

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**  
4           **CODE PERTAINING TO CANNABIS MANUFACTURING, DISTRIBUTION, AND**  
5           **TESTING**

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

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

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

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

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

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

35       **WHEREAS, Senate Bill 94 (MAUCRSA) creates a comprehensive state licensing system for**  
36       **the commercial cultivation, manufacture, transport, testing, distribution, retail sale and**

1 delivery of medical and adult-use cannabis. A local permit for the activity is required in  
2 order to obtain a state license; and

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

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

8 **Section 1:** Purpose and Intent

9 A. It is the purpose of this ordinance to implement State law by providing a means for regulating  
10 the commercial manufacturing, distribution, and testing of cannabis products in a manner that  
11 is consistent with State law and which balances the needs of consumers of cannabis and  
12 promotes the health, safety and welfare of the residents and businesses within the  
13 unincorporated territory of the County of Lake. This ordinance is intended to be consistent  
14 with Assembly Bill 133, Assembly Bill 243, Assembly Bill 266, Senate Bill 643, Senate Bill  
15 94 and Proposition 64, and toward that end, is not intended to prohibit persons from  
16 individually, collectively, or cooperatively exercising any right otherwise granted by State law.  
17 Rather, the intent and purpose of this ordinance is to establish reasonable regulations upon the  
18 manner in which cannabis products may be manufactured, distributed, and tested in order to  
19 protect the public peace, health, safety, welfare and environment in Lake County and that is in  
20 conformance with the provisions of California Business and Professions Code, Health and  
21 Safety Code, and other provisions of State Law. It is also the intent of the Board of Supervisors  
22 that nothing in this Article shall be construed to allow persons to engage in conduct that  
23 endangers others or causes a public nuisance.

24 B. Nothing in this Ordinance shall be construed to allow any activity relating to the  
25 manufacturing, distribution, and testing cannabis products otherwise illegal under State law.  
26 No provision of this Ordinance shall be deemed a defense or immunity to any action brought  
27 against any person by the Lake County District Attorney, the Attorney General of the State of  
28 California, or the United States of America.

29 C. Nothing in this Ordinance is intended, nor shall it be construed, to exempt the manufacturing,  
30 distribution, and testing cannabis products from compliance with all other applicable  
31 provisions of the Lake County Code.

32 D. Nothing in this ordinance is intended, nor shall it be construed, to exempt the manufacturing,  
33 distribution, and testing cannabis products from any and all applicable local and state  
34 construction, grading, electrical, plumbing, land use, water rights, waste water discharge,  
35 streambed alterations, or any other environmental, building, or land use standards or permitting  
36 requirements.

**Section 2:** Applicability

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

**Section 3:** Subsection (au) of Section 27.11 Table B of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

“(au) Type N and P Cannabis Manufacturing License”

A open dot shall be inserted in the “C2, C3, M1, M2, and PDC” columns

**Section 4:** Subsection (av) of Section 27.11 Table B of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

“(av) Type 6 Non-Volatile Cannabis Manufacturing License”

A solid dot shall be inserted in the “APZ, A, TPZ, C3, M1, M2, and PDC” columns

**Section 5:** Subsection (aw) of Section 27.11 Table B of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

“(aw) Type 7 Volatile Cannabis Manufacturing License”

A solid dot shall be inserted in the “M2” column

**Section 6:** Subsection (ax) of Section 27.11 Table B of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

“(ax) Type 11 Cannabis Distributor License”

A solid dot shall be inserted in the “C3, M1, M2, and PDC” columns

**Section 7:** Subsection (ay) of Section 27.11 Table B of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

“(ay) Type 13 Cannabis Distributor Transport Only License”

A solid dot shall be inserted in the “C2, C3, M1, M2, and PDC” columns

**Section 8:** Subsection (az) of Section 27.11 Table B of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

“(az) Type 13 Cannabis Distributor Transport Only, Self -Distribution License”

A open dot shall be inserted in the “APZ, A, TPZ, RL, RR, SR, C2, C3, M1, M2, and PDC” columns

**Section 9:** Subsection (aaa) of Section 27.11 Table B of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

“(aaa) Cannabis Processor License”

A solid dot shall be inserted in the “APZ, A, TPZ, and RL” columns

**Section 10:** Subsection (aab) of Section 27.11 Table B of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

“(aab) Type 8 Cannabis Testing Laboratory”

A open dot shall be inserted in the “C2, C3, M1, M2 AND PDC” columns

**Section 11.** Subsection (au) of Section 27.3 of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

“(au) Type N and Type P Cannabis Manufacturing Licenses:

1. A person or entity shall not engage in manufacturing of cannabis without first obtaining a Lake County minor or major use permit, a state cannabis license, and other applicable permits.
2. The Department shall notify the Bureau of Cannabis Control or its successor agency upon revocation of any local license, permit, or authorization for a permittee to engage in commercial cannabis activity within the local jurisdiction.
3. The parcel where the cannabis manufacturing facility is located shall front and have direct access to a paved State or County maintained road.
4. Records
  - i. An applicant shall keep accurate records of commercial cannabis activity.
  - ii. All records related to commercial cannabis activity as defined by the state licensing authorities shall be maintained for a minimum of seven years.
  - iii. 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.
  - iv. 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.

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

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

15 i. For Corporations: Articles of Incorporation – file stamped by the state  
16 agency where incorporated. If not a California Corporation, the  
17 registration filed to do business in California must be stamped by the  
18 CA Secretary of State. A list of the officers and directors of the  
19 corporation (this could be a single person). The agent for service of  
20 process and business office address in California. A list of the  
21 shareholders of the corporation (again, it could be a single person and  
22 the same as the officer/director). If it is a large, publicly held  
23 corporation with many shareholders, contact the Department for  
24 direction. If a non-profit mutual benefit corporation (common under  
25 pre-MMRSA practice for cannabis operations), a list of the members  
26 instead of the shareholders. A resolution of the board of directors  
27 authorizing the individual who will sign the application and other  
28 documents on behalf of the corporation to do so.

29 ii. For Limited Liability Companies: Articles of Organization – file  
30 stamped by the state agency where formed If not a California LLC, or  
31 the registration to do business in California file stamped by the CA  
32 Secretary of State. A list of the managing member or members of the  
33 company. The agent for service of process and business office address  
34 in California. A list of any other members of the company. The  
35 application and other documents submitted on behalf of the LLC must  
36 be signed by a managing member.

37 iii. For Limited Partnerships: Certificate of Limited Partnership – file  
38 stamped by the state agency where filed. If not a California LP, the  
39 registration to do business in California file must be stamped by the

1 CA Secretary of State. The identity of the General Partner or partners.  
2 The agent for service of process and business office address in  
3 California. A list of the limited partners of the LP. The application and  
4 other documents submitted on behalf of the LP must be signed by a  
5 general partner.

6 iv. For Trusts: The Declaration of Trust or Statement of Trust – The name  
7 and address of the Trustee or trustees. A list of the names beneficiaries  
8 of the trust with a vested interest in the property held by the trust (check  
9 with County Counsel for explanation and details if needed). The  
10 application and other documents submitted on behalf of the trust must  
11 be signed by a Trustee.

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

28 7. Application for Background Clearance for County Permit: An applicant  
29 for cannabis distribution permit shall do all of the following:

30 i. Require that each applicant and employee electronically submit to the  
31 Department of Justice fingerprint images and related information  
32 required by the Department of Justice for the purpose of obtaining  
33 information as to the existence and content of a record of state or  
34 federal convictions and arrests, and information as to the existence and  
35 content of a record of state or federal convictions and arrests for which  
36 the Department of Justice establishes that the person is free on bail or  
37 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.
8. 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:
  - i. If the applicant(s) fails the background check.
  - ii. 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.
  - iii. The applicant has failed to provide information required by the Lake County Zoning Ordinance.
9. 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.
10. 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 conduct cannabis manufacturing or processor activities of cannabis 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.

11. Sign Standards: In addition to the sign standards of the applicable area plan and this Chapter, the design shall comply with the following standards:
- i. 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.
  - ii. The 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.
  - iii. The facility shall not utilize graphics related to cannabis or paraphernalia on the exterior of the building in which the cannabis manufacturing facility is located.
12. Design Standards: In addition to the design standards of the applicable area plan and this Chapter, the design shall comply with the following standards:
- i. Auxiliary structures such as trash enclosures and storage areas should be compatible with and integrated into the overall design.
  - ii. Containers for the recycling of recyclable products shall be accommodated within trash storage areas.
  - iii. The height and mass of buildings shall consider the visual and physical relationship to adjacent uses. A structure that dominates its environment by its relative size is strongly discouraged.
  - iv. Facades with a high level of visual interest from both vehicular and pedestrian viewpoints are encouraged.
  - v. Long unbroken building facades should be broken up with architectural details. Facades with varied front setbacks are encouraged to provide visual interest.
  - vi. Rear and side wall elevations should provide building offsets and architectural details similar to the front facade.
  - vii. 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.
  - viii. Materials should be chosen to withstand abuse by vandals or accidental damage by machinery. False facades and other simulated materials and ornamentation are discouraged.

- ix. Storage containers or accessory structures shall be architecturally treated on all four exterior sides of the structure.
- x. Storage containers or accessory structures should employ a variety of building forms, materials, colors and other architectural treatments to add visual interest.
- xi. 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.
- xii. Service and, emergency generator should be enclosed within the building structure.

13. 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:

- i. 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.
- ii. 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.
- iii. Entrances, parking lots and pathways should be visible from streets or buildings for safety and surveillance purposes.
- iv. 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.

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

- i. Landscaping shall be in scale with adjacent buildings and be of an appropriate size at maturity to accomplish its intended purpose.
- ii. 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.
- iii. Landscaping strip 5 feet wide around the entire base of the building(s) to soften the edge between the parking lot and building is required. The

1 landscape strip is not required at entrances to the building or at loading  
2 or service areas building access points.

- 3 iv. Landscaping shall maintain adequate sight lines for visual safety,  
4 visibility and efficient security.

5 15. Glare and Heat Standards: In addition to the glare and heat standards of  
6 the applicable area plan and this Chapter, the design shall comply with the  
7 following standards:

- 8 i. Lighting shall be designed to provide atmosphere, safety, and security  
9 without spillover or glare onto adjacent properties and light intensity  
10 should be of satisfactory quality to ensure visibility, safety, and  
11 security.

12 16. Security: Prevention of access to the site by unauthorized personnel and  
13 protect the physical safety of employees. This includes, but is not limited  
14 to:

- 15 i. Establishing physical barriers to secure perimeter access and all points  
16 of entry (such as locking primary entrances with commercial-grade,  
17 non-residential door locks, or providing fencing around the grounds,  
18 driveway, and any secondary entrances including windows, roofs, or  
19 ventilation systems);  
20 ii. Installing a security alarm system to notify and record incident(s)  
21 where physical barriers have been breached;  
22 iii. Establishing an identification and sign-in/sign-out procedure for  
23 authorized personnel, suppliers, and/or visitors;  
24 iv. Maintaining the premises such that visibility and security monitoring  
25 of the premises is possible; and  
26 v. Establishing procedures for the investigation of suspicious activities.

27 17. Prevent theft or loss of cannabis and cannabis products. This includes but  
28 is not limited to:

- 29 i. Establishing an inventory system to track cannabis material and the  
30 personnel responsible for processing it throughout the manufacturing  
31 process;  
32 ii. Limiting access of personnel within the premises to those areas  
33 necessary to complete job duties, and to those time-frames specifically  
34 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.
18. 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.
19. 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.
20. A description of fences, location of access points, and how access is controlled.
21. Video Surveillance: 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.
- i. The video surveillance system shall be capable of supporting remote access by the permittee.
  - ii. To the extent reasonably possible, all video surveillance cameras shall be installed in a manner that prevents intentional obstruction, tampering with, and/or disabling.
  - iii. Areas that shall be recorded on the video surveillance system include, but are not limited to, the following: The perimeter of the cannabis manufacturing facility; Areas where cannabis or cannabis products are weighed, packed, stored, quarantined, loaded and/or unloaded for transportation, prepared, or moved within the premises; Areas where cannabis is destroyed; Limited-access areas; Security rooms; Areas containing surveillance-system storage devices, in which case, at least one camera shall record the access points to such an area; and The

- interior and exterior of all entrances and exits to the cannabis manufacturing 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.
- iv. The surveillance system shall operate continuously 24 hours per day and at a minimum of 30 frames per second.
  - v. All exterior cameras shall be waterproof, I-66 minimum.
  - vi. All interior cameras shall be moisture proof.
  - vii. Cameras shall be color capable.
  - viii. Video management software shall be capable of integrating cameras with door alarms.
  - ix. Video recordings shall be digital.
  - x. Thermal technology shall be use for perimeter fencing.
  - xi. All cameras shall include motion sensors that activates the camera when motion is detected.
  - xii. In areas with inadequate lighting for the cameras being used, sufficient lighting shall be provided to illuminate the camera's field of vision.
  - xiii. 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.
  - xiv. All surveillance recordings shall be kept on the applicant's recording device or other approved location for a minimum of 30 days.
  - xv. 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.
  - xvi. 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.
22. Fences: 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: 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. End, corner

1 or gate posts, commonly referred to as "terminal posts", must be set in  
2 concrete footing or otherwise anchored to prevent leaning under the  
3 tension of a stretched fence. Posts set between the terminal posts shall be  
4 set at intervals not to exceed 10 feet. A top horizontal rail is required  
5 between all posts. The fence shall be attached to the posts and top  
6 horizontal rail.

- 7 i. No barbed wire, razor wire or similar design shall be used.
- 8 ii. The vehicle access gate shall remain closed and locked at all time  
9 except when a vehicle is entering or exiting.
- 10 iii. A pedestrian gate may be included provided that such a gate is secured  
11 to prevent unauthorized access.

12 23. Operating Hours: Deliveries and pick-ups are restricted as follows:  
13 Monday through Saturday: 9:00 a.m. - 7:00 p.m. Sunday: 12:00 p.m. -  
14 5:00 p.m.

15 24. Protection of Minors: No permittee shall: Sell, transfer or give cannabis  
16 or cannabis products to persons under 21 years of age. Allow any person  
17 under 21 years of age on its premises or, where a cannabis manufacturing  
18 permit is associated with a cannabis manufacturing site, within cannabis  
19 manufacturing building or the fenced area around a processor facility.  
20 Employ or retain persons under 21 years of age.

21 25. No cannabis manufacturing shall be located within 1,000 feet of the  
22 following that is in existence at the time the permit is issued: Any public  
23 or private school, grades K through 12; a developed public park  
24 containing playground equipment; a drug or alcohol rehabilitation  
25 facility; or a licensed child care or daycare facility or nursery school,  
26 church or youth-oriented facility catering to or providing services  
27 primarily intended for minors.

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

36 26. Permitting Process: The applicant shall schedule and pay the fee for a pre-  
37 application conference with the Department prior to the submittal of an  
38 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:

- i. A map showing the lot of record showing where the cannabis manufacturing site is located and the Assessor's Parcel Number (APN) for the lot of record.
- ii. A diagram of the proposed cannabis manufacturing facility and the site where it is located including existing access, parking, and existing structures, if any.
- iii. Questions the applicant may have regarding the application form or process.
- iv. A statement as to which State license the applicant intends to submit an application.

27. At the pre-application conference the Department will provide:

- i. 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.
- ii. 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.
- iii. A response to the questions submitted with the pre-application conference application.
- iv. An outline of the information required for the minor or major use permit application.

28. 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:

- i. The legal business name of the applicant entity;
- ii. 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;
- iii. The physical address of the premises;
- iv. The mailing address of the applicant;

- v. 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;
- vi. 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;
- vii. A complete list of every owner of the applicant entity. Each individual owner shall submit the following information: Full legal name; Title within the applicant entity; Home address; Primary phone number; Email address; Date ownership interest in the applicant entity was acquired; Percentage of the ownership interest held in the applicant entity by the owner; 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;
- viii. 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;
- ix. 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;
- x. Evidence that the applicant entity has the legal right to occupy and use the proposed location;
- xi. 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;

- xii. Written Description: A written section which shall support the graphic representations and shall, at a minimum, include: A project description; The present zoning; A list and description of all uses shown on the site plan; 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; A statement of the applicant's proposal for solid waste disposal. 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;
- xiii. 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: 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; A description of the staff screening processes; The hours and days of the week when the facility will be open; Description of measures taken to minimize or offset the carbon footprint from operational activities; and Description of chemicals stored, used and any effluent discharged as a result of operational activities. Any other information as may be requested by the Director and/or by the Planning Commission.
29. Duration of Permits: not to exceed ten (10) years.
30. 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.
31. Prohibited Activities:
- i. 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.
- ii. Electrical Generators: Manufactures shall not rely on a personal gasoline, diesel, propane, or similar fuels, powered generator as a

1 primary source of power and shall only allow properly permitted (when  
2 applicable) generators for temporary use in the event of a power outage  
3 or emergency that is beyond the permittee's control.

- 4 iii. Lights: Security lighting shall be motion activated and all outdoor  
5 lighting shall be shielded and downcast or otherwise positioned in a  
6 manner that will not shine light or allow light glare to exceed the  
7 boundaries of the lot of record upon which they are placed.

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

15 33. Annual Reports: Performance Review

- 16 i. All cannabis permittees shall submit a "Performance Review Report"  
17 on an annual basis from their initial date of operation for review and  
18 approval by the Planning Commission. The Planning Commission may  
19 delegate review of the annual Performance Review Report to the  
20 Director at the time of the initial hearing or at any time thereafter. This  
21 annual "Performance Review Report" is intended to identify the  
22 effectiveness of the approved minor use permit, Property Management  
23 Plan, and conditions of approval, as well as the identification and  
24 implementation of additional procedures as deemed necessary. In the  
25 event the Planning Commission identifies problems with specific  
26 Performance Review Report that could potentially lead to revocation  
27 of the associated minor use permit, the Planning Commission may  
28 require the submittal of more frequent "Performance Review Reports."
- 29 ii. Pursuant to sub-section 6. i. above, the premises shall be inspected by  
30 the Department on an annual basis, or less frequently if approved by  
31 the Director. A copy of the results from this inspection shall be given  
32 to the permittee for inclusion in their "Performance Review Report" to  
33 the Department.
- 34 iii. Compliance monitoring fees pursuant to the County's adopted master  
35 fee schedule shall be paid by permittee and accompany the  
36 "Performance Review Report" for costs associated the review of the  
37 report by County staff.

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

7                   34. Renewals: The following is required for permit renewal:

- 8                   i. An application for renewal shall be submitted to the Department at least  
9                   180 days prior to the expiration date of the permit. Failure to submit an  
10                  application for renewal by that date may result in the expiration of the  
11                  permit.
- 12                  ii. Applications: Applicants shall complete an application form as  
13                  prescribed by the Director and pay all fees as established by resolution  
14                  by the Board of Supervisors.
- 15                  iii. The following documentation in electronic format is required for  
16                  application for renewal: A copy of all licenses, permits, and conditions  
17                  of such licenses or permits related to the project from state agencies as  
18                  appropriate. A copy of all reports provided the County and State  
19                  agencies as determined by the Director. A list of all employees on the  
20                  premise during the past year and a copy of the background checks  
21                  certification for each. Documentation that the applicant is still qualified  
22                  to be an applicant. Any proposed changes to the use permit or how the  
23                  site will be operated. Payment of all fees as established by resolution  
24                  by the Board of Supervisors.
- 25                  iv. The permit may be renewed if: Where there are no changes to the use  
26                  permit or how the site will be operated: The original permit’s approval  
27                  findings, conditions, or environmental certification are still valid.  
28                  There are no violations of the permit conditions or of state licenses or  
29                  permits. The applicant is qualified to apply for such a permit.
- 30                  v. Where there are changes to the development or use permit or how the  
31                  site will be operated: Such changes do not change the findings of the  
32                  original permit’s approval findings, conditions, or environmental  
33                  certification. There are no violations of the permit conditions or of  
34                  state licenses or permits. The applicant is qualified to apply for such a  
35                  permit.”

36                  **Section 12.** Subsection (av) of Section 27.3 of Chapter 21 of the Lake County Code is hereby  
37                  added, and shall read as follows:

38                  (av)    Type 6 Non-Volatile Cannabis Manufacturing License:

1. Shall meet all the Conditions of Section 27.3 (au).
2. The facility shall maintain a thirty (30) foot setback from all property lines.
3. The parcel where the cannabis manufacturing facility is located shall front and have direct access to a paved State or County maintained road.
4. 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. The manufacturing operation and facility shall be approved by the Lake County Building official and by the Chief of the Fire District where the manufacturing facility is located.
5. All manufacturing of cannabis products shall occur in an enclosed locked structure.
6. 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.
7. If hazardous materials, flammable gas, flammable liquefied gas, flammable and combustible liquids, or other flammable material, as those terms are defined in the 2016 California Fire Code (CFC) Section 202, are to be used in the processing of cannabis, then the provisions of CFC shall be applicable where hazardous materials subject to permits under CFC Chapter 50 (Hazardous Materials) are located on the premises or where required by the local fire district official or County Building official.
8. 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.
9. Cannabis Non-Volatile manufacturing sites are considered a Group F- 1 (Factory Industrial Moderate-Hazard) Occupancy under the California Building and Fire Codes. All new construction is required to be fire sprinkled per the California Building and Fire Codes. 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.
10. All facilities using Carbon Dioxide for manufacturing purposes shall comply with the same standards as required for Type 7 Plant Extraction License.
11. In the “APZ,” “A,” “TPZ,” zoning districts Type 6 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.

**Section 13.** Subsection (aw) of Section 27.3 of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

(aw) Type 7 Volatile Cannabis Manufacturing License:

1. Shall meet all the Conditions of Section 27.3 (au).
2. The facility shall maintain a fifty (50) foot setback from all property lines and a 150 foot setback from all off-site residences.
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.
5. The extraction operation shall be approved by the Lake County Building official.
6. The extraction operation shall be approved by the Chief of the Fire District where the manufacturing facility is located.
7. Manufacturing and extraction shall comply with Chapter 38 of the California Fire Code and the following:

- 1 i. *Extraction Room:* For other than CO2 and nonhazardous extraction  
2 processes, the cannabis extraction equipment and process shall be  
3 located in a room of fire-rated or noncombustible construction  
4 dedicated to the extraction process and the room shall not be used for  
5 any other purpose.
- 6 ii. *Means of Egress:* For extraction rooms using hazardous materials, each  
7 room shall be provided with at least one exit door complying with the  
8 following: The door shall swing in the direction of egress travel, the  
9 door shall be provided with a self-closing or automatic closing device  
10 and the door shall be equipped with panic or fire exit hardware.
- 11 iii. *Staffing:* For other than approved, unattended processes, the extraction  
12 process shall be continuously staffed. Staff monitoring the extraction  
13 process shall be trained in the following:
- 14 aa) The extraction process  
15 bb) The transfer of solvents, where applicable  
16 cc) All emergency procedures
- 17 All staff training records shall be maintained on-site and made  
18 available to the Community Development Department or local Fire  
19 Department upon request.
- 20 iv. *Operator Training:* The operator of the cannabis extraction equipment  
21 shall also receive training in the safe operation of the equipment.  
22 Documentation of required training shall be maintained on-site and  
23 made available to the Community Development Department or local  
24 Fire Department upon request.
- 25 v. *Signage:* All applicable Material Safety Data Sheets (MSDS) shall be  
26 posted in the extraction room. Applicable hazard warning signage shall  
27 be posted throughout the facility as applicable for emergency  
28 equipment.
- 29 vi. *Equipment:* Where an explosion conditions exists, heating equipment  
30 such as vacuum ovens, heating mantels, heat guns or other such  
31 equipment shall not be used to heat flammable or combustible liquids  
32 or oils containing liquefied petroleum gasses. Refrigerators, freezers,  
33 and other cooling equipment used to store or cool flammable liquids  
34 shall be listed for the storage of flammable/combustible liquids or be  
35 listed for Class 1, Division 1 locations as described in Article 501 of  
36 the California Electrical Code.

- vii. *Change of Extraction Medium:* Where the medium of extraction or solvent is changed from the material in the required technical report or as required by the manufacturer, the technical report shall be revised at the cost of the facility operator/owner and submitted for review and approval to the Building and Fire officials prior to the use of the equipment with the new medium or solvent.
- viii. *Liquefied Petroleum Gas (LPG) Extraction:* LPG tanks shall comply with NFPA 58:
- aa) *Exhaust:* An approved exhaust system shall be provided for LPG extraction. The exhaust systems shall be installed and maintained in accordance with the California Mechanical Code. All LPG extraction operations, including processes for off-gassing spent plant material and oil retrieval, shall be conducted within a chemical fume hood or enclosure in compliance with the California Mechanical Code.
  - bb) *Electrical:* All conductive equipment and conductive objects within the exhaust room shall be bonded and grounded with a resistance of less than  $1.0 \times 10^6$  ohms in accordance with the California Electrical Code. The area within the hood or enclosure used for LPG extractions shall be classified as a Class 1, Division 1 hazardous location in accordance with the California Electrical Code. All electrical components within the extraction room shall be interlocked with the hazardous exhaust system such that the room lighting and other extraction room electrical equipment will only operate when the exhaust system is in operation. An automatic emergency power system shall be provided for the following items, when installed:
    - 1. Extraction room lighting
    - 2. Extraction room ventilation system
    - 3. Solvent gas detection system
  - cc) *Extraction Room Gas Detection System:* An approved continuous gas detection system shall be provided. The gas detection system shall alert the extraction operator in an approved manner at a gas detection threshold no greater than 25 percent of the gas LEI/LFL. Gas detection systems shall be provided with constant non-interlocked power.
  - dd) *Storage:* LPG containers not in use shall not be stored within extraction rooms.

1 ee) *Facility Piping Systems:* LPG liquid piping systems shall be in  
2 compliance with NFPA 58.

3 ix. *Flammable and Combustible Liquid Extraction*

4 aa) *Exhaust:*

5 1. Extraction and post oil processing operations, including  
6 dispensing of flammable liquids between containers, shall be  
7 performed in one of the following locations:

8 2. A chemical fume hood in accordance with Chapter 7 of  
9 NFPA 45 (Standard on Fire Protection for Laboratories  
10 using Chemicals)

11 3. An approved exhaust system installed in accordance with the  
12 California Mechanical Code

13 Unheated processes at atmospheric pressure using less than 16 oz  
14 of flammable liquids shall not be required to comply with this  
15 section (Exhaust).

16 bb) Classified electrical systems shall be in accordance with the  
17 California Electrical Code.

18 All electrical components within the chemical fume hood or  
19 exhausted enclosure shall be interlocked such that the exhaust  
20 system must be in operation for lighting and components to be  
21 used.

22 cc) *Storage and Handling:* The storage use and handling of  
23 flammable liquids shall be in compliance with this ordinance  
24 and Chapter 57 of the California Fire Code.

25 dd) Heating of flammable or combustible liquids over an open flame  
26 shall be prohibited.

27 x. *Carbon Dioxide Extraction:*

28 aa) *Storage and Handling:* Location of CO<sub>2</sub> gas storage container,  
29 cylinders and tanks inside or outside the building, shall be at an  
30 approved location. All CO<sub>2</sub> compressed gas cylinders shall be  
31 secured to a fixed object to prevent falling.

32 bb) *Piping systems:* Piping, tubing and hose materials shall be  
33 compatible with carbon dioxide and rated for the temperatures  
34 and pressures encountered in the system. PVC/ABS and other  
35 types of rigid plastic piping are not approved materials.  
36 Acceptable piping for CO<sub>2</sub> shall be the following:

1. Stainless steel A269 grade, which is either seamless or welded drawn over mandrel
  2. Copper K grade, hard drawn seamless
  3. Copper ACR grade (1/2" OD or less) annealed seamless
  4. Plastic/polymer materials rated for use with CO2
  5. Additional approved piping, tubing and hoses approved by the California Plumbing Code or Compressed Gas Association (CGA)
- cc) *Fittings, joints and connection:* Fittings and joints supply piping or *tubing* between the CO2 supply source and the automatic system shutoff shall be threaded, compression or welded. Unused piping or tubing connected to the supply system shall be capped or plugged. A closed valve will not be allowed in lieu of a cap or plug.
- dd) *Valves:* Pressure relief valves shall be provided and piped to the outdoors. An automatic system shutoff valve shall be provided as near to the supply pressure regulator as possible and shall be designed to fail to a closed condition or close on loss of electrical power. Each appliance shall be provided with a shutoff valve within 3 feet of the appliance. All shutoff valves shall be capable of being locked or tagged in the closed position for servicing. Valves and controls shall be readily accessible at all times. Normal and emergency system shutoff valves shall be clearly identified. All valves shall be designed or marked to clearly indicate whether it is open or closed. Venting of gases shall be directed to an approved location outside the building.
- ee) *CO2 Gas Detection:* An approved, listed, permanently marked CO2 detector shall be installed in the CO2 extraction room. Detector shall installed at a height of 48" or less above the floor. Auto calibrating and self-zeroing devices or detectors shall be prohibited. The detector shall be set to alarm at 5000ppm of CO2. Activation of the emergency alarm system shall initiate amber strobes and audible horns. Warning signs will be required in each storage area room and extraction room as follows:
1. Storage area/room **"DO NOT ENTER WHEN LIGHT IS FLASHING- CARBON DIOXIDE LEAK DETECTED"**

2. Extraction room: **“FLASHING LIGHT MEANS  
CARBON DIOXIDE LEAK DETECTED- EVACUATE  
ROOM”**

- ff) Warning signs shall be posted at entrance doors to extraction room(s) and storage areas the read “DANGER- Potential Oxygen Deficient Atmosphere.” Warning signs shall be in both English and Spanish.

**Section 14.** Subsection (ax) of Section 27.3 of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

(ax) Type 11 Cannabis Distributor License:

1. Shall meet all the Conditions of Section 27.3 (au).
2. Uses Permitted:
  - i. The procurement, sale, and transport of cannabis and cannabis goods between licensees.
  - ii. Cannabis goods storage-only services to a licensed cultivator, manufacturer, microbusiness, nonprofit, or another cannabis distributor.
  - iii. The storage of cannabis batches on their premises during testing.
  - iv. Packaging, re-packaging, labeling, and re-labeling cannabis goods for retail sale.
  - v. Transporting cannabis or cannabis goods between licensees.
  - vi. Accessory uses related to the procurement, sale, transport, storage, labeling, and packaging of cannabis and cannabis products between licensees.
  - vii. Accessory uses related to the procurement, sale, and transport of cannabis and cannabis goods between licensees.
3. Use Standards:
  - i. The parcel where the cannabis distribution facility is located shall front and have direct access to a paved State or County maintained road.
  - ii. All non-transport related distribution activities shall occur within a locked structure.

**Section 15.** Subsection (ay) of Section 27.3 of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

(ay) Type 13 Cannabis Distributer Transport Only License:

1. Shall meet all the Conditions of Section 27.3 (au).
2. Uses Permitted:
  - i. The transport of cannabis goods between licensees.
  - ii. Accessory uses related to the transport of cannabis goods between licensees.
3. Use Standards:
  - i. The parcel where the cannabis distribution facility is located shall front and have direct access to a paved State or County maintained road.
  - ii. All non-transport related distribution activities shall occur within a locked structure.

**Section 16.** Subsection (az) of Section 27.3 of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

(az) Type 13 Cannabis Distributor Transport Only, Self-distribution Licenses:

1. Shall meet all the Conditions of Section 27.3 (au), except for Condition 3.
2. In the “APZ”, “A”, “TPZ”, “RL”, “RR”, “SR” and “PDC” zoning districts the Type 13 Distributor Transport Only, Self-distribution State licenses are an accessory use to an active cannabis cultivation or cannabis manufacturing license site with a valid minor or major use permit.
3. The parcel where the distributor transport only, self-distribution is located shall front and have direct access to a State or County maintained road or an access easement to such a road.
4. The permittee shall not transport any cannabis product that was not cultivated or manufactured by the permittee.
5. All non-transport related distribution activities shall occur within a locked structure.

**Section 17.** Subsection (aaa) of Section 27.3 of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

(aaa) Cannabis Processor License:

1. Shall meet all the Conditions of Section 27.3 (au).
2. The facility shall maintain a seventy-five (75) foot setback from all property lines and a 150 foot setback from all off-site residences.
3. Uses Permitted:
  - i. Processing (trimming, drying, curing, grading, packaging, or labeling) of cannabis

- ii. Packaging and labeling cannabis products
- iii. Composting cannabis waste
- iv. Cannabis waste management
- v. Storage of harvested cannabis
- vi. Accessory uses relate to the processing, packaging, labeling, composting, or storage of cannabis.

4. Processor Development Standards:

- i. The parcel where the processor activity is located shall front and have direct access to a paved State or County maintained road.
- ii. All processor activities shall occur within an enclosed building.
- iii. All aggregation of product shall adhere to track-and-trace requirements of the California Code of Regulations.
- iv. Permittee may produce non-manufactured cannabis products without a cannabis manufacturing license, provided compliance with packaging and labeling requirements California Code of Regulations.
- v. The growing of cannabis plants is prohibited at a licensed processor premises.
- vi. 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.

5. Additional security measures shall be taken at all Processor State licenses sites:

- i. The processor facility including all employee parking, internal circulation, loading areas, and similar facilities shall have a perimeter fence around the entire facility.
- ii. The fence shall be a minimum of 6 feet and a maximum of 8 feet high and shall include, at a minimum, the following:
- iii. 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.
- iv. 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.
- v. 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.

- vi. The fence shall be attached to the posts and top horizontal rail.
  - vii. No barbed wire, razor wire or similar design shall be used.
  - viii. The vehicle access gate shall remain closed and locked at all time except when a vehicle is entering or exiting.
  - ix. A pedestrian gate may be included provided that such a gate is secured to prevent unauthorized access.
6. Project description: For a Cannabis Processor License:
- i. Locate designated processing area(s);
  - ii. Locate designated packaging area(s), if the licensee will package and label products on site;
  - iii. Locate designated composting area(s) if the licensee will compost cannabis waste on site;
  - iv. Locate designated secured area(s) for cannabis waste if different than subsection (c) above;
  - v. Locate designated area(s) for harvested cannabis storage; and
  - vi. Location of office and other accessory use areas.

**Section 18.** Subsection (aab) of Section 27.3 of Chapter 21 of the Lake County Code is hereby added, and shall read as follows:

(aab) Type 8 Cannabis Testing Laboratory

1. Shall meet all the Conditions of Section 27.3 (au).
2. Uses Permitted:
  - i. 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.
  - ii. 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.
  - iii. Business offices related to cannabis at which no cultivation, processing, storage, handling, or distribution of cannabis in any form occurs.
  - iv. Accessory uses related to the testing of cannabis and cannabis products.
3. Accreditation

- i. 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 or comparable registration/certification acceptable to the County that is recognized by the State.
  - ii. 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.
4. Use Standards:
- i. All testing of cannabis products shall occur in an enclosed locked structure.
  - ii. The parcel where the cannabis testing laboratory facility is located shall front and have direct access to a paved State or County maintained road.
  - iii. 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.
  - iv. 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.
  - v. 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.

**Section 19.** Section 68 of Chapter 21 of the Lake County Code is hereby amended and the following shall be added and renumbered as required:

1 Bureau: The State of California Bureau of Cannabis Control within the Department of  
2 Consumer Affairs.

3 CalCannabis cultivation licensing: A division of the California Department of Food and  
4 Agriculture (CDFA), or its successor agency which license and regulate commercial  
5 cannabis cultivators in California.

6 Cannabis: All parts of the plant *Cannabis sativa* (Linnaeus), *Cannabis indica*, or *Cannabis*  
7 *ruderalis*, or any hybrid thereof, whether growing or not; the seeds thereof; the resin,  
8 whether crude or purified, extracted from any part of the plant; and every compound,  
9 manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin.  
10 “Cannabis” also means the separated resin, whether crude or purified, obtained from  
11 cannabis. “Cannabis” does not include the mature stalks of the plant, fiber produced from  
12 the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture,  
13 salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted  
14 therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of  
15 germination. For the purpose of this division, “cannabis” does not mean “industrial hemp”  
16 as defined by Section 11018.5 of the Health and Safety Code.

17 Cannabis applicant: As defined by Section 26001 of the California Business and  
18 Professions Code.

19 Cannabis cooperative associations: Any cannabis cooperative that is organized pursuant to  
20 Chapter 22 (commencing with Section 26229) of Division 10 of the California Business  
21 and Professions Code. An association shall be deemed incorporated pursuant to that chapter  
22 or organized pursuant to that chapter and shall be deemed a cultivator of a cannabis product  
23 within the meaning of that chapter, if it is functioning under, or is subject to, the provisions  
24 of that chapter, irrespective of whether it was originally incorporated pursuant to those  
25 provisions or was incorporated under other provisions.

26 Cannabis Distribution: The procurement, sale, and transport of cannabis and cannabis  
27 products between licensees.

28 Cannabis Distribution facility: The building in which cannabis distribution activities occur.

29 Cannabis Distributor: One who engages in the procurement, sale, transport, storage,  
30 packaging, labeling, and storage of cannabis and cannabis products between licensees.

31 Cannabis Distributor Transport Only: One who only transports cannabis goods between  
32 licensees.

33 Cannabis Distributor Transport Only, Self-distribution: One who transports cannabis goods  
34 that the licensee has cultivated or manufactured to entities licensed pursuant to California  
35 Code.

36 Cannabis distributor licenses:

- (a) Type 11: Distributor: The procurement, sale, and transport of cannabis and cannabis products between entities licensed pursuant to California Code.
- (b) Type 13: Distributor Transport Only: The transport of medicinal cannabis goods between entities licensed pursuant to California Code.
- (c) Type 13: Distributor Transport Only, Self-distribution: The transport of medicinal cannabis goods between entities licensed pursuant to California Code.

Cannabis goods: Cannabis, including dried flower, and products containing cannabis.

Cannabis manufacture: To compound, blend, extract, infuse, or otherwise make or prepare a cannabis product. The term “cannabis manufacture” includes the following:

- (a) Extraction processes
- (b) Infusion processes
- (c) Packaging or repackaging of cannabis products.
- (d) Labeling or relabeling the packages of cannabis products.

The term “cannabis manufacture” does not include the following:

- (a) The repacking of medicinal cannabis products from a bulk container by a distributor or dispensary where the product’s original packaging and labeling is not otherwise altered.
- (b) The placing of medicinal cannabis products into opaque packaging at a retail premises for purpose of complying with section 26070.1 of the Medicinal and Adult-Use Cannabis Regulation and Safety Act, codified at Business and Professions Code section 26000, et seq.
- (c) The collection of the glandular trichomes that are dislodged from the cannabis plant incident to cultivation activities.

Cannabis manufacturer: A licensee that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container.

Cannabis manufacturing: All aspects of the extraction and/or infusion processes, including processing, preparing, holding, storing, packaging, or labeling of cannabis products. Manufacturing also includes any processing, preparing, holding, or storing of components and ingredients. For the purpose of this sub-section cannabis manufacturing includes processor.

1 Cannabis manufacturing facility: The building or buildings where cannabis manufacturing  
2 occurs.

3 Cannabis manufacturing licenses:

- 4 (a) Type 6: “Manufacturing Level 1”: The manufacture cannabis products for  
5 medicinal cannabis use using nonvolatile solvents, or no solvents, as  
6 defined by the Business and Professions Code, Section 40100.
- 7 (b) Type 7: “Manufacturing Level 2”: The manufacture cannabis products for  
8 medicinal cannabis using volatile solvents, as defined by the Business and  
9 Professions Code, Section 40100.
- 10 (c) Type N: Manufacturers that produce edible products or topical products  
11 using infusion processes, or other types of cannabis products other than  
12 extracts or concentrates. A Type N licensee may also package and label  
13 cannabis products on the licensed premises.
- 14 (d) Type P: Manufacturers that only package or repackage cannabis products  
15 or label or relabel the cannabis product container or wrapper. Manufacturers  
16 that engage in packaging or labeling of cannabis products as part of the  
17 cannabis manufacturing operation do not need to hold a separate Type P  
18 license.

19 Cannabis product: Cannabis that has undergone a process whereby the plant material has  
20 been transformed into a concentrate, including, but not limited to, concentrated cannabis,  
21 edible, topical, or other product containing cannabis or concentrated cannabis and other  
22 ingredients.

23 Cannabis testing laboratory: A laboratory, facility, or entity in the state that offers or  
24 performs tests of cannabis or cannabis products and that is both of the following:

- 25 (1) Accredited by an accrediting body that is independent from all other persons  
26 involved in commercial cannabis activity in the state; and
- 27 (2) Licensed by the bureau.

28 Cannabis testing laboratory licenses:

- 29 (a) Type 8: Testing laboratory: The testing of cannabis for contaminants and  
30 concentration of various chemical compounds.

31 Commercial cannabis activity: Includes the cultivation, possession, manufacture,  
32 distribution, processing, storing, laboratory testing, packaging, labeling, transportation,  
33 delivery or sale of cannabis and cannabis products for commercial purposes.

34 Day care: Has the same meaning as in Section 1596.76 of the California Health and Safety  
35 Code.

1 Design professional: As defined in the California Civil Code, Division 4 General  
2 Provisions, Part 6 Works of Improvement, Title 1 Works of Improvement Generally,  
3 Article 1 Definitions.

4 Enforcement official: As used in this Article, shall mean the Lake County Sheriff,  
5 Community Development Director, Chief Building Official, Environmental Health  
6 Director, or any other official authorized to enforce local, state or federal laws.

7 Fence: A wall or a barrier connected by boards, masonry, rails, panels, wire or any other  
8 materials approved by the Community Development Department for the purpose of  
9 enclosing space or separating parcels of land. The term “fence” does not include retaining  
10 walls, plastic, tarp, bamboo coverings, corrugated metal, or other materials not designed or  
11 manufactured for use as a fence.

12 Hazardous material - Hazardous material means a material that, because of its quantity,  
13 concentration, or physical or chemical characteristics, poses a significant present or  
14 potential hazard to human health and safety or to the environment if released into the  
15 workplace or the environment or as defined in Health and Safety Code 25501.

16 Hazardous waste - hazardous waste means a waste that meets any of the criteria for the  
17 identification of a hazardous waste adopted by the department pursuant to Health and  
18 Safety Code Section 25141.

19 Hazardous waste generator: A generator is any person, by site, whose act or process  
20 produces hazardous waste identified or listed in Chapter 11 of the hazardous waste  
21 regulations or whose act first causes a hazardous waste to become subject to regulation.

22 Large quantity generator: Generators of 1,000 kg or more of hazardous waste per month,  
23 excluding universal wastes, and/or more than 1 kg of acutely or extremely hazardous per  
24 month.

25 Small quantity generator: Generators of less than 1,000 kg of hazardous waste per month,  
26 excluding universal wastes, and/or 1kg or less of acutely or extremely hazardous waste per  
27 month

28 License: A California state license issued pursuant to the California Code of Regulations  
29 and the California Business and Professions Code, including both an A- and an M- testing  
30 license.

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

35 Nonvolatile solvent: Any solvent used in the extraction process that is not a volatile solvent.  
36 For purposes of this chapter, “nonvolatile solvents” include carbon dioxide and ethanol.

37 Owner: As defined by Section 26001 of the California Business and Professions Code.

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.

Permit: A major or minor use permit issued by Lake County pursuant to this chapter.

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.

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.

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.

Processor facilities: The building(s) in which the processor activities are located.

Processor site: The portion of a parcel where a processor’s facilities and related parking, landscaping, security, etc. are located.

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

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

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.

**Section 20:** Program Review. After a period of approximately 12 months from the time this Ordinance becomes effective, the Board of Supervisors shall set a public hearing during a regularly-scheduled meeting of that Board to review the impacts, if any, of this Ordinance and consider any recommended modifications thereto.

**Section 21:** Conflict. All ordinances or resolutions in conflict herewith are hereby repealed to the extent of such conflict and no further.

**Section 22:** Sunset. This Ordinance shall sunset 12 months after its effective date if for any reason the cannabis business tax ordinance adopted by the voters of Lake County in 2018 is rendered ineffective and no alternative cannabis business tax ordinance

has been approved by the voters of the County of Lake.

**Section 23:** 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 24.** 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 25:** 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:

1 ABSENT OR NOT VOTING:

2 COUNTY OF LAKE

3

4

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\_\_\_\_\_

6

Chair, Board of Supervisors

7 ATTEST: CAROL J. HUCHINGSON

8

Clerk of the Board

9

of Supervisors

10

11 By:\_\_\_\_\_

12

Deputy

13

14 APPROVED AS TO FORM:

15

ANITA L. GRANT

16

County Counsel

APPROVED AS TO FORM:

17

18

19 By:\_\_\_\_\_

By:\_\_\_\_\_

20

Community Development Department