businesses within the unincorporated territory of the
6 County of Lake. This ordinance is intended to be consistent with Assembly Bill 133, Assembly Bill 243,
7 Assembly Bill 266, Senate Bill 643, Senate Bill 94 and Proposition 64, and toward that end, is not
8 intended to prohibit persons from individually, collectively, or cooperatively exercising any right
9 otherwise granted by State law. Rather, the intent and purpose of this ordinance is to establish
10 reasonable regulations upon the manner in which cannabis products may be manufactured,
11 distributed, and tested in order to protect the public peace, health, safety, welfare and environment
12 in Lake County and that is in conformance with the provisions of California Business and Professions
13 Code, Health and Safety Code, and other provisions of State Law. It is also the intent of the Board of
14 Supervisors that nothing in this Article shall be construed to allow persons to engage in conduct that
15 endangers others or causes a public nuisance.
- 16 B. Nothing in this Ordinance shall be construed to allow any activity relating to the manufacturing,
17 distribution, and testing cannabis products otherwise illegal under State law. No provision of this
18 Ordinance shall be deemed a defense or immunity to any action brought against any person by the
19 Lake County District Attorney, the Attorney General of the State of California, or the United States of
20 America.
- 21 C. Nothing in this Ordinance is intended, nor shall it be construed, to exempt the manufacturing,
22 distribution, and testing cannabis products from compliance with all other applicable provisions of
23 the Lake County Code.
- 24 D. Nothing in this ordinance is intended, nor shall it be construed, to exempt the manufacturing,
25 distribution, and testing cannabis products from any and all applicable local and state construction,
26 grading, electrical, plumbing, land use, water rights, waste water discharge, streambed alterations, or
27 any other environmental, building, or land use standards or permitting requirements.

28 **Section 2: Applicability**

29 The provisions of this Article shall be applicable to all persons and businesses described herein whether
30 the activities described herein were established before or after the effective date of this Section.

31 **Section 3: Cannabis Manufacturing**

32 Subsection (au) of Section 27.13 of Chapter 21 of the Lake County Code is hereby added and shall read
33 as follows:

34 (au) Cannabis Manufacturing

35 1. Definitions

- 36 i. Bureau: The State of California Bureau of Cannabis Control within the Department of
37 Consumer Affairs.

- 1 ii. CalCannabis cultivation licensing: A division of the California Department of Food and
2 Agriculture (CDFA), or its successor agency which license and regulate commercial cannabis
3 cultivators in California.
- 4 iii. Cannabis: All parts of the plant *Cannabis sativa* (Linnaeus), *Cannabis indica*, or *Cannabis*
5 *ruderalis*, or any hybrid thereof, whether growing or not; the seeds thereof; the resin,
6 whether crude or purified, extracted from any part of the plant; and every compound,
7 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin.
8 “Cannabis” also means the separated resin, whether crude or purified, obtained from
9 cannabis. “Cannabis” does not include the mature stalks of the plant, fiber produced from
10 the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture,
11 salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted
12 therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of
13 germination. For the purpose of this division, “cannabis” does not mean “industrial hemp”
14 as defined by Section 11018.5 of the Health and Safety Code.
- 15 iv. Cannabis applicant: As defined by Section 26001 of the California Business and Professions
16 Code.
- 17 v. Cannabis manufacture: To compound, blend, extract, infuse, or otherwise make or prepare
18 a cannabis product. The term “cannabis manufacture” includes the following:
19 (a) Extraction processes
20 (b) Infusion processes
21 (c) Packaging or repackaging of cannabis products.
22 (d) Labeling or relabeling the packages of cannabis products.
- 23 The term “cannabis manufacture” does not include the following:
- 24 (a) The repacking of medicinal cannabis products from a bulk container by a distributor or
25 dispensary where the product’s original packaging and labeling is not otherwise altered.
- 26 (b) The placing of medicinal cannabis products into opaque packaging at a retail premises
27 for purpose of complying with section 26070.1 of the Medicinal and Adult-Use Cannabis
28 Regulation and Safety Act, codified at Business and Professions Code section 26000, et
29 seq.,
- 30 (c) The collection of the glandular trichomes that are dislodged from the cannabis plant
31 incident to cultivation activities.
- 32 vi. Cannabis manufacturer: A licensee that conducts the production, preparation, propagation, or
33 compounding of cannabis or cannabis products either directly or indirectly or by extraction
34 methods, or independently by means of chemical synthesis, or by a combination of extraction
35 and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis
36 products or labels or relabels its container.

- 1 vii. Cannabis manufacturing: All aspects of the extraction and/or infusion processes, including
2 processing, preparing, holding, storing, packaging, or labeling of cannabis products.
3 Manufacturing also includes any processing, preparing, holding, or storing of components
4 and ingredients. For the purpose of this sub-section cannabis manufacturing includes
5 processor.
- 6 viii. Cannabis manufacturing facility: The building or buildings where cannabis manufacturing
7 occurs.
- 8 ix. Commercial cannabis activity: Includes the cultivation, possession, manufacture,
9 distribution, processing, storing, laboratory testing, packaging, labeling, transportation,
10 delivery or sale of cannabis and cannabis products for commercial purposes.
- 11 x. Cannabis manufacturing licenses:
- 12 (a) M – Type 6: “Manufacturing Level 1”: The manufacture cannabis products for medicinal
13 cannabis use using nonvolatile solvents, or no solvents, as defined by the Business and
14 Professions Code, Section 40100.
- 15 (b) A – Type 6: “Manufacturing Level 1”: The manufacture cannabis products for adult use
16 using nonvolatile solvents, or no solvents, as defined by the Business and Professions
17 Code, Section 40100.
- 18 (c) M – Type 7: “Manufacturing Level 2”: The manufacture cannabis products for medicinal
19 cannabis using volatile solvents, as defined by the Business and Professions Code,
20 Section 40100.
- 21 (d) A – Type 7: “Manufacturing Level 2”: The manufacture cannabis products for adult use
22 using volatile solvents, as defined by the Business and Professions Code, Section 40100.
- 23 (e) Type N: Manufacturers that produce edible products or topical products using infusion
24 processes, or other types of cannabis products other than extracts or concentrates. A
25 Type N licensee may also package and label cannabis products on the licensed premises.
- 26 (f) Type P: Manufacturers that only package or repackage cannabis products or label or
27 relabel the cannabis product container or wrapper. Manufacturers that engage in
28 packaging or labeling of cannabis products as part of the cannabis manufacturing
29 operation do not need to hold a separate Type P license.
- 30 xi. Cannabis product: Cannabis that has undergone a process whereby the plant material has
31 been transformed into a concentrate, including, but not limited to, concentrated cannabis,
32 edible, topical, or other product containing cannabis or concentrated cannabis and other
33 ingredients.
- 34 xii. Day care: Has the same meaning as in Section 1596.76 of the California Health and Safety
35 Code.
- 36 xiii. Design professional: As defined in the California Civil Code, Division 4 General Provisions,
37 Part 6 Works of Improvement, Title 1 Works of Improvement Generally, Article 1 Definitions.

- xiv. Enforcement official: As used in this Article, shall mean the Lake County Sheriff, Community Development Director, Chief Building Official, Environmental Health Director, or any other official authorized to enforce local, state or federal laws.
- xv. Fence: A wall or a barrier connected by boards, masonry, rails, panels, wire or any other materials approved by the Community Development Department for the purpose of enclosing space or separating parcels of land. The term “fence” does not include retaining walls, plastic, tarp, bamboo coverings, corrugated metal, or other materials not designed or manufactured for use as a fence.
- xvi. Hazardous material - Hazardous material means a material that, because of its quantity, concentration, or physical or chemical characteristics, poses a significant present or potential hazard to human health and safety or to the environment if released into the workplace or the environment or as defined in Health and Safety Code 25501.
- xvii. Hazardous waste - hazardous waste means a waste that meets any of the criteria for the identification of a hazardous waste adopted by the department pursuant to Health and Safety Code Section 25141.
- xviii. Hazardous waste generator: A generator is any person, by site, whose act or process produces hazardous waste identified or listed in Chapter 11 of the hazardous waste regulations or whose act first causes a hazardous waste to become subject to regulation.
- (a) Large quantity generator: Generators of 1,000 kg or more of hazardous waste per month, excluding universal wastes, and/or more than 1 kg of acutely or extremely hazardous per month.
- (b) Small quantity generator: Generators of less than 1,000 kg of hazardous waste per month, excluding universal wastes, and/or 1kg or less of acutely or extremely hazardous waste per month
- xix. License: A California state license issued pursuant to the California Code of Regulations and the California Business and Professions Code, including both an A- and an M- testing license.
- xx. Medicinal cannabis: Also “medicinal cannabis product”. 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 Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician’s recommendation.
- xxi. Nonvolatile solvent: Any solvent used in the extraction process that is not a volatile solvent. For purposes of this chapter, “nonvolatile solvents” include carbon dioxide and ethanol.
- xxii. Owner: As defined by Section 26001 of the California Business and Professions Code.
- xxiii. Package (cannabis): Or packaging means any container or wrapper that may be used for enclosing or containing any cannabis products. The term “package (cannabis)” does not include any shipping container or outer wrapping used solely for the transportation of cannabis products in bulk quantity to another licensee or licensed premises.

- xxiv. Permit: A major or minor use permit issued by Lake County pursuant to this chapter.
- xxv. Person: 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.
- xxvi. Premises: The designated structure or structures and land specified in the application that is owned, leased, or otherwise held under the control of the applicant or permittee where the commercial cannabis activity will be or is conducted. A premises can be a portion of or all of a single lot of record.
- xxvii. Processor: A permittee that conducts only trimming, drying, curing, grading, packaging, or labeling of cannabis and non-manufactured cannabis products. The growing of cannabis plants is prohibited at the parcel where the licensed processor is located.
- xxviii. Processor facilities: The building(s) in which the processor activities are located.
- xxix. Processor site: The portion of a parcel where a processor's facilities and related parking, landscaping, security, etc. are located.
- xxx. School: For the purpose of cannabis regulation, school means any public or private school providing instruction in kindergarten or any grades 1 to 12, inclusive, but does not include any private school in which education is primarily conducted in private homes.
- xxxi. State license: A state license issued pursuant to the California Business and Professions Code.
- xxxii. Volatile solvent: Any solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures. Examples of volatile solvents include, but are not limited to, butane, hexane, and propane.

2. Enforcement

- i. A violation of any provision of this Section or any condition of a major use permits or minor use permits is subject to the enforcement and penalties provisions of Article 61.2 Authorization of Responsibilities, Article 61.3 Arrest and Citation Powers, and 61.4 Penalties of this Chapter.
- ii. The use of land, buildings, or premises established, operated, or maintained contrary to the provisions of this subsection; any condition dangerous to human life, unsafe, or detrimental to the public health or safety; and the existence of loud or unusual noises which are not already regulated through an approved use permit, or foul or noxious odors, not already regulated by the Lake County Air Quality Management District, which offend the peace and quiet of persons of ordinary sensibilities and which interferes with the comfortable enjoyment of life or property and affect the entire neighborhood or any considerable number of persons are declared to be a nuisance subject to the enforcement procedures of Chapter 13 of the Lake County Ordinance Code.

- iii. Persons involved in unfair, dishonest, deceptive, destructive, fraudulent and discriminatory practices by which fair and honest competition is destroyed or prevented are subject to enforcement procedures of the California Unfair Practices Act (Business and Profession Code, Division 7. General Business Regulations, Part 2 Preservation and Regulation of Competition, Chapter 4. Unfair Trade Practices).
- iv. A Minor Use Permit or Major Use Permit may be revoked under the procedures set forth in section 21-60.10 Revocation of Permits.

3. Development Standards, General Requirements, and Restrictions

i. Development standards

License	Zoning District	Zoning District as an accessory use	Minimum Lot Size (acres)	Setback from property line	Setback from off site residence	Height Limitation of structures	Minimum fence height (feet)	Maximum fence height (feet)
M – Type 6: “Manufacturing Level 1”	C3, M1, M2, PDC	APZ, A, TPZ, RL, RR, SR	Base Zoning	30 feet	---	Base Zoning	6 feet	8 feet
A – Type 6: “Manufacturing Level 1”	C3, M1, M2, PDC	APZ, A, TPZ, RL, RR, SR	Base Zoning	30 feet	---	Base Zoning	6 feet	8 feet
M – Type 7: “Manufacturing Level 2”	C3, M1, M2, PDC	APZ, A, TPZ, RL, RR, SR	Base Zoning	50 feet	150 feet	Base Zoning	6 feet	8 feet
A – Type 7: “Manufacturing Level 2”	C3, M1, M2, PDC	APZ, A, TPZ, RL, RR, SR	Base Zoning	50 feet	150 feet	Base Zoning	6 feet	8 feet
Type N	C2, C3, M1, M2, PDC	---	Base Zoning	Base Zoning	---	Base Zoning	6 feet	8 feet
Type P	C2, C3, M1, M2, PDC	---	Base Zoning	Base Zoning	---	Base Zoning	6 feet	8 feet
Processor	APZ, A, TPZ, RL, RR, SR, PDC	---	Base Zoning	75 feet	150 feet	Base Zoning	6 feet	8 feet

- (a) The Zoning Administrator or Planning Commission may consider exceptions to the development standards because of special circumstances applicable to the subject property, including size, shape, topography, location or surroundings, the strict application of the development standards of this sub-section are found to deprive subject property of privileges enjoyed by other properties in the vicinity and under identical zone classification.

- 1 (b) Application for an exception shall be made in writing by the owner of the property; or
2 lessee, with the written consent of the property owner on a form prescribed by the
3 Department. The application shall be accompanied by a fee in an amount to be set by
4 the Board of Supervisors. A plan of the details of the variance requested, other
5 pertinent information required by the Department and evidence showing 1) that the
6 granting of the exception will not be contrary to the intent of this sub-section or to the
7 public safety, health and welfare, and 2) that due to special conditions or exceptional
8 characteristics of the property, or its location, the strict application of this sub-section
9 would result in practical difficulties and unnecessary hardships; and deprives such
10 property of privileges enjoyed by other properties in the vicinity and identical zoning
11 district.
- 12 (c) A public hearing shall be held on any application for an exception. Notice of any public
13 hearing shall be given as provided in Article 57.
- 14 (d) The Zoning Administrator or Planning Commission may only approve or conditionally
15 approve an exception if all of the following findings are made:
- 16 a. That because of special circumstances applicable to subject property, including size,
17 shape, topography, location or surroundings, the strict application of the
18 development standards of this sub-section are found to deprive subject property of
19 privileges enjoyed by other properties in the vicinity and under identical zone
20 classification;
- 21 b. That any exception granted is subject to such conditions as will assure that the
22 adjustment thereby authorized shall not constitute a grant of special privilege
23 inconsistent with the limitations upon other properties in the vicinity and district in
24 which the subject property is situate; and
- 25 c. That the granting of the exception is in accordance with the intent of this Chapter, is
26 consistent with the General Plan and will not be detrimental to the public safety,
27 health and welfare, or injurious to other properties in the vicinity.

28 ii. General Requirements

- 29 (a) State license and permits required.

30 A person or entity shall not engage in manufacturing of cannabis without first obtaining a
31 Lake County minor or major use permit, a state cannabis manufacturing or processor
32 license, and other applicable permits.

- 33 (b) Notification to the Bureau of Cannabis Control

34 The Department shall notify the Bureau of Cannabis Control or its successor agency upon
35 revocation of any local license, permit, or authorization for a permittee to engage in
36 commercial cannabis activity within the local jurisdiction.

- 37 (c) Records

- a. An applicant shall keep accurate records of commercial cannabis activity.
- b. All records related to commercial cannabis activity as defined by the state licensing authorities shall be maintained for a minimum of seven years.
- c. The County may examine the books and records of an applicant and inspect the premises of a permittee when the County deems necessary to perform its duties under this division. All inspections shall be conducted during standard business hours of the permitted facility or at any other reasonable time.
- d. Applicants shall keep records identified by the County on the premises of the location permitted. The County may make any examination of the records of any applicant. Applicants shall also provide and deliver copies of such documents to the County upon request.
- e. An applicant, or its agent or employee, that refuses, impedes, obstructs, or interferes with an inspection of the premises or records of the applicant pursuant to this section, has engaged in a violation of this article.

(d) Applicant

If the applicant is other than a natural person (including general partnerships of more than one individual natural person), the applicant must provide documentation regarding the nature of the entity and the names of the individual natural persons who manage, own or control the entity. The most common entities are corporations, limited liability companies (LLCs), limited partnerships (LPs), or trusts. These entities can be multi-layered and/or interlocking, e.g. a corporation can be owned by another corporation. If that is the case, documents for those other related entities are needed until the individual natural persons who manage, own or control the entities can be identified.

a. For Corporations:

- (1) Articles of Incorporation – file stamped by the state agency where incorporated.
- (2) If not a California Corporation, the registration filed to do business in California must be stamped by the CA Secretary of State.
- (3) A list of the officers and directors of the corporation (this could be a single person).
- (4) The agent for service of process and business office address in California.
- (5) A list of the shareholders of the corporation (again, it could be a single person and the same as the officer/director). If it is a large, publicly held corporation with many shareholders, contact the Department for direction.
- (6) If a non-profit mutual benefit corporation (common under pre-MMRSA practice for cannabis operations), a list of the members instead of the shareholders.

(7) A resolution of the board of directors authorizing the individual who will sign the application and other documents on behalf of the corporation to do so.

b. For Limited Liability Companies:

(1) Articles of Organization – file stamped by the state agency where formed If not a California LLC, or the registration to do business in California file stamped by the CA Secretary of State.

(2) A list of the managing member or members of the company.

(3) The agent for service of process and business office address in California.

(4) A list of any other members of the company.

(5) The application and other documents submitted on behalf of the LLC must be signed by a managing member.

c. For Limited Partnerships:

(1) Certificate of Limited Partnership – file stamped by the state agency where filed.

(2) If not a California LP, the registration to do business in California file must be stamped by the CA Secretary of State.

(3) The identity of the General Partner or partners.

(4) The agent for service of process and business office address in California.

(5) A list of the limited partners of the LP.

(6) The application and other documents submitted on behalf of the LP must be signed by a general partner.

d. For Trusts:

(1) The Declaration of Trust or Statement of Trust.

(2) The name and address of the Trustee or trustees.

(3) A list of the names beneficiaries of the trust with a vested interest in the property held by the trust (check with County Counsel for explanation and details if needed).

(4) The application and other documents submitted on behalf of the trust must be signed by a Trustee.

(e) Background Checks:

All applicants and employees shall undergo a background check by the Lake County Sheriff Department. An individual may fail the background check if employee 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 or permittee is otherwise suitable to be issued a

1 license and granting the license would not compromise public safety, the sheriff shall
2 conduct a thorough review of the nature of the crime, conviction, circumstances, and
3 evidence of rehabilitation of the applicant, and shall evaluate the suitability of the
4 applicant or permittee be issued a license based on the evidence found through the
5 review. In determining which offenses are substantially related to the qualifications,
6 functions, or duties of the business or profession for which the application is made, the
7 sheriff shall include, but not be limited to, the conditions described in Section 26057 of
8 the California Business and Professions Code.

9 a. Application for Background Clearance for County Permit

10 (1) An applicant for cannabis distribution permit shall do all of the following:

11 (i) Require that each applicant and employee electronically submit to the
12 Department of Justice fingerprint images and related information required
13 by the Department of Justice for the purpose of obtaining information as to
14 the existence and content of a record of state or federal convictions and
15 arrests, and information as to the existence and content of a record of state
16 or federal convictions and arrests for which the Department of Justice
17 establishes that the person is free on bail or on his or her own recognizance,
18 pending trial or appeal.

19 (ii) The Sheriff's Office shall request from the Department of Justice subsequent
20 notification service, as provided pursuant to Section 11105.2 of the Penal
21 Code, for applicants.

22 (iii) The applicant will be responsible to pay any fee the Department of Justice
23 charges that is set by the Department of Justice and sufficient to cover the
24 reasonable cost of processing the requests described in this paragraph.

25 (iv) Pay any fees of the Sheriff's office as established by the Board of
26 Supervisors.

27 (f) Qualifications for a Minor or Major Use Permit:

28 The County may deny a minor or major use permit (permit) or the renewal of a permit if
29 any of the following conditions apply:

30 a. If the applicant(s) fails the background check.

31 b. Failure to comply with the provisions of this chapter or any rule or regulation
32 adopted pursuant to this chapter, including but not limited to, any requirement
33 imposed to protect natural resources, in-stream flow, water quality, and fish and
34 wildlife.

35 c. The applicant has failed to provide information required by the Lake County Zoning
36 Ordinance.

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

10 (h) Property Owner's Approval:

11 If the property where the cannabis activity is to be located is not owned by the
12 applicant, written approval shall be obtained from the property owner(s), containing the
13 property owner(s) notarized signature that authorizes the tenant or lessee to conduct
14 cannabis manufacturing or processor activities of cannabis at the site. A copy of the
15 written approval shall be maintained by the tenant or lessee and made available for
16 review by enforcement officials upon request. Written approvals shall be renewed
17 annually.

18 (i) Permit Type

19 a. Major use permit: M – Type 6, A – Type 6, M – Type 7, A – Type 7 State licenses

20 b. Minor use permit: Type N, Type P and Processor State licenses

21 (j) Uses Permitted:

22 a. M – Type 6, A – Type 6, M – Type 7, A – Type 7 State Licenses

23 (1) The production, preparation, propagation, or compounding of cannabis or
24 cannabis products either directly or indirectly or by extraction methods, or
25 independently by means of chemical synthesis, or by a combination of
26 extraction and chemical synthesis at a fixed location that packages or
27 repackages cannabis or cannabis products or labels or re-labels its container.

28 (2) Business offices related to cannabis at which no cultivation, processing, storage,
29 handling, or distribution of cannabis in any form occurs.

30 (3) Accessory uses related to the production, preparation, propagation, or
31 compounding of cannabis or cannabis products either directly or indirectly or by
32 extraction methods, or independently by means of chemical synthesis, or by a
33 combination of extraction and chemical synthesis at a fixed location that
34 packages or repackages cannabis or cannabis products or labels or re-labels its
35 container.

36 (4) In the "APZ", "A", "TPA", "RL", "RR", and "SR" zoning districts the M – Type 6, A
37 – Type 6, M – Type 7, A – Type 7 State licenses are an accessory use to an active

commercial cultivation site with a valid minor or major use cannabis cultivation permit. The cannabis manufacturing activities are limited to the compounding, blending, extraction, infusion, or otherwise making or preparing a cannabis product from the cannabis cultivated under that cannabis cultivation use permit. The cannabis manufacturing shall occur on the same parcel where the cannabis cultivation site is permitted.

b. Type N State license

- (1) Producing edible products or topical products using infusion processes, or other types of cannabis products other than extracts or concentrates.
- (2) Packaging and labeling cannabis products on the permitted premises.
- (3) Accessory uses related to the production of edible products or topical products using infusion processes, or other types of cannabis products other than extracts or concentrates and the packaging and labeling cannabis products.

c. Type P State license

- (1) Packaging or repackaging cannabis products or labeling or relabeling the cannabis product container or wrapper. Manufacturers that engage in packaging or labeling of cannabis products as part of a cannabis manufacturing operation do not need to hold a separate Type P permit.
- (2) Accessory uses related to the packaging or repackaging cannabis products or labeling or relabeling the cannabis product container or wrapper.

d. Processor State license

- (1) Processing (trimming, drying, curing, grading, packaging, or labeling) of cannabis
- (2) Packaging and labeling cannabis products
- (3) Composting cannabis waste
- (4) Cannabis waste management
- (5) Storage of harvested cannabis
- (6) Accessory uses relate to the processing, packaging, labeling, composting, or storage of cannabis.

(k) Use Standards

a. Manufacturing (M – Type 6 and A – Type 6 State Licenses):

- (1) The parcel where the cannabis manufacturing facility is located shall be within one mile of Highway 20, 29, or 53, measured as the horizontal distance from parcel where the manufacturing facility is located to the highway right-of-way.

- (2) The parcel where the cannabis manufacturing facility is located shall front and have direct access to a paved State or County maintained road.
- (3) The cannabis manufacturing shall be conducted in accordance with state and local laws related to hazardous material disposal, land conversion, grading, electricity usage, water usage, and wastewater discharges.
- (4) All manufacturing of cannabis products shall occur in an enclosed locked structure.
- (5) Cannabis manufacturing activities shall only occur in the areas depicted on the floor plan submitted by the applicant and shall not exceed the square footage authorized pursuant to the minor or major use permit.
- (6) If hazardous materials, flammable gas, flammable liquefied gas, flammable and combustible liquids, or other flammable material, as those terms are defined in CFC Section 202, are to be used in the processing of cannabis, then the provisions of CFC Section 407 shall be applicable where hazardous materials subject to permits under CFC Section 50 (Hazardous Materials) are located on the premises or where required by the appropriate fire district official.
- (7) Storage, use and handling of compressed gases in compressed gas containers, cylinders, tanks, and systems, compressed gases classified as hazardous materials, and the prevention, control and mitigation of dangerous conditions related to storage, use, dispensing, mixing and handling of flammable and combustible liquids shall comply with California Fire Code and California Building Code. Partially full compressed gas containers, cylinders or tanks containing residual gases shall be considered as full for the purposes of the controls required.
- (8) Cannabis manufacturing sites are a Group F- 1 (Factory Industrial Moderate-Hazard) Occupancy under the Fire Code. All new construction is required to be fire sprinkled per the Fire Code. For cannabis manufacturing sites that will be sited in an existing structure, an automatic sprinkler system shall be provided throughout all buildings containing a Group F- 1 occupancy where one of the following conditions exists:
- (i) A Group F- 1 fire area exceeds twelve thousand square feet.
 - (ii) A Group F- 1 fire area is located more than three stories above grade plane.
 - (iii) The combined area of all Group F- 1 fire areas on all floors, including any mezzanines, exceeds twenty- four thousand square feet.
- b. Manufacturing (M – Type 7, and A – Type 7 State Licenses)
- In addition to the standards listed on a. above, the following additional standards apply to M – Type 7, and A – Type 7 State Licensees:

- (1) The extraction operation shall be approved by the Lake County fire code official.
- (2) The extraction operation shall be approved by the Chief of the Fire District where the manufacturing facility is located.
- (3) Manufacturing shall enact sufficient methods or procedures to capture or otherwise limit risk of explosion, combustion, or any other unreasonably dangerous risk to public safety created by volatile solvents.
- (4) Manufacturing shall comply with the Department of Public Health minimum standards concerning such methods and procedures.

c. Processor

- (1) The parcel where the processor activity is located shall front and have direct access to a paved State or County maintained road.
- (2) All processor activities shall occur within an enclosed building.
- (3) All aggregation of product shall adhere to track-and-trace requirements of the California Code of Regulations.
- (4) Permittee may produce non-manufactured cannabis products without a cannabis manufacturing license, provided compliance with packaging and labeling requirements California Code of Regulations.
- (5) The growing of cannabis plants is prohibited at a licensed processor premises.
- (6) The building where the processor activities are conducted shall be equipped with filtrations systems that prevents the movement of odors, pesticides, and other air borne contaminates out of or into the structure.

(l) Site Standards

a. Sign Standards

In addition to the sign standards of the applicable area plan and this Chapter, the design shall comply with the following standards:

- (1) Cannabis, cannabis-infused products, or associated products shall not be displayed or clearly visible to a person from the exterior of the cannabis manufacturing facility.
- (2) The cannabis manufacturing facility shall not display on the exterior of the facility advertisements for cannabis or any brand name and may only identify the building by the registered name.
- (3) The cannabis manufacturing facility shall not utilize graphics related to cannabis or paraphernalia on the exterior of the building in which the cannabis manufacturing facility is located.

b. Design Standards

1 In addition to the design standards of the applicable area plan and this Chapter, the
2 design shall comply with the following standards:

- 3 (1) Auxiliary structures such as trash enclosures and storage areas should be
4 compatible with and integrated into the overall design.
- 5 (2) Containers for the recycling of recyclable products shall be accommodated
6 within trash storage areas.
- 7 (3) The height and mass of buildings shall consider the visual and physical
8 relationship to adjacent uses. A structure that dominates its environment by its
9 relative size is strongly discouraged.
- 10 (4) Facades with a high level of visual interest from both vehicular and pedestrian
11 viewpoints are encouraged.
- 12 (5) Long unbroken building facades should be broken up with architectural details.
13 Facades with varied front setbacks are encouraged to provide visual interest.
- 14 (6) Rear and side wall elevations should provide building offsets and architectural
15 details similar to the front facade.
- 16 (7) Roof design shall allow solar panels to be integrated into the roof design, flush
17 with the roof slope. Building orientation and shading design should minimize
18 solar gain and maximize daylight harvesting.
- 19 (8) Materials should be chosen to withstand abuse by vandals or accidental damage
20 by machinery. False facades and other simulated materials and ornamentation
21 are discouraged.
- 22 (9) Storage containers or accessory structures shall be architecturally treated on all
23 four exterior sides of the structure.
- 24 (10) Storage containers or accessory structures should employ a variety of building
25 forms, materials, colors and other architectural treatments to add visual
26 interest.
- 27 (11) The use of compatible colors in a single facade or composition is required.
28 Compatible colors add interest and variety while reducing building scale and
29 breaking up plain walls. Bright colors are prohibited.
- 30 (12) Service and, emergency generator should be enclosed within the building
31 structure.

32 c. Circulation, Parking, and Loading Standards

33 In addition to the circulation, parking, and loading standards of the applicable area
34 plan and this Chapter, the design shall comply with the following standards:

- 35 (1) Loading and service areas shall be concealed from public view and from
36 adjoining properties by appropriately designed walls, fencing and landscaping

and shall be located to the rear or sides of a building, away from the main building entrance, or related high visibility areas.

(2) Loading areas shall be designed to accommodate backing and maneuvering onsite, not from a public street, and when occupied shall not prohibit onsite vehicular circulation.

(3) Entrances, parking lots and pathways should be visible from streets or buildings for safety and surveillance purposes.

(4) A cannabis manufacture facilities shall comply with the parking standards described in Article 46 of this chapter and specifically 21-46.5 (c) 2.Manufacturing.

d. Landscape Standards

In addition to the landscape standards of the applicable area plan and this Chapter, the design shall comply with the following standards:

(1) Landscaping shall be in scale with adjacent buildings and be of an appropriate size at maturity to accomplish its intended purpose.

(2) Landscaping shall be used to define areas such as entrances to buildings and parking lots, provide transition between neighboring properties (buffering), and provide screening for outdoor storage, loading and equipment areas.

(3) Landscaping strip 5 feet wide around the entire base of the building(s) to softens the edge between the parking lot and building is required. The landscape strip is not required at entrances to the building or at loading or service areas building access points.

(4) Landscaping shall maintain adequate sight lines for visual safety, visibility and efficient security.

e. Glare and Heat Standards

In addition to the glare and heat standards of the applicable area plan and this Chapter, the design shall comply with the following standards:

(1) Lighting shall be designed to provide atmosphere, safety, and security without spillover or glare onto adjacent properties and light intensity should be of satisfactory quality to ensure visibility, safety, and security.

f. Security

The following security measures shall be taken at all M – Type 6, A – Type 6, M – Type 7, A – Type 7, Type P, Type N and Processor State licenses sites:

(1) Prevention of access to the cannabis manufacturing site by unauthorized personnel and protect the physical safety of employees. This includes, but is not limited to:

- (i) Establishing physical barriers to secure perimeter access and all points of entry (such as locking primary entrances with commercial-grade, non-residential door locks, or providing fencing around the grounds, driveway, and any secondary entrances including windows, roofs, or ventilation systems);
- (ii) Installing a security alarm system to notify and record incident(s) where physical barriers have been breached;
- (iii) Establishing an identification and sign-in/sign-out procedure for authorized personnel, suppliers, and/or visitors;
- (iv) Maintaining the premises such that visibility and security monitoring of the premises is possible; and
- (v) Establishing procedures for the investigation of suspicious activities.
- (2) Prevent theft or loss of cannabis and cannabis products. This includes but is not limited to:
- (i) Establishing an inventory system to track cannabis material and the personnel responsible for processing it throughout the manufacturing process;
- (ii) Limiting access of personnel within the premises to those areas necessary to complete job duties, and to those time-frames specifically scheduled for completion of job duties;
- (iii) Supervising tasks or processes with high potential for diversion (including the loading and unloading of cannabis transportation vehicles); and
- (iv) Providing designated areas in which personnel may store and access personal items.
- (3) Identification of emergency contact(s) that is/are available 24 hours/seven (7) days a week including holidays. The plan shall include the name, phone number and facsimile number or email address of an individual working on cannabis manufacturing premises, to whom notice of problems associated with the operation of the cannabis manufacturing establishment can be provided. The cannabis manufacturing establishment shall keep this information current at all times. The applicant shall make every good faith effort to encourage neighborhood residents to call this designated person to resolve operating problems, if any, before any calls or complaints are made to the County.
- (4) The permittee shall maintain a record of all complaints and resolution of complaints and provide a tally and summary of issues the annual Performance Review Report.
- (5) A description of fences, location of access points, and how access is controlled.

1 (6) Video Surveillance.

- 2 (i) At a minimum, permitted premises shall have a complete digital video
3 surveillance system with a minimum camera resolution of 1080 pixel. The
4 video surveillance system shall be capable of recording all pre-determined
5 surveillance areas in any lighting conditions.
- 6 (ii) The video surveillance system shall be capable of supporting remote access
7 by the permittee.
- 8 (iii) To the extent reasonably possible, all video surveillance cameras shall be
9 installed in a manner that prevents intentional obstruction, tampering with,
10 and/or disabling.
- 11 (iv) Areas that shall be recorded on the video surveillance system include, but
12 are not limited to, the following:
- 13 (a) The perimeter of the cannabis manufacturing facility.
- 14 (b) Areas where cannabis or cannabis products are weighed, packed,
15 stored, quarantined, loaded and/or unloaded for transportation,
16 prepared, or moved within the premises;
- 17 (c) Areas where cannabis is destroyed;
- 18 (d) Limited-access areas;
- 19 (e) Security rooms;
- 20 (f) Areas containing surveillance-system storage devices, in which case, at
21 least one camera shall record the access points to such an area; and
- 22 (g) The interior and exterior of all entrances and exits to the cannabis
23 manufacturing facility including all buildings where cannabis or cannabis
24 products are weighed, packed, stored, quarantined, loaded and/or
25 unloaded for transportation, prepared, or moved within the premises.
- 26 (v) The surveillance system shall operate continuously 24 hours per day and at
27 a minimum of 30 frames per second.
- 28 (vi) All exterior cameras shall be waterproof, I-66 minimum.
- 29 (vii) All interior cameras shall be moisture proof.
- 30 (viii) Cameras shall be color capable.
- 31 (ix) Video management software shall be capable of integrating cameras with
32 door alarms.
- 33 (x) Video recordings shall be digital.
- 34 (xi) Thermal technology shall be use for perimeter fencing.

- (xii) All cameras shall include motion sensors that activates the camera when motion is detected.
- (xiii) In areas with inadequate lighting for the cameras being used, sufficient lighting shall be provided to illuminate the camera's field of vision.
- (xiv) All recording shall be located in secure rooms or areas of the premises in an access and environment-controlled environment which is separate from the room where the computer and monitoring equipment is located.
- (xv) All surveillance recordings shall be kept on the applicant's recording device or other approved location for a minimum of 30 days.
- (xvi) All video surveillance recordings are subject to inspection by the Department and shall be copied and sent, or otherwise provided, to the Department upon request.
- (xvii) The video recordings shall display the current date and time of recorded events. Time is to be measured in accordance with the U.S. National Institute Standards and Technology standards. The displayed date and time shall not significantly obstruct the view of recorded images.

(7) Fences

- (i) Loading areas including backing and maneuvering area shall be enclosed by a fence. The fence shall be a minimum of 6 feet and a maximum of 8 feet high and shall include, at a minimum, the following:
- (a) Posts set into the ground. The posts may be steel tubing, timber or concrete and may be driven into the ground or set in concrete.
- (b) End, corner or gate posts, commonly referred to as "terminal posts", must be set in concrete footing or otherwise anchored to prevent leaning under the tension of a stretched fence.
- (c) Posts set between the terminal posts shall be set at intervals not to exceed 10 feet. A top horizontal rail is required between all posts.
- (d) The fence shall be attached to the posts and top horizontal rail.
- (ii) No barbed wire, razor wire or similar design shall be used.
- (iii) The vehicle access gate shall remain closed and locked at all time except when a vehicle is entering or exiting.
- (iv) A pedestrian gate may be included provided that such a gate is secured to prevent unauthorized access.

In addition to the above requirements, the following additional security measures shall be taken at all Processor State licenses sites:

1 (1) Fences

2 (i) The processor facility including all employee parking, internal circulation,
3 loading areas, and similar facilities shall have a perimeter fence around the
4 entire facility.

5 (ii) The fence shall be a minimum of 6 feet and a maximum of 8 feet high and
6 shall include, at a minimum, the following:

7 (iii) Posts set into the ground. The posts may be steel tubing, timber or concrete
8 and may be driven into the ground or set in concrete.

9 (iv) End, corner or gate posts, commonly referred to as "terminal posts", must
10 be set in concrete footing or otherwise anchored to prevent leaning under
11 the tension of a stretched fence.

12 (v) Posts set between the terminal posts shall be set at intervals not to exceed
13 10 feet. A top horizontal rail is required between all posts.

14 (vi) The fence shall be attached to the posts and top horizontal rail.

15 (vii) No barbed wire, razor wire or similar design shall be used.

16 (viii) The vehicle access gate shall remain closed and locked at all time except
17 when a vehicle is entering or exiting.

18 (ix) A pedestrian gate may be included provided that such a gate is secured to
19 prevent unauthorized access.

20 (m) Operating Hours:

21 a. Deliveries and pick-ups are restricted as follows:

22 (1) Monday through Saturday: 9:00 a.m. - 7:00 p.m.

23 (2) Sunday: 12:00 p.m. - 5:00 p.m.

24 (n) Protection of Minors:

25 a. No permittee shall:

26 (1) Sell, transfer or give cannabis or cannabis products to persons under 21 years of
27 age.

28 (2) Allow any person under 21 years of age on its premises or, where a cannabis
29 manufacturing permit is associated with a cannabis manufacturing site, within
30 cannabis manufacturing building or the fenced area around a processor facility.

31 (3) Employ or retain persons under 21 years of age.

32 b. No cannabis manufacturing shall be located within 1,000 feet of the following that is
33 in existence at the time the permit is issued:

34 (1) Any public or private school, grades 1 through 12,

- 1 (2) A developed public park containing playground equipment,
2 (3) A drug or alcohol rehabilitation facility, or
3 (4) A licensed child care or daycare facility or nursery school, church or youth-
4 oriented facility catering to or providing services primarily intended for minors.

5 The distance specified in this section shall be the horizontal distance measured in a
6 straight line from the parcel where the manufacturing facility is located to the parcel
7 where a public or private school, grades 1 through 12, a developed public park
8 containing playground equipment, a drug or alcohol rehabilitation facility, or a
9 licensed child care or daycare facility or nursery school, church or youth-oriented
10 facility catering to or providing services primarily intended for minor is located.

11 4. Permitting Process

12 i. Minor and Major Use Permits

- 13 (a) The applicant shall schedule and pay the fee for a pre-application conference with the
14 Department prior to the submittal of an application for a use permit. Questions
15 regarding a specific application will only be addressed at a pre-application conference.
16 No later than two weeks prior to the pre-application conference, the applicant shall
17 provide the department:
- 18 a. A map showing the lot of record showing where the cannabis manufacturing site is
19 located and the Assessor's Parcel Number (APN) for the lot of record.
 - 20 b. A diagram of the proposed cannabis manufacturing facility and the site where it is
21 located including existing access, parking, and existing structures, if any,
 - 22 c. Questions the applicant may have regarding the application form or process.
 - 23 d. A statement as to which State license the applicant intends to submit an application.
- 24 (b) At the pre-application conference the Department will provide:
- 25 a. A determination of the legal lot of record status or request additional information to
26 make such determination. The lot of record where the cannabis manufacturing site
27 is located is required to be a legal lot of record.
 - 28 b. A determination of current compliance of the site with the Lake County Code.
29 Compliance with the Lake County Code is required to submit a minor or major use
30 permit application.
 - 31 c. A response to the questions submitted with the pre-application conference
32 application.
 - 33 d. An outline of the information required for the minor or major use permit
34 application.
- 35 (c) Permit application supplemental information

1 The minor or major use permit use permit application, in addition to the requirements
2 of Article 55, shall include the following additional information:

- 3 a. The legal business name of the applicant entity;
- 4 b. A list of all the types, including the license numbers of valid licenses, from the
5 department and other cannabis licensing authorities that the applicant already
6 holds or has applied for;
- 7 c. The physical address of the premises;
- 8 d. The mailing address of the applicant;
- 9 e. A designated responsible party, who shall also be an owner, with legal authority to
10 bind the applicant entity, and the primary contact for the application. The following
11 information shall be provided for the designated responsible party: full legal name,
12 title, mailing address, primary contact phone number, email address, and a copy of
13 the owner's government-issued identification. Acceptable forms of identification are
14 a document issued by a federal, state, county, or municipal government, including,
15 but not limited to, a driver's license or passport, that contains the name, date of
16 birth, physical description, and picture of the individual;
- 17 f. An individual or entity serving as agent for service of process for the applicant. If
18 applicable. The following information shall be provided for the agent for service of
19 process: full legal name, mailing address, primary contact phone number, and email
20 address;
- 21 g. A complete list of every owner of the applicant entity. Each individual owner shall
22 submit the following information:
 - 23 (1) Full legal name;
 - 24 (2) Title within the applicant entity;
 - 25 (3) Home address;
 - 26 (4) Primary phone number;
 - 27 (5) Email address;
 - 28 (6) Date ownership interest in the applicant entity was acquired;
 - 29 (7) Percentage of the ownership interest held in the applicant entity by the owner;
 - 30 (8) A list of all the valid licenses, including license type(s) and license number(s),
31 from the department and other cannabis licensing authorities that the owner is
32 listed as either an owner or financial interest holder;
 - 33 (9) A copy of their government-issued identification. Acceptable forms of
34 identification are a document issued by a federal, state, county, or municipal

government that includes the name, date of birth, physical description, and picture of the person, such as a driver's license or passport.

h. 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.

i. Evidence that the applicant entity has the legal right to occupy and use the proposed location.

j. Project description:

The project description shall provide adequate information to evaluate the impacts of the proposed project and consists of three parts: a site plan, a written description section, and a property management section.

(1) Site Plan:

(i) M – Type 6, A – Type 6, M – Type 7, A – Type 7 State Licenses:

(a) A graphic representation of the project consisting of maps, site plans, or drawings prepared by a design professional consistent with the requirements of the Department pursuant to Article 55.5 and all use standards described in Section AU.3.ii.k and site standards described in AU.3.ii.l.

(ii) For a Processor License:

In addition to the requirements of sub-section (1)(i)(a) above, the following information shall be provided for processor license types:

(b) Locate designated processing area(s);

(c) Locate designated packaging area(s), if the licensee will package and label products on site;

(d) Locate designated composting area(s) if the licensee will compost cannabis waste on site;

(e) Locate designated secured area(s) for cannabis waste if different than subsection (c) above;

(f) Locate designated area(s) for harvested cannabis storage; and

(g) Location of office and other accessory use areas.

(2) Written Description:

A written section which shall support the graphic representations and shall, at a minimum, include:

(i) A project description;

(ii) The present zoning;

- (iii) A list and description of all uses shown on the site plan;
- (iv) A development schedule indicating the approximate date when construction of the project can be expected to begin and be completed for each phase of the project; including the permit phase;
- (v) A statement of the applicant's proposal for solid waste disposal
- (vi) Quantitative data for the development including but not limited to: Gross and net acreage; the approximate dimensions and location of structures for each district or area; employee statistics; support services required; traffic generation data based on anticipated uses; parking and loading requirements; and outdoor storage requirements based on anticipated uses;
- (vii) An Operations Manual describing the operating procedures of the cannabis testing laboratory site to ensure compliance with the use permit, protect the public health, safety and welfare, as well as the natural environment of Lake County. This sub-section shall include:
 - (a) Authorization for the County, its agents, and employees, to seek verification of the information contained within minor use permit applications, the Operations Manual, and the Operating Standards at any time before or after use permits are issued;
 - (b) A description of the staff screening processes;
 - (c) The hours and days of the week when the facility will be open;
 - (d) Description of measures taken to minimize or offset the carbon footprint from operational activities; and
 - (e) Description of chemicals stored, used and any effluent discharged as a result of operational activities.
- (viii) Any other information as may be requested by the Director and/or by the Planning Commission.

ii. Minor and Major Use Permit required findings

In addition to the findings required for a minor (21.50.4) or major use permit (21.51.4), the following findings shall be made:

- (a) The proposed use comply with all use standards described in Section AU.3.ii.k.
- (b) The proposed use comply with all site standards described in Section AU.3.ii.l.
- (c) The application complies with the qualifications for a permit described in Section AU.3.ii.f.

5. Duration of Permits:

1 Cannabis manufacturing permit duration: not to exceed ten (10) years.

2 6. Weights and Measures

3 All permittees shall comply with the State of California Weights and Measures requirements
4 found in the California Food and Agriculture Code, California Code of Regulations, and the
5 California Business and Professions Code.

6 7. Prohibited Activities

7 (a) Odor

8 Cannabis related permits shall not propagate objectionable odors which cause injury,
9 detriment, nuisance, or annoyance to any considerable number of persons or to the
10 public, or that endanger the comfort, repose, health, or safety of any of those persons
11 or the public.

12 (b) Electrical Generators

13 Manufactures shall not rely on a personal gasoline, diesel, propane, or similar fuels,
14 powered generator as a primary source of power and shall only allow properly
15 permitted (when applicable) generators for temporary use in the event of a power
16 outage or emergency that is beyond the permittee's control.

17 (c) Lights

18 Security lighting shall be motion activated and all outdoor lighting shall be shielded and
19 downcast or otherwise positioned in a manner that will not shine light or allow light
20 glare to exceed the boundaries of the lot of record upon which they are placed.

21 8. Compliance monitoring

- 22 i. A compliance monitoring inspection of the cannabis manufacturing facility shall be
23 conducted at least annually.
- 24 ii. The permittee shall pay a compliance monitoring fee established by resolution of the Board
25 of Supervisors prior to the inspection.
- 26 iii. If there are no violations of the County permit or state license during the first five years, the
27 inspection frequency may be reduced by the Director to not less than once every five years.

28 9. Annual Reports

29 i. Performance Review

- 30 (a) All cannabis permittees shall submit a "Performance Review Report" on an annual basis
31 from their initial date of operation for review and approval by the Planning Commission.
32 The Planning Commission may delegate review of the annual Performance Review
33 Report to the Director at the time of the initial hearing or at any time thereafter. This
34 annual "Performance Review Report" is intended to identify the effectiveness of the
35 approved minor use permit, Property Management Plan, and conditions of approval, as

well as the identification and implementation of additional procedures as deemed necessary. In the event the Planning Commission identifies problems with specific Performance Review Report that could potentially lead to revocation of the associated minor use permit, the Planning Commission may require the submittal of more frequent "Performance Review Reports."

(b) Pursuant to sub-section 6. i. above, the premises shall be inspected by the Department on an annual basis, or less frequently if approved by the Director. A copy of the results from this inspection shall be given to the permittee for inclusion in their "Performance Review Report" to the Department.

(c) Compliance monitoring fees pursuant to the County's adopted master fee schedule shall be paid by permittee and accompany the "Performance Review Report" for costs associated the review of the report by County staff.

(d) Non-compliance by permittee in allowing the inspection by the Department, or refusal to pay the required fees, or noncompliance in submitting the annual "Performance Review Report" for review by the Planning Commission shall be deemed grounds for a revocation of the development permit or use permit and subject the holder of the permit(s) to the penalties outlined in this Code.

10. Renewals

i. The following is required for permit renewal:

(a) An application for renewal shall be submitted to the Department at least 180 days prior to the expiration date of the permit. Failure to submit an application for renewal by that date may result in the expiration of the permit.

(b) Applications: Applicants shall complete an application form as prescribed by the Director and pay all fees as established by resolution by the Board of Supervisors.

(c) The following documentation in electronic format is required for application for renewal:

a. A copy of all licenses, permits, and conditions of such licenses or permits related to the project from state agencies as appropriate.

b. A copy of all reports provided the County and State agencies as determined by the Director.

c. A list of all employees on the premise during the past year and a copy of the background checks certification for each.

d. Documentation that the applicant is still qualified to be an applicant.

e. Any proposed changes to the use permit or how the site will be operated.

f. Payment of all fees as established by resolution by the Board of Supervisors.

ii. The permit may be renewed if:

- 1 (a) Where there are no changes to the use permit or how the site will be operated:
- 2 a. The original permit's approval findings, conditions, or environmental certification
- 3 are still valid.
- 4 b. There are no violations of the permit conditions or of state licenses or permits.
- 5 c. The applicant is qualified to apply for such a permit.
- 6 (b) Where there are changes to the development or use permit or how the site will be
- 7 operated:
- 8 a. Such changes do not change the findings of the original permit's approval findings,
- 9 conditions, or environmental certification.
- 10 b. There are no violations of the permit conditions or of state licenses or permits.
- 11 c. The applicant is qualified to apply for such a permit.

12 **Section 4:** Cannabis Distributor/Distributor Transport Only/Distributor Transport Only, Self-distribution

13 Subsection (av) of Section 27.13 of Chapter 21 of the Lake County Code is hereby added and shall read

14 as follows:

15 (av) Cannabis Distributor/Distributor Transport Only/ Distributor Transport Only, Self-distribution

16 1. Definitions

- 17 i. Bureau: The State of California Bureau of Cannabis Control within the Department of
- 18 Consumer Affairs.
- 19 ii. Cannabis: All parts of the plant *Cannabis sativa* (Linnaeus), *Cannabis indica*, or *Cannabis*
- 20 *ruderalis*, or any hybrid thereof, whether growing or not; the seeds thereof; the resin,
- 21 whether crude or purified, extracted from any part of the plant; and every compound,
- 22 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin.
- 23 "Cannabis" also means the separated resin, whether crude or purified, obtained from
- 24 cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced from
- 25 the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture,
- 26 salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted
- 27 therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of
- 28 germination. For the purpose of this division, "cannabis" does not mean "industrial hemp"
- 29 as defined by Section 11018.5 of the Health and Safety Code.
- 30 iii. Cannabis applicant: As defined by Section 26001 of the California Business and Professions
- 31 Code.
- 32 iv. Cannabis Distribution: The procurement, sale, and transport of cannabis and cannabis
- 33 products between licensees
- 34 v. Cannabis Distribution facility: The building in which cannabis distribution activities occur.

- 1 vi. Cannabis Distributor: One who engages in the procurement, sale, transport, storage,
2 packaging, labeling, and storage of cannabis and cannabis products between licensees
- 3 vii. Cannabis Distributor Transport Only: One who only transports cannabis goods between
4 licensees
- 5 viii. Cannabis Distributor Transport Only, Self-distribution: One who transports cannabis goods
6 that the licensee has cultivated or manufactured to entities licensed pursuant to California
7 Code
- 8 ix. Cannabis goods: Cannabis, including dried flower, and products containing cannabis.
- 9 x. Commercial cannabis activity: includes the cultivation, possession, manufacture,
10 distribution, processing, storing, laboratory testing, packaging, labeling, transportation,
11 delivery or sale of cannabis and cannabis products for commercial purposes.
- 12 xi. Cannabis distributor licenses
- 13 (a) M - Type 11: Distributor: The procurement, sale, and transport of medicinal cannabis
14 and medicinal cannabis products between entities licensed pursuant to California Code.
- 15 (b) A - Type 11: Distributor: The distribution of cannabis and cannabis products for adult
16 use.
- 17 (c) M - Type 13: Distributor Transport Only: The transport of medicinal cannabis goods
18 between entities licensed pursuant to California Code.
- 19 (d) A - Type 13: Distributor Transport Only: The distribution of cannabis goods between
20 entities licensed pursuant to California Code.
- 21 (e) M - Type 13: Distributor Transport Only, Self-distribution: The transport of medicinal
22 cannabis goods between entities licensed pursuant to California Code.
- 23 (f) A - Type 13: Distributor Transport Only, Self-distribution: The transport of adult use
24 cannabis goods between entities licensed pursuant to California Code.
- 25 xii. Cannabis product: Cannabis that has undergone a process whereby the plant material has
26 been transformed into a concentrate, including, but not limited to, concentrated cannabis,
27 or an edible or topical product containing cannabis or concentrated cannabis and other
28 ingredients.
- 29 xiii. Day care: Has the same meaning as in Section 1596.76 of the California Health and Safety
30 Code.
- 31 xiv. Design professional: As defined in the California Civil Code, Division 4 General Provisions,
32 Part 6 Works of Improvement, Title 1 Works of Improvement Generally, Article 1 Definitions.
- 33 xv. Enforcement official: As used in this Article, shall mean the Lake County Sheriff, Community
34 Development Director, Chief Building Official, Environmental Health Director, or any other
35 official authorized to enforce local, state or federal laws.

- 1 xvi. Fence: A wall or a barrier connected by boards, masonry, rails, panels, wire or any other
2 materials approved by the Community Development Department for the purpose of
3 enclosing space or separating parcels of land. The term “fence” does not include retaining
4 walls, plastic, tarp, bamboo coverings, corrugated metal, or other materials not designed or
5 manufactured for use as a fence.
- 6 xvii. Hazardous material - Hazardous material means a material that, because of its quantity,
7 concentration, or physical or chemical characteristics, poses a significant present or
8 potential hazard to human health and safety or to the environment if released into the
9 workplace or the environment or as defined in Health and Safety Code 25501.
- 10 xviii. Hazardous waste - hazardous waste means a waste that meets any of the criteria for the
11 identification of a hazardous waste adopted by the department pursuant to Health and
12 Safety Code Section 25141
- 13 xix. Hazardous waste generator: A generator is any person, by site, whose act or process
14 produces hazardous waste identified or listed in Chapter 11 of the hazardous waste
15 regulations or whose act first causes a hazardous waste to become subject to regulation
- 16 (a) Large quantity generator: Generators of 1,000 kg or more of hazardous waste per
17 month, excluding universal wastes, and/or more than 1 kg of acutely or extremely
18 hazardous per month.
- 19 (b) Small quantity generator: Generators of less than 1,000 kg of hazardous waste per
20 month, excluding universal wastes, and/or 1kg or less of acutely or extremely hazardous
21 waste per month
- 22 xx. License: A California state license issued pursuant to the California Code of Regulaitons and
23 the California Business and Professions Code, including both an A- and an M- testing license.
- 24 xxi. Medicinal cannabis: Also “medicinal cannabis product”. Cannabis or a cannabis product,
25 respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996
26 (Proposition 215), found at Section 11362.5 of the Health and Safety Code, by a medicinal
27 cannabis patient in California who possesses a physician’s recommendation.
- 28 xxii. Owner: As defined by Section 26001 of the California Business and Professions Code.
- 29 xxiii. Person: An individual, firm, partnership, joint venture, association, corporation, limited
30 liability company, estate, trust, business trust, receiver, syndicate, or any other group or
31 combination acting as a unit, and includes the plural as well as the singular.
- 32 xxiv. Premises: The designated structure or structures and land specified in the application that is
33 owned, leased, or otherwise held under the control of the applicant or permittee where the
34 commercial cannabis activity will be or is conducted. The premises shall be a contiguous
35 area.

1 xxv. School: For the purpose of cannabis regulation, school means any public or private school
2 providing instruction in kindergarten or any grades 1 to 12, inclusive, but does not include
3 any private school in which education is primarily conducted in private homes.

4 xxvi. State license: A state license issued pursuant to the California Business and Professions
5 Code.

6 2. Enforcement

7 i. A violation of any provision of this Section or any condition of a major use permits or minor
8 use permits is subject to the enforcement and penalties provisions of Article 61.2
9 Authorization of Responsibilities, Article 61.3 Arrest and Citation Powers, and 61.4 Penalties
10 of this Chapter.

11 ii. The use of land, buildings, or premises established, operated, or maintained contrary to the
12 provisions of this subsection; any condition dangerous to human life, unsafe, or detrimental
13 to the public health or safety; and the existence of loud or unusual noises which are not
14 already regulated through an approved use permit, or foul or noxious odors, not already
15 regulated by the Lake County Air Quality Management District, which offend the peace and
16 quiet of persons of ordinary sensibilities and which interferes with the comfortable
17 enjoyment of life or property and affect the entire neighborhood or any considerable
18 number of persons are declared to be a nuisance subject to the enforcement procedures of
19 Chapter 13 of the Lake County Ordinance Code.

20 iii. Persons involved in unfair, dishonest, deceptive, destructive, fraudulent and discriminatory
21 practices by which fair and honest competition is destroyed or prevented are subject to
22 enforcement procedures of the California Unfair Practices Act (Business and Profession
23 Code, Division 7. General Business Regulations, Part 2 Preservation and Regulation of
24 Competition, Chapter 4. Unfair Trade Practices).

25 iv. A Minor Use Permit or Major Use Permit may be revoked under the procedures set forth in
26 section 21-60.10 Revocation of Permits.

27 3. Development Standards, General Requirements, and Restrictions

28 i. Development standards

License	Zoning District	Zoning District as an accessory use	Minimum Lot Size (acres)	Setback from property line	Height Limitation of structures	Minimum fence height (feet)	Maximum fence height (feet)
M - Type 11: Distributor	C3, M1, M2, PDC	---	Base Zoning	Base Zoning	Base Zoning	6 feet	8 feet
A - Type 11: Distributor	C3, M1, M2, PDC	---	Base Zoning	Base Zoning	Base Zoning	6 feet	8 feet
M - Type 13: Distributor Transport Only	C2, C3, M1, M2, PDC	---	Base Zoning	Base Zoning	Base Zoning	6 feet	8 feet
A - Type 13: Distributor Transport Only	C2, C3, M1, M2, PDC	---	Base Zoning	Base Zoning	Base Zoning	6 feet	8 feet
M - Type 13: Distributor Transport Only, Self-distribution	---	APZ, A, TPZ, RL, RR, SR, PDC	Base Zoning	Base Zoning	Base Zoning	6 feet	8 feet
A - Type 13: Distributor Transport Only, Self-distribution	---	APZ, A, TPZ, RL, RR, SR, PDC	Base Zoning	Base Zoning	Base Zoning	6 feet	8 feet

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- (a) The Zoning Administrator or Planning Commission may consider exceptions to the development standards because of special circumstances applicable to the subject property, including size, shape, topography, location or surroundings, the strict application of the development standards of this sub-section are found to deprive subject property of privileges enjoyed by other properties in the vicinity and under identical zone classification.
- (b) Application for an exception shall be made in writing by the owner of the property; or lessee, with the written consent of the property owner on a form prescribed by the Department. The application shall be accompanied by a fee in an amount to be set by the Board of Supervisors. A plan of the details of the variance requested, other pertinent information required by the Department and evidence showing 1) that the granting of the exception will not be contrary to the intent of this sub-section or to the public safety, health and welfare, and 2) that due to special conditions or exceptional characteristics of the property, or its location, the strict application of this sub-section would result in practical difficulties and unnecessary hardships; and deprives such property of privileges enjoyed by other properties in the vicinity and identical zoning district.
- (c) A public hearing shall be held on any application for an exception. Notice of any public hearing shall be given as provided in Article 57.

- 1 (d) The Zoning Administrator or Planning Commission may only approve or conditionally
2 approve an exception if all of the following findings are made:
- 3 a. That because of special circumstances applicable to subject property, including size,
4 shape, topography, location or surroundings, the strict application of the
5 development standards of this sub-section are found to deprive subject property of
6 privileges enjoyed by other properties in the vicinity and under identical zone
7 classification;
- 8 b. That any exception granted is subject to such conditions as will assure that the
9 adjustment thereby authorized shall not constitute a grant of special privilege
10 inconsistent with the limitations upon other properties in the vicinity and district in
11 which the subject property is situate; and
- 12 c. That the granting of the exception is in accordance with the intent of this Chapter, is
13 consistent with the General Plan and will not be detrimental to the public safety,
14 health and welfare, or injurious to other properties in the vicinity.

15 ii. General Requirements

16 (a) State license and permits required.

17 A person or entity shall not engage in distribution of cannabis without first obtaining a
18 Lake County minor or major use permit, a state cannabis distribution license, and any
19 other applicable permits.

20 (b) Notification to the Bureau of Cannabis Control

21 The Department shall notify the Bureau of Cannabis Control upon revocation of any
22 local license, permit, or authorization for a permittee to engage in commercial cannabis
23 activity within the local jurisdiction.

24 (c) Records

- 25 a. An applicant shall keep accurate records of commercial cannabis activity.
- 26 b. All records related to commercial cannabis activity as defined by the state licensing
27 authorities shall be maintained for a minimum of seven years.
- 28 c. The County may examine the books and records of an applicant and inspect the
29 premises of a permittee when the County deems necessary to perform its duties
30 under this division. All inspections shall be conducted during standard business
31 hours of the permitted facility or at any other reasonable time.
- 32 d. Applicants shall keep records identified by the County on the premises of the
33 location permitted. The County may make any examination of the records of any
34 applicant. Applicants shall also provide and deliver copies of such documents to the
35 County upon request.

e. An applicant, or its agent or employee, that refuses, impedes, obstructs, or interferes with an inspection of the premises or records of the applicant pursuant to this section, has engaged in a violation of this article.

(d) Applicant

If the applicant is other than a natural person (including general partnerships of more than one individual natural person), the applicant must provide documentation regarding the nature of the entity and the names of the individual natural persons who manage, own or control the entity. The most common entities are corporations, limited liability companies (LLCs), limited partnerships (LPs), or trusts. These entities can be multi-layered and/or interlocking, e.g. a corporation can be owned by another corporation. If that is the case, documents for those other related entities are needed until the individual natural persons who manage, own or control the entities can be identified.

a. For Corporations:

- (1) Articles of Incorporation – file stamped by the state agency where incorporated.
- (2) If not a California Corporation, the registration filed to do business in California must be stamped by the CA Secretary of State.
- (3) A list of the officers and directors of the corporation (this could be a single person).
- (4) The agent for service of process and business office address in California.
- (5) A list of the shareholders of the corporation (again, it could be a single person and the same as the officer/director). If it is a large, publicly held corporation with many shareholders, contact the Department for direction.
- (6) If a non-profit mutual benefit corporation (common under pre-MMRSA practice for cannabis operations), a list of the members instead of the shareholders.
- (7) A resolution of the board of directors authorizing the individual who will sign the application and other documents on behalf of the corporation to do so.

b. For Limited Liability Companies:

- (1) Articles of Organization – file stamped by the state agency where formed If not a California LLC, or the registration to do business in California file stamped by the CA Secretary of State.
- (2) A list of the managing member or members of the company.
- (3) The agent for service of process and business office address in California.
- (4) A list of any other members of the company.

(5) The application and other documents submitted on behalf of the LLC must be signed by a managing member.

c. For Limited Partnerships:

(1) Certificate of Limited Partnership – file stamped by the state agency where filed.

(2) If not a California LP, the registration to do business in California file must be stamped by the CA Secretary of State.

(3) The identity of the General Partner or partners.

(4) The agent for service of process and business office address in California.

(5) A list of the limited partners of the LP.

(6) The application and other documents submitted on behalf of the LP must be signed by a general partner.

d. For Trusts:

(1) The Declaration of Trust or Statement of Trust.

(2) The name and address of the Trustee or trustees.

(3) A list of the names beneficiaries of the trust with a vested interest in the property held by the trust (check with County Counsel for explanation and details if needed).

(4) The application and other documents submitted on behalf of the trust must be signed by a Trustee.

(e) Background Checks:

All applicants and employees shall undergo a background check by the Lake County Sheriff Department. An individual may fail the background check if employee 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 or permittee is otherwise suitable to be issued a license and granting the license would not compromise public safety, the sheriff shall conduct a thorough review of the nature of the crime, conviction, circumstances, and evidence of rehabilitation of the applicant, and shall evaluate the suitability of the applicant or permittee be issued a license based on the evidence found through the review. In determining which offenses are substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, the sheriff shall include, but not be limited to, the conditions described in Section 26057 of the California Business and Professions Code.

a. Application for Background Clearance for County Permit

(1) An applicant for cannabis distribution permit shall do all of the following:

- (i) Require that each applicant and employee electronically submit to the Department of Justice fingerprint images and related information required by the Department of Justice for the purpose of obtaining information as to the existence and content of a record of state or federal convictions and arrests, and information as to the existence and content of a record of state or federal convictions and arrests for which the Department of Justice establishes that the person is free on bail or on his or her own recognizance, pending trial or appeal.
- (ii) The Sheriff's Office shall request from the Department of Justice subsequent notification service, as provided pursuant to Section 11105.2 of the Penal Code, for applicants.
- (iii) The applicant will be responsible to pay any fee the Department of Justice charges that is set by the Department of Justice and sufficient to cover the reasonable cost of processing the requests described in this paragraph.
- (iv) Pay any fees of the Sheriff's office as established by the Board of Supervisors.
- (f) Qualifications for a Minor or Major Use Permit:
- The County may deny a minor or major use permit (permit) or the renewal of a permit if any of the following conditions apply:
- a. If the applicant(s) fails the background check.
- b. Failure to comply with the provisions of this chapter or any rule or regulation adopted pursuant to this chapter, including but not limited to, any requirement imposed to protect natural resources, in-stream flow, water quality, and fish and wildlife.
- c. The applicant has failed to provide information required by the Lake County Zoning Ordinance.
- (g) The applicant, owner, or permittee 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 Lake County Sheriff finds that the applicant, owner, or permittee is otherwise suitable to be issued a permit, and granting the permit would not compromise public safety, the Lake County Sheriff shall conduct a thorough review of the nature of the crime, conviction, circumstances, and evidence of rehabilitation of the applicant or owner, and shall evaluate the suitability of the applicant, owner, or permittee to be issued a permit based on the evidence found through the review.
- (h) Property Owner's Approval:

1 If the property where the cannabis activity is to be located is not owned by the
2 applicant, written approval shall be obtained from the property owner(s), containing the
3 property owner(s) notarized signature that authorizes the tenant or lessee to cultivate
4 cannabis at the site. A copy of the written approval shall be maintained by the tenant or
5 lessee and made available for review by enforcement officials upon request. Written
6 approvals shall be renewed annually.

7 (i) Permit Type

- 8 a. Major use permit: M – Type 11, A – Type 11, M – Type 13 and A – Type 13,
9 Distributor and Distributor Transport Only State licenses.
- 10 b. Minor use permit: M – Type 13 and A – Type 13, Distributor Transport Only Self-
11 distribution State licenses.

12 (j) Uses Permitted:

- 13 a. Cannabis Distributer (M – Type 11 and A – Type 11 State license):
- 14 (1) The procurement, sale, and transport of cannabis and cannabis goods between
15 licensees.
- 16 (2) Cannabis goods storage-only services to a licensed cultivator, manufacturer,
17 microbusiness, nonprofit, or another cannabis distributor.
- 18 (3) The storage of cannabis batches on their premises during testing.
- 19 (4) Packaging, re-packaging, labeling, and re-labeling cannabis goods for retail sale.
- 20 (5) Transporting cannabis or cannabis goods between licensees.
- 21 (6) Accessory uses related to the procurement, sale, transport, storage, labeling,
22 and packaging of cannabis and cannabis products between licensees.
- 23 (7) Accessory uses related to the procurement, sale, and transport of cannabis and
24 cannabis goods between licensees.
- 25 b. Cannabis Distributer Transport Only (M – Type 13 and A – Type 13 State license):
- 26 (1) The transport of cannabis goods between licensees.
- 27 (2) Accessory uses related to the transport of cannabis goods between licensees.
- 28 c. Distributor Transport Only, Self-distribution (M – Type 13 and A – Type 13 State
29 license):
- 30 (1) The transport of cannabis goods that the licensee has cultivated or
31 manufactured to other licensees.
- 32 (2) Accessory uses related to the transport of cannabis goods that the licensee has
33 cultivated or manufactured to other licensees.

34 (k) Use Standards

1 a. M – Type 11, A – Type 11, M – Type 13 and A – Type 13, Distributor and Distributor
2 Transport Only State licenses:

3 (1) The parcel where the cannabis distribution facility is located shall be within one
4 mile of Highway 20, 29, or 53, measured as the horizontal distance from parcel
5 where the manufacturing facility is located to the highway right-of-way.

6 (2) The parcel where the cannabis distribution facility is located shall front and
7 have direct access to a paved State or County maintained road.

8 (3) All non-transport related distribution activities shall occur within a locked
9 structure.

10 b. Distributor Transport Only, Self-distribution (M – Type 13 and A – Type 13 State
11 licenses):

12 (1) In the “APZ”, “A”, “TPZ”, “RL”, “RR”, “SR” and “PDC” zoning districts the M-Type
13 13 and A-Type 13 Distributor Transport Only, Self-distribution State licenses are
14 an accessory use to an active cannabis cultivation or cannabis manufacturing
15 license site with a valid minor or major use permit.

16 (2) The parcel where the distributor transport only, self-distribution is located shall
17 front and have direct access to a State or County maintained road or an access
18 easement to such a road.

19 (3) The permittee shall not transport any cannabis product that was not cultivated
20 or manufactured by the permittee.

21 (4) All non-transport related distribution activities shall occur within a locked
22 structure.

23 (l) Site Standards

24 a. Sign Standards

25 In addition to the sign standards of the applicable area plan and this Chapter, the
26 design shall comply with the following standards:

27 (1) Cannabis, cannabis-infused products, or associated products shall not be
28 displayed or clearly visible to a person from the exterior of the cannabis
29 distribution facility.

30 (2) The cannabis distribution facility shall not display on the exterior of the facility
31 advertisements for cannabis or any brand name and may only identify the
32 building by the registered name.

33 (3) The cannabis distribution facility shall not utilize graphics related to cannabis or
34 paraphernalia on the exterior of the building in which the cannabis distribution
35 facility is located

36 b. Design Standards

1 In addition to the design standards of the applicable area plan and this Chapter, the
2 design shall comply with the following standards:

- 3 (1) Auxiliary structures such as trash enclosures and storage areas should be
4 compatible with and integrated into the overall design.
- 5 (2) Recycling areas shall be accommodated within trash storage areas.
- 6 (3) The height and mass of buildings shall consider the visual and physical
7 relationship to adjacent uses. A structure that dominates its environment by its
8 relative size is strongly discouraged.
- 9 (4) Facades with a high level of visual interest from both vehicular and pedestrian
10 viewpoints are encouraged.
- 11 (5) Long unbroken building facades should be broken up with architectural details.
12 Facades with varied front setbacks are encouraged to provide visual interest.
- 13 (6) Rear and side wall elevations should provide building offsets and architectural
14 details similar to the front facade.
- 15 (7) Roof design shall allow solar panels to be integrated into the roof design, flush
16 with the roof slope. Building orientation and shading design should minimize
17 solar gain and maximize daylight harvesting.
- 18 (8) Materials should be chosen to withstand abuse by vandals or accidental damage
19 by machinery. False facades and other simulated materials and ornamentation
20 are discouraged.
- 21 (9) Storage containers or accessory structures shall be architecturally treated on all
22 four exterior sides of the structure.
- 23 (10) Storage containers or accessory structures should employ a variety of building
24 forms, materials, colors and other architectural treatments to add visual
25 interest.
- 26 (11) The use of compatible colors in a single facade or composition is required.
27 Compatible colors add interest and variety while reducing building scale and
28 breaking up plain walls. Bright colors are prohibited.
- 29 (12) Service, loading, emergency generator, and trash areas should be enclosed
30 within the building structure.

31 c. Circulation, Parking, and Loading Standards

32 In addition to the circulation, parking, and loading standards of the applicable area
33 plan and this Chapter, the design shall comply with the following standards:

- 34 (1) All vehicles owned and operated by the permittee shall be parked in a locked
35 fenced area when not in use.

- (2) Loading and service areas shall be concealed from public view and from adjoining properties by appropriately designed walls, fencing and landscaping and shall be located to the rear or sides of a building, away from the main building entrance, or related high visibility areas.
- (3) Loading areas shall be designed to accommodate backing and maneuvering onsite, not from a public street, and when occupied shall not prohibit onsite vehicular circulation.
- (4) Entrances, parking lots and pathways should be visible from streets or buildings for safety and surveillance purposes.
- (5) A cannabis distributor shall comply with the parking standards described in Article 46 of this chapter and specifically 21-46.5 (c) 2. Manufacturing.

d. Landscape Standards

In addition to the landscape standards of the applicable area plan and this Chapter, the design shall comply with the following standards:

- (1) Landscaping shall be in scale with adjacent buildings and be of an appropriate size at maturity to accomplish its intended purpose.
- (2) Landscaping shall be used to define areas such as entrances to buildings and parking lots, provide transition between neighboring properties (buffering), and provide screening for outdoor storage, loading and equipment areas.
- (3) Landscaping around the entire base of the building softens the edge between the parking lot and building and is encouraged.
- (4) Landscaping shall maintain adequate sight lines for visual safety, visibility and efficient security.

e. Glare and Heat Standards

In addition to the glare and heat standards of the applicable area plan and this Chapter, the design shall comply with the following standards:

- (1) Lighting shall be designed to provide atmosphere, safety, and security without spillover or glare onto adjacent properties and light intensity should be of satisfactory quality to ensure visibility, safety, and security.

f. Security

The following security measures shall be taken at all distribution facilities sites:

- (1) Prevention of access to the cannabis distribution site by unauthorized personnel and protect the physical safety of employees. This includes, but is not limited to:
 - (i) Establishing physical barriers to secure perimeter access and all points of entry (such as locking primary entrances with commercial-grade, non-

- 1 residential door locks, or providing fencing around the grounds, driveway,
2 and any secondary entrances including windows, roofs, or ventilation
3 systems);
- 4 (ii) Installing a security alarm system to notify and record incident(s) where
5 physical barriers have been breached;
- 6 (iii) Establishing an identification and sign-in/sign-out procedure for authorized
7 personnel, suppliers, and/or visitors;
- 8 (iv) Maintaining the premises such that visibility and security monitoring of the
9 premises is possible; and
- 10 (v) Establishing procedures for the investigation of suspicious activities.
- 11 (2) Prevent theft or loss of cannabis and cannabis products. This includes but is not
12 limited to:
- 13 (i) Establishing an inventory system to track cannabis material and the
14 personnel responsible for handling it;
- 15 (ii) Limiting access of personnel within the premises to those areas necessary to
16 complete job duties, and to those time-frames specifically scheduled for
17 completion of job duties;
- 18 (iii) Supervising tasks or processes with high potential for diversion (including
19 the loading and unloading of cannabis transportation vehicles); and
- 20 (iv) Providing designated areas in which personnel may store and access
21 personal items.
- 22 (3) Identification of emergency contact(s) that is/are available 24 hours/seven (7)
23 days a week including holidays. The plan shall include the name, phone number
24 and facsimile number or email address of an individual working on cannabis
25 distribution premises, to whom notice of problems associated with the
26 operation of the cannabis distribution establishment can be provided. The
27 cannabis distribution establishment shall keep this information current at all
28 times. The applicant shall make every good faith effort to encourage
29 neighborhood residents to call this designated person to resolve operating
30 problems, if any, before any calls or complaints are made to the County.
- 31 (4) The permittee shall maintain a record of all complaints and resolution of
32 complaints and provide a tally and summary of issues the annual Performance
33 Review Report.
- 34 (5) A description of fences, location of access points, and how access is controlled.
- 35 (6) Video Surveillance.

- (i) At a minimum, permitted premises shall have a complete digital video surveillance system with a minimum camera resolution of 1080 pixel. The video surveillance system shall be capable of recording all pre-determined surveillance areas in any lighting conditions.
- (ii) The video surveillance system shall be capable of supporting remote access by the permittee.
- (iii) To the extent reasonably possible, all video surveillance cameras shall be installed in a manner that prevents intentional obstruction, tampering with, and/or disabling.
- (iv) Areas that shall be recorded on the video surveillance system include, but are not limited to, the following:
- (a) The perimeter of the cannabis distribution facility.
 - (b) Areas where cannabis or cannabis products are weighed, packed, stored, quarantined, loaded and/or unloaded for transportation, prepared, or moved within the premises;
 - (c) Areas where cannabis is destroyed;
 - (d) Limited-access areas;
 - (e) Security rooms;
 - (f) Areas containing surveillance-system storage devices, in which case, at least one camera shall record the access points to such an area; and
 - (g) The interior and exterior of all entrances and exits to the cannabis distribution facility including all buildings where cannabis or cannabis products are weighed, packed, stored, quarantined, loaded and/or unloaded for transportation, prepared, or moved within the premises.
- (v) The surveillance system shall operate continuously 24 hours per day and at a minimum of 30 frames per second.
- (vi) All exterior cameras shall be waterproof, I-66 minimum.
- (vii) All interior cameras shall be moisture proof.
- (viii) Cameras shall be color capable.
- (ix) Video management software shall be capable of integrating cameras with door alarms.
- (x) Video recordings shall be digital.
- (xi) Thermal technology shall be use for perimeter fencing.
- (xii) All cameras shall include motion sensors that activates the camera when motion is detected.

- (xiii) In areas with inadequate lighting for the cameras being used, sufficient lighting shall be provided to illuminate the camera's field of vision.
- (xiv) All recording shall be located in secure rooms or areas of the premises in an access and environment-controlled environment which is separate from the room where the computer and monitoring equipment is located.
- (xv) All surveillance recordings shall be kept on the applicant's recording device or other approved location for a minimum of 30 days.
- (xvi) All video surveillance recordings are subject to inspection by the Department and shall be copied and sent, or otherwise provided, to the Department upon request.
- (xvii) The video recordings shall display the current date and time of recorded events. Time is to be measured in accordance with the U.S. National Institute Standards and Technology standards. The displayed date and time shall not significantly obstruct the view of recorded images.

(7) Fences

- (i) Loading areas including backing and maneuvering area shall be enclosed by a fence. The fence shall be a minimum of 6 feet and a maximum of 8 feet high and shall include, at a minimum, the following:
- (a) Posts set into the ground. The posts may be steel tubing, timber or concrete and may be driven into the ground or set in concrete.
- (b) End, corner or gate posts, commonly referred to as "terminal posts", must be set in concrete footing or otherwise anchored to prevent leaning under the tension of a stretched fence.
- (c) Posts set between the terminal posts shall be set at intervals not to exceed 10 feet. A top horizontal rail is required between all posts.
- (d) The fence shall be attached to the posts and top horizontal rail.
- (ii) No barbed wire, razor wire or similar design shall be used.
- (iii) The vehicle access gate shall remain closed and lock at all time except when a vehicle in entering or exiting.
- (iv) A pedestrian gate may be included provided that such a gate is secured to prevent unauthorized access.

ii) Operating Hours:

(1) Deliveries and pick-ups are restricted as follows:

- (a) Monday through Saturday: 9:00 a.m. - 7:00 p.m.
- (b) Sunday: 12:00 p.m. - 5:00 p.m.

1 iii) Protection of Minors:

2 (1) No permittee shall:

3 (a) Sell, transfer or give cannabis or cannabis products to persons under 21 years of
4 age.

5 (b) Allow any person under 21 years of age on its premises.

6 (c) Employ or retain persons under 21 years of age.

7 (2) No cannabis distributor shall be located within 1,000 feet of the following that is in
8 existence at the time the permit is issued:

9 (a) Any public or private school, grades 1 through 12,

10 (b) A developed public park containing playground equipment,

11 (c) A drug or alcohol rehabilitation facility, or

12 (d) A licensed child care or daycare facility or nursery school, church or youth-oriented
13 facility catering to or providing services primarily intended for minors.

14 The distance specified in this section shall be the horizontal distance measured in a
15 straight line from the parcel where the manufacturing facility is located to the parcel
16 where a public or private school, grades 1 through 12, a developed public park
17 containing playground equipment, a drug or alcohol rehabilitation facility, or a
18 licensed child care or daycare facility or nursery school, church or youth-oriented
19 facility catering to or providing services primarily intended for minor is located.

20 4. Permitting Process

21 i. Minor and Major Use Permits

22 (a) The applicant shall schedule and pay the fee for a pre-application conference with the
23 Department prior to the submittal of an application for a use permit. Questions
24 regarding a specific application will only be addressed at a pre-application conference.
25 No later than two weeks prior to the pre-application conference, the applicant shall
26 provide the department:

27 a. A map showing the lot of record showing where the cannabis distribution site is
28 located and the Assessor's Parcel Number (APN) for the lot of record.

29 b. A diagram of the proposed cannabis distribution facility and the site where it is
30 located including existing access, parking, and existing structures, if any,

31 c. Questions the applicant may have regarding the application form or process.

32 d. A statement as to which State license the applicant intends to submit an application.

33 (b) At the pre-application conference the Department will provide:

- a. A determination of the legal lot of record status or request additional information to make such determination. The lot of record where the cannabis manufacturing site is located is required to be a legal lot of record.
- b. A determination of current compliance of the site with the Lake County Code. Compliance with the Lake County Code is required to submit a minor or major use permit application.
- c. A response to the questions submitted with the pre-application conference application.
- d. An outline of the information required for the minor or major use permit application.

(c) Permit application supplemental information

The minor or major use permit use permit application, in addition to the requirements of Article 55, shall include the following additional information:

- a. The legal business name of the applicant entity;
- b. A list of all the types, including the license numbers of valid licenses, from the department and other cannabis licensing authorities that the applicant already holds or has applied for;
- c. The physical address of the premises;
- d. The mailing address of the applicant;
- e. A designated responsible party, who shall also be an owner, with legal authority to bind the applicant entity, and the primary contact for the application. The following information shall be provided for the designated responsible party: full legal name, title, mailing address, primary contact phone number, email address, and a copy of the owner's government-issued identification. Acceptable forms of identification are a document issued by a federal, state, county, or municipal government, including, but not limited to, a driver's license or passport, that contains the name, date of birth, physical description, and picture of the individual;
- f. An individual or entity serving as agent for service of process for the applicant. If applicable. The following information shall be provided for the agent for service of process: full legal name, mailing address, primary contact phone number, and email address;
- g. A complete list of every owner of the applicant entity. Each individual owner shall submit the following information:
 - (1) Full legal name;
 - (2) Title within the applicant entity;
 - (3) Home address;

- (4) Primary phone number;
- (5) Email address;
- (6) Date ownership interest in the applicant entity was acquired;
- (7) Percentage of the ownership interest held in the applicant entity by the owner;
- (8) A list of all the valid licenses, including license type(s) and license number(s), from the department and other cannabis licensing authorities that the owner is listed as either an owner or financial interest holder;
- (9) A copy of their government-issued identification. Acceptable forms of identification are a document issued by a federal, state, county, or municipal government that includes the name, date of birth, physical description, and picture of the person, such as a driver's license or passport.
- h. 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.
- i. Evidence that the applicant entity has the legal right to occupy and use the proposed location.
- j. Project description:
- The project description shall provide adequate information to evaluate the impacts of the proposed project and consists of three parts: a site plan, a written description section, and a property management section.
- (1) Site Plan:
- A graphic representation of the project consisting of maps, site plans, or drawings prepared by a design professional consistent with the requirements of the Department pursuant to Article 55.5 and all site standards described in Section AU.3.ii.k .
- (2) Written Description:
- A written section which shall support the graphic representations and shall, at a minimum, include:
- (i) A project description;
- (ii) The present zoning;
- (iii) A list and description of all uses shown on the site plan;
- (iv) A development schedule indicating the approximate date when construction of the project can be expected to begin and be completed for each phase of the project; including the permit phase;
- (v) A statement of the applicant's proposal for solid waste disposal

- (vi) Quantitative data for the development including but not limited to: Gross and net acreage; the approximate dimensions and location of structures for each district or area; employee statistics; support services required; traffic generation data based on anticipated uses; parking and loading requirements; and outdoor storage requirements based on anticipated uses;
- (vii) An Operations Manual describing the operating procedures of the cannabis distribution facility to ensure compliance with the use permit, protect the public health, safety and welfare, as well as the natural environment of Lake County. This sub-section shall include:
- (f) Authorization for the County, its agents, and employees, to seek verification of the information contained within minor use permit applications, the Operations Manual, and the Operating Standards at any time before or after use permits are issued;
 - (g) A description of the staff screening processes;
 - (h) The hours and days of the week when the facility will be open;
 - (i) Description of measures taken to minimize or offset the carbon footprint from operational activities; and
 - (j) Description of chemicals stored, used and any effluent discharged as a result of operational activities.
- (viii) Any other information as may be requested by the Director and/or by the Planning Commission.
- ii. Minor and Major Use Permit required findings
- In addition to the findings required for a minor (21.50.4) or major use permit (21.51.4), the following findings shall be made:
- (a) The proposed use comply with all site standards described in Section AU.3.ii.k.
 - (b) The application complies with the qualifications for a permit described in Section AU.3.ii.f.
5. Duration of Permits:
- Cannabis distribution permit duration: not to exceed ten (10) years.
6. Weights and Measures
- All permittees shall comply with the State of California Weights and Measures requirements found in the California Food and Agriculture Code, California Code of Regulations, and the California Business and Professions Code.
7. Prohibited Activities

1 (d) Odor

2 Cannabis related permits shall not propagate objectionable odors which cause injury,
3 detriment, nuisance, or annoyance to any considerable number of persons or to the
4 public, or that endanger the comfort, repose, health, or safety of any of those persons
5 or the public.

6 (e) Electrical Generators

7 Distributors shall not rely on a personal gasoline, diesel, propane, or similar fuels,
8 powered generator as a primary source of power and shall only allow properly
9 permitted (when applicable) generators for temporary use in the event of a power
10 outage or emergency that is beyond the permittee's control.

11 (f) Lights

12 Security lighting shall be motion activated and all outdoor lighting shall be shielded and
13 downcast or otherwise positioned in a manner that will not shine light or allow light
14 glare to exceed the boundaries of the lot of record upon which they are placed.

15 8. Compliance monitoring

- 16 i. A compliance monitoring inspection of the cannabis testing laboratory facility shall be
17 conducted annually.
- 18 ii. The permittee shall pay a compliance monitoring fee established by resolution of the Board
19 of Supervisors prior to the inspection.
- 20 iii. If there are no violations of the County permit or state license during the first five years, the
21 inspection frequency may be reduced by the Director to not less than once every five years.

22 9. Annual Reports

23 i. Performance Review

- 24 (a) All cannabis permittees shall submit a "Performance Review Report" on an annual basis
25 from their initial date of operation for review and approval by the Planning Commission.
26 The Planning Commission may delegate review of the annual Performance Review
27 Report to the Director at the time of the initial hearing or at any time thereafter. This
28 annual "Performance Review Report" is intended to identify the effectiveness of the
29 approved minor use permit, Property Management Plan, and conditions of approval, as
30 well as the identification and implementation of additional procedures as deemed
31 necessary. In the event the Planning Commission identifies problems with specific
32 Performance Review Report that could potentially lead to revocation of the associated
33 minor use permit, the Planning Commission may require the submittal of more frequent
34 "Performance Review Reports."
- 35 (b) Pursuant to sub-section 6. i. above, the premises shall be inspected by the Department
36 on an annual basis, or less frequently if approved by the Director. A copy of the results

1 from this inspection shall be given to the permittee for inclusion in their "Performance
2 Review Report" to the Department.

3 (c) Compliance monitoring fees pursuant to the County's adopted master fee schedule shall
4 be paid by permittee and accompany the "Performance Review Report" for costs
5 associated the review of the report by County staff.

6 (d) Non-compliance by permittee in allowing the inspection by the Department, or refusal
7 to pay the required fees, or noncompliance in submitting the annual "Performance
8 Review Report" for review by the Planning Commission shall be deemed grounds for a
9 revocation of the development permit or use permit and subject the holder of the
10 permit(s) to the penalties outlined in this Code.

11 10. Renewals

12 i. The following is required for permit renewal:

13 (a) An application for renewal shall be submitted to the Department at least 180 days prior
14 to the expiration date of the permit. Failure to submit an application for renewal by that
15 date may result in the expiration of the permit.

16 (b) Applications: Applicants shall complete an application form as prescribed by the
17 Director and pay all fees as established by resolution by the Board of Supervisors.

18 (c) The following documentation in electronic format is required for application for
19 renewal:

20 a. A copy of all licenses, permits, and conditions of such licenses or permits related to
21 the project from state agencies as appropriate.

22 b. A copy of all reports provided the County and State agencies as determined by the
23 Director.

24 c. A list of all employees on the premise during the past year and a copy of the
25 background checks certification for each.

26 d. Documentation that the applicant is still qualified to be an applicant.

27 e. Any proposed changes to the use permit or how the site will be operated.

28 f. Payment of all fees as established by resolution by the Board of Supervisors.

29 ii. The permit may be renewed if:

30 (a) Where there are no changes to the use permit or how the site will be operated:

31 a. The original permit's approval findings, conditions, or environmental certification
32 are still valid.

33 b. There are no violations of the permit conditions or of state licenses or permits.

34 c. The applicant is qualified to apply for such a permit.

- 1 (b) Where there are changes to the development or use permit or how the site will be
2 operated:
- 3 a. Such changes do not change the findings of the original permit's approval findings,
4 conditions, or environmental certification.
- 5 b. There are no violations of the permit conditions or of state licenses or permits.
- 6 c. The applicant is qualified to apply for such a permit.

7 **Section 5. Cannabis Testing Laboratory**

8 Subsection (aw) of Section 27.13 of Chapter 21 of the Lake County Code is hereby added and shall read
9 as follows:

10 (aw) Cannabis Testing Laboratory

11 1. Definitions

- 12 i. Bureau: The State of California Bureau of Cannabis Control within the Department of
13 Consumer Affairs.
- 14 ii. Cannabis: All parts of the plant *Cannabis sativa* (Linnaeus), *Cannabis indica*, or *Cannabis*
15 *ruderalis*, or any hybrid thereof, whether growing or not; the seeds thereof; the resin,
16 whether crude or purified, extracted from any part of the plant; and every compound,
17 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin.
18 "Cannabis" also means the separated resin, whether crude or purified, obtained from
19 cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced from
20 the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture,
21 salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted
22 therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of
23 germination. For the purpose of this division, "cannabis" does not mean "industrial hemp"
24 as defined by Section 11018.5 of the Health and Safety Code.
- 25 iii. Cannabis applicant: As defined by Section 26001 of the California Business and Professions
26 Code.
- 27 iv. Cannabis cooperative associations: Any cannabis cooperative that is organized pursuant to
28 Chapter 22 (commencing with Section 26229) of Division 10 of the California Business and
29 Professions Code. An association shall be deemed incorporated pursuant to that chapter or
30 organized pursuant to that chapter and shall be deemed a cultivator of a cannabis product
31 within the meaning of that chapter, if it is functioning under, or is subject to, the provisions
32 of that chapter, irrespective of whether it was originally incorporated pursuant to those
33 provisions or was incorporated under other provisions.
- 34 v. Commercial cannabis activity: includes the cultivation, possession, manufacture,
35 distribution, processing, storing, laboratory testing, packaging, labeling, transportation,
36 delivery or sale of cannabis and cannabis products for commercial purposes.

- 1 vi. Cannabis testing laboratory: A laboratory, facility, or entity in the state that offers or
2 performs tests of cannabis or cannabis products and that is both of the following:
- 3 (1) Accredited by an accrediting body that is independent from all other persons involved in
4 commercial cannabis activity in the state.
- 5 (2) Licensed by the bureau.
- 6 vii. Cannabis testing laboratory licenses:
- 7 (a) Type 8: Testing laboratory: The testing of cannabis for contaminants and concentration
8 of various chemical compounds.
- 9 viii. Cannabis product: Cannabis that has undergone a process whereby the plant material has
10 been transformed into a concentrate, including, but not limited to, concentrated cannabis,
11 or an edible or topical product containing cannabis or concentrated cannabis and other
12 ingredients.
- 13 ix. Day care: Has the same meaning as in Section 1596.76 of the California Health and Safety
14 Code.
- 15 x. Design professional: As defined in the California Civil Code, Division 4 General Provisions,
16 Part 6 Works of Improvement, Title 1 Works of Improvement Generally, Article 1 Definitions.
- 17 xi. Enforcement official: As used in this Article, shall mean the Lake County Sheriff, Community
18 Development Director, Chief Building Official, Environmental Health Director, or any other
19 official authorized to enforce local, state or federal laws.
- 20 xii. Fence: A wall or a barrier connected by boards, masonry, rails, panels, wire or any other
21 materials approved by the Community Development Department for the purpose of
22 enclosing space or separating parcels of land. The term "fence" does not include retaining
23 walls, plastic, tarp, bamboo coverings, corrugated metal, or other materials not designed or
24 manufactured for use as a fence.
- 25 xiii. Hazardous material - Hazardous material means a material that, because of its quantity,
26 concentration, or physical or chemical characteristics, poses a significant present or
27 potential hazard to human health and safety or to the environment if released into the
28 workplace or the environment or as defined in Health and Safety Code 25501.
- 29 xiv. Hazardous waste - hazardous waste means a waste that meets any of the criteria for the
30 identification of a hazardous waste adopted by the department pursuant to Health and
31 Safety Code Section 25141
- 32 xv. Hazardous waste generator: A generator is any person, by site, whose act or process
33 produces hazardous waste identified or listed in Chapter 11 of the hazardous waste
34 regulations or whose act first causes a hazardous waste to become subject to regulation
- 35 (a) Large quantity generator: Generators of 1,000 kg or more of hazardous waste per
36 month, excluding universal wastes, and/or more than 1 kg of acutely or extremely
37 hazardous per month.

- (b) Small quantity generator: Generators of less than 1,000 kg of hazardous waste per month, excluding universal wastes, and/or 1kg or less of acutely or extremely hazardous waste per month
- xvi. License: A California state license issued pursuant to the California Code of Regulations and the California Business and Professions Code.
- xvii. Medicinal cannabis: Also “medicinal cannabis product”. 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 Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician’s recommendation.
- xviii. Owner: As defined by Section 26001 of the California Business and Professions Code.
- xix. Person: 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.
- xx. Premises: The designated structure or structures and land specified in the application that is owned, leased, or otherwise held under the control of the applicant or permittee where the commercial cannabis activity will be or is conducted. The premises shall be a contiguous area.
- xxi. School: For the purpose of cannabis regulation, school means any public or private school providing instruction in kindergarten or any grades 1 to 12, inclusive, but does not include any private school in which education is primarily conducted in private homes.
- xxii. State license: A state license issued pursuant to the California Business and Professions Code.
2. Enforcement
- i. A violation of any provision of this Section or any condition of a major use permits or minor use permits is subject to the enforcement and penalties provisions of Article 61.2 Authorization of Responsibilities, Article 61.3 Arrest and Citation Powers, and 61.4 Penalties of this Chapter.
- ii. The use of land, buildings, or premises established, operated, or maintained contrary to the provisions of this subsection; any condition dangerous to human life, unsafe, or detrimental to the public health or safety; and the existence of loud or unusual noises which are not already regulated through an approved use permit, or foul or noxious odors, not already regulated by the Lake County Air Quality Management District, which offend the peace and quiet of persons of ordinary sensibilities and which interferes with the comfortable enjoyment of life or property and affect the entire neighborhood or any considerable number of persons are declared to be a nuisance subject to the enforcement procedures of Chapter 13 of the Lake County Ordinance Code.

- iii. Persons involved in unfair, dishonest, deceptive, destructive, fraudulent and discriminatory practices by which fair and honest competition is destroyed or prevented are subject to enforcement procedures of the California Unfair Practices Act (Business and Profession Code, Division 7. General Business Regulations, Part 2 Preservation and Regulation of Competition, Chapter 4. Unfair Trade Practices).
- iv. A Minor Use Permit or Major Use Permit may be revoked under the procedures set forth in section 21-60.10 Revocation of Permits.

3. Development Standards, General Requirements, and Restrictions

i. Development standards

License	Minimum Lot Size (acres)	Setback from property line	Height Limitation of structures
Type 8: "Testing laboratory"	Base Zoning	Base Zoning	Base Zoning

- (a) The Zoning Administrator or Planning Commission may consider exceptions to the development standards because of special circumstances applicable to the subject property, including size, shape, topography, location or surroundings, the strict application of the development standards of this sub-section are found to deprive subject property of privileges enjoyed by other properties in the vicinity and under identical zone classification.
- (b) Application for an exception shall be made in writing by the owner of the property; or lessee, with the written consent of the property owner on a form prescribed by the Department. The application shall be accompanied by a fee in an amount to be set by the Board of Supervisors. A plan of the details of the variance requested, other pertinent information required by the Department and evidence showing 1) that the granting of the exception will not be contrary to the intent of this sub-section or to the public safety, health and welfare, and 2) that due to special conditions or exceptional characteristics of the property, or its location, the strict application of this sub-section would result in practical difficulties and unnecessary hardships; and deprives such property of privileges enjoyed by other properties in the vicinity and identical zoning district.
- (c) A public hearing shall be held on any application for an exception. Notice of any public hearing shall be given as provided in Article 57.

- 1 (d) The Zoning Administrator or Planning Commission may only approve or conditionally
2 approve an exception if all of the following findings are made:
- 3 a. That because of special circumstances applicable to subject property, including size,
4 shape, topography, location or surroundings, the strict application of the
5 development standards of this sub-section are found to deprive subject property of
6 privileges enjoyed by other properties in the vicinity and under identical zone
7 classification;
- 8 b. That any exception granted is subject to such conditions as will assure that the
9 adjustment thereby authorized shall not constitute a grant of special privilege
10 inconsistent with the limitations upon other properties in the vicinity and district in
11 which the subject property is situate; and
- 12 c. That the granting of the exception is in accordance with the intent of this Chapter, is
13 consistent with the General Plan and will not be detrimental to the public safety,
14 health and welfare, or injurious to other properties in the vicinity.

15 ii. General Requirements

16 (a) State license and permits required.

17 A person or entity shall not engage in testing of cannabis without first obtaining a Lake
18 County minor or major use permit, a state cannabis testing laboratory license, and other
19 applicable permits.

20 (b) Notification to the Bureau of Cannabis Control

21 The Department shall notify the Bureau of Cannabis Control upon revocation of any local
22 license, permit, or authorization for a permittee to engage in commercial cannabis activity
23 within the local jurisdiction.

24 (c) Records

- 25 a. An applicant shall keep accurate records of commercial cannabis activity.
- 26 b. All records related to commercial cannabis activity as defined by the state licensing
27 authorities shall be maintained for a minimum of seven years.
- 28 c. The County may examine the books and records of an applicant and inspect the
29 premises of a permittee when the County deems necessary to perform its duties
30 under this division. All inspections shall be conducted during standard business
31 hours of the permitted facility or at any other reasonable time.
- 32 d. Applicants shall keep records identified by the County on the premises of the
33 location permitted. The County may make any examination of the records of any
34 applicant. Applicants shall also provide and deliver copies of such documents to the
35 County upon request.

e. An applicant, or its agent or employee, that refuses, impedes, obstructs, or interferes with an inspection of the premises or records of the applicant pursuant to this section, has engaged in a violation of this article.

(d) Applicant

If the applicant is other than a natural person (including general partnerships of more than one individual natural person), the applicant must provide documentation regarding the nature of the entity and the names of the individual natural persons who manage, own or control the entity. The most common entities are corporations, limited liability companies (LLCs), limited partnerships (LPs), or trusts. These entities can be multi-layered and/or interlocking, e.g. a corporation can be owned by another corporation. If that is the case, documents for those other related entities are needed until the individual natural persons who manage, own or control the entities can be identified.

a. For Corporations:

- (1) Articles of Incorporation – file stamped by the state agency where incorporated.
- (2) If not a California Corporation, the registration filed to do business in California must be stamped by the CA Secretary of State.
- (3) A list of the officers and directors of the corporation (this could be a single person).
- (4) The agent for service of process and business office address in California.
- (5) A list of the shareholders of the corporation (again, it could be a single person and the same as the officer/director). If it is a large, publicly held corporation with many shareholders, contact the Department for direction.
- (6) If a non-profit mutual benefit corporation (common under pre-MMRSA practice for cannabis operations), a list of the members instead of the shareholders.
- (7) A resolution of the board of directors authorizing the individual who will sign the application and other documents on behalf of the corporation to do so.

b. For Limited Liability Companies:

- (1) Articles of Organization – file stamped by the state agency where formed If not a California LLC, or the registration to do business in California file stamped by the CA Secretary of State.
- (2) A list of the managing member or members of the company.
- (3) The agent for service of process and business office address in California.
- (4) A list of any other members of the company.

(5) The application and other documents submitted on behalf of the LLC must be signed by a managing member.

c. For Limited Partnerships:

(1) Certificate of Limited Partnership – file stamped by the state agency where filed.

(2) If not a California LP, the registration to do business in California file must be stamped by the CA Secretary of State.

(3) The identity of the General Partner or partners.

(4) The agent for service of process and business office address in California.

(5) A list of the limited partners of the LP.

(6) The application and other documents submitted on behalf of the LP must be signed by a general partner.

d. For Trusts:

(1) The Declaration of Trust or Statement of Trust.

(2) The name and address of the Trustee or trustees.

(3) A list of the names beneficiaries of the trust with a vested interest in the property held by the trust (check with County Counsel for explanation and details if needed).

(4) The application and other documents submitted on behalf of the trust must be signed by a Trustee.

(e) Background Checks:

All applicants and employees shall undergo a background check by the Lake County Sheriff Department. An individual may fail the background check if employee 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 or permittee is otherwise suitable to be issued a license and granting the license would not compromise public safety, the sheriff shall conduct a thorough review of the nature of the crime, conviction, circumstances, and evidence of rehabilitation of the applicant, and shall evaluate the suitability of the applicant or permittee be issued a license based on the evidence found through the review. In determining which offenses are substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, the sheriff shall include, but not be limited to, the conditions described in Section 26057 of the California Business and Professions Code.

a. Application for Background Clearance for County Permit

(1) An applicant for cannabis testing laboratory permit shall do all of the following:

- (i) Require that each applicant and employee electronically submit to the Department of Justice fingerprint images and related information required by the Department of Justice for the purpose of obtaining information as to the existence and content of a record of state or federal convictions and arrests, and information as to the existence and content of a record of state or federal convictions and arrests for which the Department of Justice establishes that the person is free on bail or on his or her own recognizance, pending trial or appeal.
- (ii) The Sheriff's Office shall request from the Department of Justice subsequent notification service, as provided pursuant to Section 11105.2 of the Penal Code, for applicants.
- (iii) The applicant will be responsible to pay any fee the Department of Justice charges that is set by the Department of Justice.
- (iv) Pay any fees of the Sheriff's office as established by the Board of Supervisors.
- (f) Qualifications for a Minor or Major Use Permit:
- The County may deny a minor or major use permit (permit) or the renewal of a permit if any of the following conditions apply:
- a. If the applicant(s) fails the background check.
 - b. Failure to comply with the provisions of this chapter or any rule or regulation adopted pursuant to this chapter, including but not limited to, any requirement imposed to protect natural resources, in-stream flow, water quality, and fish and wildlife.
 - c. The applicant has failed to provide information required by the Lake County Zoning Ordinance.
- (g) The applicant, owner, or permittee 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 Lake County Sheriff finds that the applicant, owner, or permittee is otherwise suitable to be issued a permit, and granting the permit would not compromise public safety, the Lake County Sheriff shall conduct a thorough review of the nature of the crime, conviction, circumstances, and evidence of rehabilitation of the applicant or owner, and shall evaluate the suitability of the applicant, owner, or permittee to be issued a permit based on the evidence found through the review.
- (h) Property Owner's Approval:
- If the property where the cannabis activity is to be located is not owned by the applicant, written approval shall be obtained from the property owner(s), containing the

property owner(s) notarized signature that authorizes the tenant or lessee to operate a cannabis testing laboratory at the site. A copy of the written approval shall be maintained by the tenant or lessee and made available for review by enforcement officials upon request. Written approvals shall be renewed annually.

(i) Permit Type

a. Minor use permit: Type 8 Testing Laboratory State licenses.

(j) Uses Permitted:

(1) Testing of cannabis and cannabis products. Cannabis testing laboratory licensees shall have their facilities or devices licensed according to regulations set forth by the Department of Public Health.

(2) Businesses and research institutions engaged in the research of cannabis, cannabis products, or devices used for the medicinal use of cannabis products at which no commercial cannabis cultivation, distribution, manufacture, dispensing, or sale of medicinal cannabis.

(3) Business offices related to cannabis at which no cultivation, processing, storage, handling, or distribution of cannabis in any form occurs.

(4) Accessory uses related to the testing of cannabis and cannabis products.

(k) Accreditation

(1) Cannabis testing laboratory facilities shall adopt standard operating procedures using methods consistent with general requirements for the competence of testing and calibration activities, including sampling, using standard methods established by the International Organization for Standardization that are approved by an accrediting body that is a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement.

(2) The testing laboratory shall notify the Department within one business day after the receipt of notice of any kind that its accreditation has been denied, suspended, or revoked.

(l) Use Standards

a. All testing of cannabis products shall occur in an enclosed locked structure.

b. The parcel where the cannabis testing laboratory facility is located shall front and have direct access to a paved State or County maintained road.

c. Cannabis testing activities shall only occur in the areas depicted on the floor plan submitted by the applicant and shall not exceed the square footage authorized pursuant to the minor use permit.

d. If hazardous materials, flammable gas, flammable liquefied gas, flammable and combustible liquids, or other flammable material, as those terms are defined in CFC

1 Section 202, are to be used in the processing of cannabis, then the provisions of CFC
2 Section 407 shall be applicable where hazardous materials subject to permits under
3 CFC Section 50 (Hazardous Materials) are located on the premises or where
4 required by the appropriate fire district official.

- 5 e. Storage, use and handling of compressed gases in compressed gas containers,
6 cylinders, tanks, and systems, compressed gases classified as hazardous materials,
7 and the prevention, control and mitigation of dangerous conditions related to
8 storage, use, dispensing, mixing and handling of flammable and combustible liquids
9 shall comply with California Fire Code and California Building Code. Partially full
10 compressed gas containers, cylinders or tanks containing residual gases shall be
11 considered as full for the purposes of the controls required.

12 (m) Site Standards

13 a. Sign Standards

14 In addition to the sign standards of the applicable area plan and this Chapter, the
15 design shall comply with the following standards:

- 16 (1) Cannabis, cannabis-infused products, or associated products shall not be
17 displayed or clearly visible to a person from the exterior of the cannabis testing
18 laboratory facility.
- 19 (2) The cannabis testing laboratory facility shall not display on the exterior of the
20 facility advertisements for cannabis or any brand name and may only identify
21 the building by the registered name.
- 22 (3) The cannabis testing laboratory facility shall not utilize graphics related to
23 cannabis or paraphernalia on the exterior of the building in which the cannabis
24 manufacturing facility is located.

25 b. Design Standards

26 In addition to the design standards of the applicable area plan and this Chapter, the
27 design shall comply with the following standards:

- 28 (1) Auxiliary structures such as trash enclosures and storage areas should be
29 compatible with and integrated into the overall design.
- 30 (2) Containers for the recycling of recyclable products shall be accommodated
31 within trash storage areas.
- 32 (3) The height and mass of buildings shall consider the visual and physical
33 relationship to adjacent uses. A structure that dominates its environment by its
34 relative size is strongly discouraged.
- 35 (4) Facades with a high level of visual interest from both vehicular and pedestrian
36 viewpoints are encouraged.

- (5) Long unbroken building facades should be broken up with architectural details. Facades with varied front setbacks are encouraged to provide visual interest.
- (6) Rear and side wall elevations should provide building offsets and architectural details similar to the front facade.
- (7) Roof design shall allow solar panels to be integrated into the roof design, flush with the roof slope. Building orientation and shading design should minimize solar gain and maximize daylight harvesting.
- (8) Materials should be chosen to withstand abuse by vandals or accidental damage by machinery. False facades and other simulated materials and ornamentation are discouraged.
- (9) Storage containers or accessory structures shall be architecturally treated on all four exterior sides of the structure.
- (10) Storage containers or accessory structures should employ a variety of building forms, materials, colors and other architectural treatments to add visual interest.
- (11) The use of compatible colors in a single facade or composition is required. Compatible colors add interest and variety while reducing building scale and breaking up plain walls. Bright colors are prohibited.
- (12) Service and, emergency generator should be enclosed within the building structure.

c. Circulation, Parking, and Loading Standards

In addition to the circulation, parking, and loading standards of the applicable area plan and this Chapter, the design shall comply with the following standards:

- (1) Loading and service areas shall be concealed from public view and from adjoining properties by appropriately designed walls, fencing and landscaping and shall be located to the rear or sides of a building, away from the main building entrance, or related high visibility areas.
- (2) Loading areas shall be designed to accommodate backing and maneuvering onsite, not from a public street, and when occupied shall not prohibit onsite vehicular circulation.
- (3) Entrances, parking lots and pathways should be visible from streets or buildings for safety and surveillance purposes.
- (4) A cannabis testing laboratory facility shall comply with the parking standards described in Article 46 of this chapter and specifically 21-46.5 (b) b. Banking, finance, loans, law, real estate, or general administrative service.

d. Landscape Standards

1 In addition to the landscape standards of the applicable area plan and this Chapter,
2 the design shall comply with the following standards:

- 3 (1) Landscaping shall be in scale with adjacent buildings and be of an appropriate
4 size at maturity to accomplish its intended purpose.
- 5 (2) Landscaping shall be used to define areas such as entrances to buildings and
6 parking lots, provide transition between neighboring properties (buffering), and
7 provide screening for outdoor storage, loading and equipment areas.
- 8 (3) Landscaping strip 5 feet wide around the entire base of the building(s) to
9 softens the edge between the parking lot and building is required. The
10 landscape strip is not required at entrances to the building or at loading or
11 service areas building access points.
- 12 (4) Landscaping shall maintain adequate sight lines for visual safety, visibility and
13 efficient security.

14 e. Glare and Heat Standards

15 In addition to the glare and heat standards of the applicable area plan and this
16 Chapter, the design shall comply with the following standards:

- 17 (1) Lighting shall be designed to provide atmosphere, safety, and security without
18 spillover or glare onto adjacent properties and light intensity should be of
19 satisfactory quality to ensure visibility, safety, and security.

20 f. Security

- 21 (1) Prevention of access to the cannabis testing laboratory facility by unauthorized
22 personnel and protect the physical safety of employees. This includes, but is not
23 limited to:
 - 24 (i) Establishing physical barriers to secure perimeter access and all points of
25 entry (such as locking primary entrances with commercial-grade, non-
26 residential door locks, or providing fencing around the grounds, driveway,
27 and any secondary entrances including windows, roofs, or ventilation
28 systems);
 - 29 (ii) Installing a security alarm system to notify and record incident(s) where
30 physical barriers have been breached;
 - 31 (iii) Establishing an identification and sign-in/sign-out procedure for authorized
32 personnel, suppliers, and/or visitors;
 - 33 (iv) Maintaining the premises such that visibility and security monitoring of the
34 premises is possible; and
 - 35 (v) Establishing procedures for the investigation of suspicious activities.

- 1 (2) Prevent theft or loss of cannabis and cannabis products. This includes but is not
2 limited to:
- 3 (i) Establishing an inventory system to track cannabis material and the
4 personnel responsible for processing it throughout the testing process;
- 5 (ii) Limiting access of personnel within the premises to those areas necessary to
6 complete job duties, and to those time-frames specifically scheduled for
7 completion of job duties;
- 8 (iii) Supervising tasks or processes with high potential for diversion (including
9 the loading and unloading of cannabis transportation vehicles); and
- 10 (iv) Providing designated areas in which personnel may store and access
11 personal items.
- 12 (3) Identification of emergency contact(s) that is/are available 24 hours/seven (7)
13 days a week including holidays. The plan shall include the name, phone number
14 and facsimile number or email address of an individual working in cannabis
15 testing laboratory facility, to whom notice of problems associated with the
16 operation of the cannabis testing laboratory facility can be provided. The
17 cannabis testing laboratory facility shall keep this information current at all
18 times. The applicant shall make every good faith effort to encourage
19 neighborhood residents to call this designated person to resolve operating
20 problems, if any, before any calls or complaints are made to the County.
- 21 (4) The permittee shall maintain a record of all complaints and resolution of
22 complaints and provide a tally and summary of issues the annual Performance
23 Review Report.
- 24 (5) A description of fences, location of access points, and how access is controlled.
- 25 (6) Video Surveillance.
- 26 (i) At a minimum, permitted premises shall have a complete digital video
27 surveillance system with a minimum camera resolution of 1080 pixel. The
28 video surveillance system shall be capable of recording all pre-determined
29 surveillance areas in any lighting conditions.
- 30 (ii) The video surveillance system shall be capable of supporting remote access
31 by the permittee.
- 32 (iii) To the extent reasonably possible, all video surveillance cameras shall be
33 installed in a manner that prevents intentional obstruction, tampering with,
34 and/or disabling.
- 35 (iv) Areas that shall be recorded on the video surveillance system include, but
36 are not limited to, the following:
- 37 (a) The perimeter of the cannabis testing laboratory facility.

- (b) Areas where cannabis or cannabis products are weighed, stored, quarantined, loaded and/or unloaded for transportation, prepared, tested, or moved within the premises;
- (c) Areas where cannabis is destroyed;
- (d) Limited-access areas;
- (e) Security rooms;
- (f) Areas containing surveillance-system storage devices, in which case, at least one camera shall record the access points to such an area; and
- (g) The interior and exterior of all entrances and exits to the cannabis testing laboratory facility including all buildings where cannabis or cannabis products are weighed, tested, stored, quarantined, loaded and/or unloaded for transportation, prepared, or moved within the premises.
- (v) The surveillance system shall operate continuously 24 hours per day and at a minimum of 30 frames per second.
- (vi) All exterior cameras shall be waterproof, I-66 minimum.
- (vii) All interior cameras shall be moisture proof.
- (viii) Cameras shall be color capable.
- (ix) Video management software shall be capable of integrating cameras with door alarms.
- (x) Video recordings shall be digital.
- (xi) Thermal technology shall be use for perimeter fencing.
- (xii) All cameras shall include motion sensors that activates the camera when motion is detected.
- (xiii) In areas with inadequate lighting for the cameras being used, sufficient lighting shall be provided to illuminate the camera's field of vision.
- (xiv) All recording shall be located in secure rooms or areas of the premises in an access and environment-controlled environment which is separate from the room where the computer and monitoring equipment is located.
- (xv) All surveillance recordings shall be kept on the applicant's recording device or other approved location for a minimum of 30 days.
- (xvi) All video surveillance recordings are subject to inspection by the Department and shall be copied and sent, or otherwise provided, to the Department upon request.

(xvii) The video recordings shall display the current date and time of recorded events. Time is to be measured in accordance with the U.S. National Institute Standards and Technology standards. The displayed date and time shall not significantly obstruct the view of recorded images.

(7) Fences

(i) Loading areas including backing and maneuvering area shall be enclosed by a fence. The fence shall be a minimum of 6 feet and a maximum of 8 feet high and shall include, at a minimum, the following:

(a) Posts set into the ground. The posts may be steel tubing, timber or concrete and may be driven into the ground or set in concrete.

(b) End, corner or gate posts, commonly referred to as "terminal posts", must be set in concrete footing or otherwise anchored to prevent leaning under the tension of a stretched fence.

(c) Posts set between the terminal posts shall be set at intervals not to exceed 10 feet. A top horizontal rail is required between all posts.

(d) The fence shall be attached to the posts and top horizontal rail.

(ii) No barbed wire, razor wire or similar design shall be used.

(iii) The vehicle access gate shall remain closed and locked at all time except when a vehicle is entering or exiting.

(iv) A pedestrian gate may be included provided that such a gate is secured to prevent unauthorized access.

(n) Operating Hours.

(1) Deliveries and pick-ups are restricted as follows:

(a) Monday through Saturday: 9:00 a.m. - 7:00 p.m.

(b) Sunday: 12:00 p.m. - 5:00 p.m.

(o) Protection of Minors:

(1) No permittee shall:

(a) Sell, transfer or give cannabis or cannabis products to persons under 21 years of age.

(b) Allow any person under 21 years of age on its premises.

(c) Employ or retain persons under 21 years of age.

(2) No cannabis testing laboratory shall be located within 1,000 feet of the following that is in existence at the time the permit is issued:

(a) Any public or private school, grades 1 through 12,

- (b) A developed public park containing playground equipment,
- (c) A drug or alcohol rehabilitation facility, or
- (d) A licensed child care or daycare facility or nursery school, church or youth-oriented facility catering to or providing services primarily intended for minors.

The distance specified in this section shall be the horizontal distance measured in a straight line from the parcel where the manufacturing facility is located to the parcel where a public or private school, grades 1 through 12, a developed public park containing playground equipment, a drug or alcohol rehabilitation facility, or a licensed child care or daycare facility or nursery school, church or youth-oriented facility catering to or providing services primarily intended for minor is located.

4. Permitting Process

i. Minor Use Permit

- (a) The applicant shall schedule and pay the fee for a pre-application conference with the Department prior to the submittal of an application for a use permit. Questions regarding a specific application will only be addressed at a pre-application conference. No later than two weeks prior to the pre-application conference, the applicant shall provide the department:
 - a. A map showing the lot of record showing where the cannabis testing laboratory facility is located and the Assessor's Parcel Number (APN) for the lot of record.
 - b. A diagram of the proposed cannabis testing laboratory facility and the site where it is located including existing access, parking, and existing structures, if any,
 - c. Questions the applicant may have regarding the application form or process.
- (b) At the pre-application conference the Department will provide:
 - a. A determination of the legal lot of record status or request additional information to make such determination. The lot of record where the cannabis testing laboratory is located is required to be a legal lot of record.
 - b. A determination of current compliance of the site with the Lake County Code. Compliance with the Lake County Code is required to submit a minor use permit application.
 - c. A response to the questions submitted with the pre-application conference application.
 - d. An outline of the information required for the minor use permit application.
- (c) Permit application supplemental information

The minor use permit use permit application, in addition to the requirements of Article 55, shall include the following additional information:

- a. The legal business name of the applicant entity;
- b. A list of all the types, including the license numbers of valid licenses, from the department and other cannabis licensing authorities that the applicant already holds or has applied for;
- c. The physical address of the premises;
- d. The mailing address of the applicant;
- e. A designated responsible party, who shall also be an owner, with legal authority to bind the applicant entity, and the primary contact for the application. The following information shall be provided for the designated responsible party: full legal name, title, mailing address, primary contact phone number, email address, and a copy of the owner's government-issued identification. Acceptable forms of identification are a document issued by a federal, state, county, or municipal government, including, but not limited to, a driver's license or passport, that contains the name, date of birth, physical description, and picture of the individual;
- f. An individual or entity serving as agent for service of process for the applicant, if applicable. The following information shall be provided for the agent for service of process: full legal name, mailing address, primary contact phone number, and email address;
- g. A complete list of every owner of the applicant entity. Each individual owner shall submit the following information:
 - (1) Full legal name;
 - (2) Title within the applicant entity;
 - (3) Home address;
 - (4) Primary phone number;
 - (5) Email address;
 - (6) Date ownership interest in the applicant entity was acquired;
 - (7) Percentage of the ownership interest held in the applicant entity by the owner;
 - (8) A list of all the valid licenses, including license type(s) and license number(s), from the department and other cannabis licensing authorities that the owner is listed as either an owner or financial interest holder;
 - (9) A copy of their government-issued identification. Acceptable forms of identification are a document issued by a federal, state, county, or municipal government that includes the name, date of birth, physical description, and picture of the person, such as a driver's license or passport.

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

3 i. Project description:

4 The project description shall provide adequate information to evaluate the impacts
5 of the proposed project and consists of three parts: a site plan, a written description
6 section, and a property management section.

7 (3) Site Plan:

8 A graphic representation of the project consisting of maps, site plans, or
9 drawings prepared by a design professional consistent with the requirements of
10 the Department pursuant to Article 55.5 and all use standards described in
11 Section AW.3.ii.I and site standards described in Section AW.3.ii.M.

12 (4) Written Description:

13 A written section which shall support the graphic representations and shall, at a
14 minimum, include:

15 (i) A project description;

16 (ii) The present zoning;

17 (iii) A list and description of all uses shown on the site plan;

18 (iv) A development schedule indicating the approximate date when
19 construction of the project can be expected to begin and be completed for
20 each phase of the project; including the permit phase;

21 (v) A statement of the applicant's proposal for solid waste disposal

22 (vi) Quantitative data for the development including but not limited to: Gross
23 and net acreage; the approximate dimensions and location of structures for
24 each district or area; employee statistics; support services required; traffic
25 generation data based on anticipated uses; parking and loading
26 requirements; and outdoor storage requirements based on anticipated
27 uses;

28 (vii) An Operations Manual describing the operating procedures of the cannabis
29 testing laboratory site to ensure compliance with the use permit, protect
30 the public health, safety and welfare, as well as the natural environment of
31 Lake County. This sub-section shall include

32 (k) Authorization for the County, its agents, and employees, to seek
33 verification of the information contained within minor use permit
34 applications, the Operations Manual, and the Operating Standards at
35 any time before or after use permits are issued;

36 (l) A description of the staff screening processes;

- (m) The hours and days of the week when the facility will be open;
- (n) Description of measures taken to minimize or offset the carbon footprint from operational activities; and
- (o) Description of chemicals stored, used and any effluent discharged as a result of operational activities.
- (viii) Any other information as may be requested by the Director and/or by the Planning Commission.

ii. Minor Use Permit required findings

In addition to the findings required for a minor (21.50.4), the following findings shall be made:

- (a) The proposed use comply with all use standards described in Section AW.3.ii.l.
- (b) The proposed use comply with all site standards described in Section AW.3.ii.m.
- (c) The application complies with the qualifications for a permit described in Section AW.3.ii.f.

5. Duration of Permits:

Cannabis testing laboratory permit duration: not to exceed ten (10) years.

6. Weights and Measures

All permittees shall comply with the State of California Weights and Measures requirements found in the California Food and Agriculture Code, California Code of Regulations, and the California Business and Professions Code.

7. Prohibited Activities

(g) Odor

Cannabis related permits shall not propagate objectionable odors which cause injury, detriment, nuisance, or annoyance to any considerable number of persons or to the public, or that endanger the comfort, repose, health, or safety of any of those persons or the public.

(h) Electrical Generators

Testing laboratories shall not rely on a personal gasoline, diesel, propane, or similar fuels, powered generator as a primary source of power and shall only allow properly permitted (when applicable) generators for temporary use in the event of a power outage or emergency that is beyond the permittee's control.

(i) Lights

1 Security lighting shall be motion activated and all outdoor lighting shall be shielded and
2 downcast or otherwise positioned in a manner that will not shine light or allow light
3 glare to exceed the boundaries of the lot of record upon which they are placed.

- 4 (j) A testing permittee shall not hold a license in another license category of this article and
5 shall not own or have ownership interest in a non-testing cannabis facility licensed
6 pursuant to this article.

7 8. Compliance monitoring

- 8 i. A compliance monitoring inspection of the cannabis testing laboratory facility shall be
9 conducted annually.
- 10 ii. The permittee shall pay a compliance monitoring fee established by resolution of the Board
11 of Supervisors prior to the inspection.
- 12 iii. If there are no violations of the County permit or state license during the first five years, the
13 inspection frequency may be reduced by the Director to not less than once every five years.

14 9. Annual Reports

15 i. Performance Review

- 16 (a) All cannabis permittees shall submit a "Performance Review Report" on an annual basis
17 from their initial date of operation for review and approval by the Planning Commission.
18 The Planning Commission may delegate review of the annual Performance Review
19 Report to the Director at the time of the initial hearing or at any time thereafter. This
20 annual "Performance Review Report" is intended to identify the effectiveness of the
21 approved minor use permit, Property Management Plan, and conditions of approval, as
22 well as the identification and implementation of additional procedures as deemed
23 necessary. In the event the Planning Commission identifies problems with specific
24 Performance Review Report that could potentially lead to revocation of the associated
25 minor use permit, the Planning Commission may require the submittal of more frequent
26 "Performance Review Reports."

- 27 (b) Pursuant to sub-section 6. i. above, the premises shall be inspected by the Department
28 on an annual basis, or less frequently if approved by the Director. A copy of the results
29 from this inspection shall be given to the permittee for inclusion in their "Performance
30 Review Report" to the Department.

- 31 (c) Compliance monitoring fees pursuant to the County's adopted master fee schedule shall
32 be paid by permittee and accompany the "Performance Review Report" for costs
33 associated the review of the report by County staff.

- 34 (d) Non-compliance by permittee in allowing the inspection by the Department, or refusal
35 to pay the required fees, or noncompliance in submitting the annual "Performance
36 Review Report" for review by the Planning Commission shall be deemed grounds for a

1 revocation of the development permit or use permit and subject the holder of the
2 permit(s) to the penalties outlined in this Code.

3 10. Renewals

4 i. The following is required for permit renewal:

5 (a) An application for renewal shall be submitted to the Department at least 180 days prior
6 to the expiration date of the permit. Failure to submit an application for renewal by that
7 date may result in the expiration of the permit.

8 (b) Applications: Applicants shall complete an application form as prescribed by the
9 Director and pay all fees as established by resolution by the Board of Supervisors.

10 (c) The following documentation in electronic format is required for application for
11 renewal:

12 a. A copy of all licenses, permits, and conditions of such licenses or permits related to
13 the project from state agencies as appropriate.

14 b. A copy of all reports provided the County and State agencies as determined by the
15 Director.

16 c. A list of all employees on the premise during the past year and a copy of the
17 background checks certification for each.

18 d. Documentation that the applicant is still qualified to be an applicant.

19 e. Any proposed changes to the use permit or how the site will be operated.

20 f. Payment of all fees as established by resolution by the Board of Supervisors.

21 (d) The permit may be renewed if:

22 a. Where there are no changes to the use permit or how the site will be operated:

23 (1) The original permit's approval findings, conditions, or environmental
24 certification are still valid.

25 (2) There are no violations of the permit conditions or of state licenses or permits.

26 (3) The applicant is qualified to apply for such a permit.

27 b. Where there are changes to the development or use permit or how the site will be
28 operated:

29 (1) Such changes do not change the findings of the original permit's approval
30 findings, conditions, or environmental certification.

31 (2) There are no violations of the permit conditions or of state licenses or permits.

32 (3) The applicant is qualified to apply for such a permit.
33

1 **Section 6:** Section 27.11, Table B Revisions

2 Section 27.11, Table B is amended by inserting the following at the bottom of the table:

Table B																					
	APZ	A	TPZ	RL	RR	SR	R1	R2	R3	C1	C2	C3	CR	CH	M1	M2	MP	PDR	PDC	W	U
(au) Type N and Type P State licenses											○	○			○	○			○		
(au) M _ Type 6. A – Type 6, M – Type 7, and A – Type 7	●	●	●	●	●	●						●			●	●			●		
(av) M - Type 11: Distributor, A - Type 11: Distributor,												●			●	●			●		
(av) M - Type 13: Distributor Transport Only, A - Type 13: Distributor Transport Only											●	●			●	●			●		
(av) M - Type 13: Distributor Transport Only, Self-distribution, and A - Type 13: Distributor Transport Only, Self-distribution	○	○	○	○	○	○					○	○			○	○			○		
(av) Processor	●	●	●	●																	
(aw) Type 8: Testing laboratory											○	○			○	○			○		

3

1 **Section 7:** Section 21.27.3 (at) 3.ii.(e) of the Zoning Ordinance is amended as follows:

2 (e) Background Checks:

3 All applicants and employees shall undergo a background check by the Lake County
4 Sheriff Department. An individual may fail the background check if employee has been
5 convicted of an offense that is substantially related to the qualifications, functions, or
6 duties of the business or profession for which the application is made, except that if the
7 sheriff determines that the applicant or permittee is otherwise suitable to be issued a
8 license and granting the license would not compromise public safety, the sheriff shall
9 conduct a thorough review of the nature of the crime, conviction, circumstances, and
10 evidence of rehabilitation of the applicant, and shall evaluate the suitability of the
11 applicant or permittee be issued a license based on the evidence found through the
12 review. In determining which offenses are substantially related to the qualifications,
13 functions, or duties of the business or profession for which the application is made, the
14 sheriff shall include, but not be limited to, the conditions described in Section 26057 of
15 the California Business and Professions Code.

16 a. Application for Background Clearance for County Permit

17 (1) An applicant for commercial cannabis cultivation permit shall do all of the
18 following:

19 (i) ~~Require that each applicant e~~Electronically submit to the Department of
20 Justice fingerprint images and related information required by the
21 Department of Justice for the purpose of obtaining information as to the
22 existence and content of a record of state or federal convictions and arrests,
23 and information as to the existence and content of a record of state or
24 federal convictions and arrests for which the Department of Justice
25 establishes that the person is free on bail or on his or her own recognizance,
26 pending trial or appeal.

27 (ii) The Sheriff's Office shall request from the Department of Justice subsequent
28 notification service, as provided pursuant to Section 11105.2 of the Penal
29 Code, for applicants.

30 (iii) The applicant will be responsible to pay any fee the Department of Justice
31 charges that is set by the Department of Justice ~~and sufficient to cover the~~
32 ~~reasonable cost of processing the requests described in this paragraph.~~

33 (iv) Pay any fees of the Sheriff's Office as established by the Board of
34 Supervisors.

35 **Section 8:** Section 21.27.3 (at) 3.ii.(f) of the Zoning Ordinance is amended as follows:

36 (f) Qualifications for a Minor or Major Use Permit:

The County may deny a minor or major use permit (permit) or the renewal of a permit if any of the following conditions apply:

- b. If the applicant(s) fails the background check.
- c. Failure to comply with the provisions of this chapter or any rule or regulation adopted pursuant to this chapter, including but not limited to, any requirement imposed to protect natural resources, in-stream flow, water quality, and fish and wildlife.
- d. The applicant has failed to provide information required by the Lake County Zoning Ordinance.

Section 9: Section 21.27.3 (at) 3.v. of the Zoning Ordinance is amended as follows:

v. Commercial Cannabis Cultivation Exclusion Areas

Commercial cannabis cultivation is prohibited in the following areas:

- (a) Within any of the following that is in existence at the time the permit is issued:
 - a. Community Growth Boundary as described in the Lake County General Plan,
 - b. SOS combining district,
 - c. Public lands,
 - d. A water service sphere of influence,
 - e. An incorporated city sphere of influence,
 - f. Any public or private school, grades 1 through 12,
 - g. A developed public park containing playground equipment,
 - h. A drug or alcohol rehabilitation facility, or
 - i. A licensed child care facility or nursery school, church or youth-oriented facility catering to or providing services primarily intended for minors.
- (b) Within 1,000 feet of the following that is in existence at the time the permit is issued:
 - a. Any public or private school, grades 1 through 12,
 - b. A developed public park containing playground equipment,
 - c. A drug or alcohol rehabilitation facility, ~~or~~
 - d. A licensed child care or daycare facility or nursery school, church or youth-oriented facility catering to or providing services primarily intended for minors₂,
 - e. A Community Growth Boundary as described in the Lake County General Plan,
 - f. A water service sphere of influence,
 - g. Federal Indian Trust Lands, or
 - h. Incorporated city sphere of influence₂

- 1 (c) The distance specified in this section shall be:
- 2 a. The horizontal distance measured in a straight line from a Community Growth
- 3 Boundary, a water service or incorporated city sphere of influence, or the boundary
- 4 of a Federal Indian Trust Lands to the boundaries of the parcel where the commercial
- 5 cannabis cultivation site is located, or
- 6 b. The horizontal distance measured in a straight line distance from the parcel where a
- 7 public or private school, grades 1 through 12, a developed public park containing
- 8 playground equipment, a drug or alcohol rehabilitation facility, or a licensed child
- 9 care or daycare facility or nursery school, church or youth-oriented facility catering
- 10 to or providing services primarily intended for minors to the boundaries of the
- 11 parcel where the commercial cannabis cultivation site is located.
- 12 (d) Within areas designated as prime farmland, farmland of statewide importance, unique
- 13 farmland, and farmland of local importance as depicted on Lake County Important
- 14 Farmland 2016 prepared by the State of California Department of Conservation
- 15 Farmland Mapping and Monitoring Program commercial cannabis cultivation shall be
- 16 limited to indoor, mixed light, and greenhouses that are equipped with filtrations
- 17 systems that prevents the movement of odors, pesticides, and other air borne
- 18 contaminants out of or into the structure. The permitting authority may allow outdoor
- 19 cultivation outside a greenhouse if the prime farmland, farmland of statewide
- 20 importance, unique farmland, and farmland of local importance are isolated areas that
- 21 are not connected to a large system of such lands.

22 **Section 10:** Section 21.27.3 (at) 8 of the Zoning Ordinance is amended as follows:

23 11. Renewals

24 ii. The following is required for permit renewal:

- 25 (a) An application for renewal shall be submitted to the Department at least 180 days prior
- 26 to the ~~annual anniversary~~ expiration date of the permit. Failure to submit an application
- 27 for renewal by that date may result in the expiration of the permit.

28 **Section 11:** Program Review. After a period of approximately 12 months from the time this Ordinance

29 becomes effective, the Board of Supervisors shall set a public hearing during a regularly-scheduled

30 meeting of that Board to review the impacts, if any, of this Ordinance and consider any recommended

31 modifications thereto.

32 **Section 12:** Sunset. This Ordinance shall sunset 18 months after its effective date if for any reason the

33 existing cannabis tax ordinance adopted by the voters of Lake County in 2016 is rendered ineffective and

34 no alternative cannabis tax ordinance has been approved by the voters of the County of Lake.

35 **Section 13:** Conflict. All ordinances or resolutions in conflict herewith are hereby repealed to the extent

36 of such conflict and no further.

Section 14: CEQA. The Board of Supervisors independently finds and determines that this action is exempt from CEQA pursuant to Business and Professions Code section 26055(h) for the adoption of an ordinance, rule, or regulation by a local jurisdiction that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity where the discretionary review in any such law, ordinance, rule, or regulation includes any applicable environmental review pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code; and, under Section 15061(b)(3) of the CEQA Guidelines, as an activity that is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The general exemption applies in this instance because it can be seen with certainty that there is no possibility that the proposed amendments could have a significant effect on the environment, and thus are not subject to CEQA. Thus, it can be seen with certainty that the proposed project would not have a significant effect on the environment.

Section 15. Severability. If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the Ordinance, including the application of such part or provision to other persons or circumstances shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this Ordinance are severable. The Board of Supervisors hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid, or unenforceable.

Section 16: Effective Date. This ordinance shall take effect on the ____ day of _____, 2018 and within fifteen (15) days after adoption of the ordinance, the Clerk to the Board of Supervisors shall publish a summary of the ordinance with the names of those supervisors voting for and against the ordinance and the clerk shall post in the office of the Clerk to the Board of Supervisors a certified copy of the full text of the adopted ordinance along with the names of those supervisors voting for and against the ordinance.

The Foregoing ordinance was introduced before the Board of Supervisors on the ____ day of _____, 2018, and passed by the following vote on the ____ day of _____ 2018.

AYES:

NOES:

ABSENT OR NOT VOTING:

COUNTY OF LAKE

Attest: Carol J. Huchingson

APPROVED AS TO FORM:

Clerk of the Board of Supervisors

ANITA L. GRANT

By:

By:

1 Deputy

2

3

DRAFT