ORDINANCE NO..

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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ORDINANCE AMENDING CHAPTER 5.148 OF THE SAN MATEO COUNTY ORDINANCE CODE REGARDING COMMERCIAL CANNABIS CULTIVATION IN THE UNINCORPORATED AREA OF SAN MATEO COUNTY

SECTION 1. FINDINGS. The Board of Supervisors of the County of San Mateo ("County") hereby finds and declares as follows:

WHEREAS, on December 12, 2017, the Board of Supervisors adopted an ordinance allowing mixed-light cannabis cultivation and nurseries, subject to the issuance of a ministerial license, and prohibiting (with a sunset provision that contemplates future action) other cannabis activities that can be prohibited consistent with California law, including personal and commercial outdoor cannabis cultivation, indoor commercial cannabis cultivation, and other commercial cannabis activities within the unincorporated area of the County, including, without limitation, manufacturing, testing, microbusinesses, and retail sales (codified as Chapter 5.148 of the San Mateo County Ordinance Code), and directed staff to monitor implementation of the ordinance and return with any necessary modifications; and

WHEREAS, on March 13, 2018, the Board of Supervisors repealed that ordinance and replaced it with the current ordinance, which allows mixed-light cannabis cultivation and nurseries, subject to the issuance of a discretionary license, and retains all other provisions of the prior ordinance (Ordinance Code Chapter 5.148); and

WHEREAS, on November 13, 2018, the Board of Supervisors amended the

ordinance to eliminate the sunset provision and make other modifications for clarity and consistency with State law; and

WHEREAS, the Board of Supervisors now wishes to amend Ordinance Code Chapter 5.148 to clarify requirements, achieve consistency with State law, increase efficiency in program operations, eliminate the maximum canopy set per "owner" of a cannabis license, and eliminate the requirement to replace any non-cannabis commercial production existing as of June 1, 2017, if such production would be displaced by cannabis; and

WHEREAS, the County prepared an Initial Study and Negative Declaration pursuant to the California Environmental Quality Act ("CEQA") and circulated the Initial Study and Negative Declaration for public review and comment from March 16, 2022 to April 4, 2022, which demonstrated that the proposed amendments would not have a significant impact on the environment; and

NOW, THEREFORE, the Board of Supervisors of the County of San Mateo ordains as follows:

SECTION 2. Ordinance Code Section 5.148.020 – Definitions, subsection (aa) is hereby amended to read as follows:

aa) "Premises" means the designated structure or structures and land specified in the Application that is owned, leased, or otherwise held under the control of an Applicant or Licensee where the commercial Cannabis Activity will be or is conducted. The Premises shall be a contiguous area, to the extent feasible, and shall only be occupied by one Licensee.

SECTION 3. Ordinance Code Section 5.148.050 – Prohibited Cannabis Activity, subsection (b) is hereby amended to read as follows:

Notwithstanding the foregoing, the following Commercial Cannabis Activities may occur in the unincorporated area of the County pursuant to a valid State License:

- 1) transportation of Cannabis on public roads as expressly authorized under California Business and Professions Code Section 26080(b);
- lawful delivery of Cannabis to a Customer, however, no physical location for such delivery service shall be permitted within the unincorporated area of the County; and
- 3) distribution of Cannabis and Cannabis Products among Licensees and other State License holders, however no physical location for stand-alone Distribution shall be permitted in the unincorporated County.

SECTION 4. Ordinance Code Section 5.148.060 – Commercial Cannabis

Activity License Requirements, subsection (b) is hereby amended to read as follows:

- b) In all cases, the Application shall contain, without limitation, the following information which Applicant shall certify under penalty of perjury is true and correct:
 - 1. The name of the Applicant. For Applicants who are individuals, the Applicant shall provide both the first and last name of the individual. For Applicants who are business entities, the Applicant shall provide the legal business name of the Applicant and, if applicable, the business trade name ("DBA") of the Applicant. In either case, a single individual who shall act as the primary contact shall be identified by the Applicant.
 - 2. The commercial Cannabis Activity type the Applicant is applying for, including whether the proposed License will involve medical and/or non-medical commercial Cannabis Activity.
 - 3. A list of all State Licenses and any out-of-state or other local Licenses, permits, or authorizations to conduct commercial Cannabis Activity held by the Applicant, including the date the License was issued, the License number, and the licensing authority that issued the License, permit, or other authorization.
 - 4. Whether the Applicant has ever been denied the right to conduct commercial Cannabis Activity by the Department, State, or any other Cannabis Licensing Authority, including other licensing authorities within the State or in other states. The Applicant shall provide the type of License applied for, the name of the licensing authority that denied the Application, and the date of denial.
 - 5. The physical address(es) of the Premises and the parcel number(s) assigned to the Premises by the assessor. The address of record for the Applicant. The telephone number for the Premises. The website address of the

Applicant's business, if applicable. The email address for the Applicant's business, if applicable. Contact information for the Applicant's designated primary contact person including the name, title, address, phone number, and email address of the individual. Contact information for the designated agent for service of process including the name, title, address, phone number, and email address of this individual.

- 6. All Applicants who are business entities shall provide the business organizational structure of the Applicant, for example, partnership, limited liability company (LLC), or corporation.
- 7. A list of every fictitious business name the Applicant is operating under including the address where the business is located.
- 8. A complete list of every owner. Each individual named on this list shall submit the following information: the full name of the owner; the owner's title within the Applicant entity; the owner's mailing address; the owner's telephone number; the owner's email address; a copy of the owner's completed Application for electronic fingerprint images submitted to the Department of Justice as required by California Business and Professions Code Section 26051.5(a) for a State License or, if the owner has not completed such Application, an acknowledgment that issuance of any local License shall be conditioned upon successful completion of the Department of Justice background check.
- 9. Evidence that the Applicant has the legal right to occupy and use the proposed Premises that complies with the requirements of the Department and the State. If the Applicant is not the landowner of the property upon which the Premises is located, the Applicant shall provide to the Department a document from the landowner that states that the Applicant has the right to occupy the property and acknowledging the Applicant may use the property for the commercial Cannabis Activity for which the Applicant is applying. The Applicant shall provide evidence that the proposed location meets all State and County land use and zoning requirements.
- 10. The Applicant shall submit to the Department with his or her Application a complete and detailed site plan of the proposed Premises, along with detailed plans showing the proposed location of all Cannabis related activities, employee parking areas, all proposed improvements, and any other information determined by the Department to be necessary for the review of the Application. The plans must be to scale and must comply with all State rules, laws, and regulations regarding Premises diagrams. If the proposed Premises consist of only a portion of a property, the plans must be labeled indicating which part of the property is the proposed Premises and how the remaining property is/will be used. The Applicant must provide evidence that the Premises complies with all setback requirements set forth in this chapter.

- 11. The Applicant must submit to a pre-inspection of the Premises during regular business hours prior to the issuance of a License. Pre-inspections may include, without limitation, access by employees or agents of the following: the Department; County Code Compliance; County Division of Environmental Health; the applicable Fire Protection Agency; the County Sheriff's Office; the County Department of Agriculture/Weights and Measures; and the County Health System.
- 12. Prior to Application processing, the Premises shall be free of any violations of State and local standards, including, without limitation, County building standards, County land use requirements, County zoning requirements, County health and safety standards, and applicable fire standards, unless Applicant submits a plan to resolve any such violations to the satisfaction of the County Community Development Director.
- 13. The Applicant must provide a detailed description and plan for hiring local residents and affirm that Applicant will comply with all applicable federal, state, and local wage and labor requirements.
- 14. The Applicant must submit a staffing plan for the proposed commercial Cannabis Activity, an organizational chart that outlines the position and responsibilities of each employee, as well as the reporting or supervisory structure for each employee. The Applicant shall also affirm that they will comply with all applicable federal, state, and local laws related to the age of employees for the proposed commercial Cannabis Activity.
- 15. For an Applicant with twenty (20) or more employees, the Applicant shall attest that the Applicant has entered or will enter into a labor peace agreement, as required by California Business and Professions Code Section 26051.5(a)(5). Such agreement shall ensure full access for labor representatives to the Premises during regular business hours as allowed by the State.
- 16. If the Applicant has not yet received a State License, the Applicant shall attest that the Applicant intends to apply for a State License and agrees to submit documentation of the State License to the Department upon issuance. If the Applicant has already received a State License, the Applicant shall provide a copy of such State License(s). The authority to conduct any Commercial Cannabis Activity pursuant to a County License is explicitly conditioned upon Applicant's receipt of a valid State License.
- 17. The Applicant shall provide a valid seller's permit number issued by the State and evidence that Applicant has complied with all other State registration requirements for tax purposes. If the Applicant has not yet received a seller's permit from the State, the Applicant shall attest that the Applicant is currently applying for a seller's permit and provide adequate documentation to the Department demonstrating such Application is currently pending. However, a

valid State seller's permit is required to receive a License.

- 18. The Applicant shall provide proof that Applicant has complied with all State insurance requirements and proof that the Applicant has obtained a surety bond in the amount of not less than thirty-five thousand dollars (\$35,000.00) payable to the Department to ensure payment for the costs of confiscation, storage, clean-up or abatement of any wastes, including regulatory oversight costs, and/or destruction of Cannabis when such costs are necessitated by a violation of this chapter or other applicable federal, State, or local law. The surety bond shall be issued by a corporate surety Licensed by the State, is in addition to any such bond required by the State, and must be maintained at all times a valid License exists and for an additional six (6) months after a License has been revoked.
- 19. The Applicant shall submit a security plan for review and approval by the Department. The approved plan will be maintained by the Department and be made available to other County departments for the purposes of verification and inspections. At a minimum, the security plan will include: a description of the Applicant's video surveillance system, including camera placement and practices for the maintenance of video surveillance equipment; a description of how the Applicant will ensure that all access points to the Premises will be secured, including the use of security personnel; and a description of the Applicant's security alarm system. The security plan shall include a graphical depiction of the security measures on a site plan; a narrative description alone is not sufficient. The installation of security apparatus shall comply with all relevant permitting requirements, and shall not be installed until such permits are obtained.
- 20. The Applicant shall provide a detailed improvement and operations plan that demonstrates adequate compliance with all requirements of this chapter, as determined in the discretion of the Community Development Director or designee. The submitted plan shall, include, at a minimum, the information required by Sections 5.148.130 through 5.148.160 and summarized below:
 - i. Proposed hours of operation;
- ii. Proposed improvement plan, identifying all the changes and improvements that will be made to the Premises, including without limitation changes to: site ingress and access; electrical, water, wastewater, storm water, parking and other infrastructure/facilities;
 - iii. Employee parking and transportation plan;
 - iv. Fire prevention plan;
 - v. Lighting and security plan;
 - vi. Waste disposal plan;
- vii. Water management plan, including the proposed water supply, proposed conservation measures, and waste water discharge measures;
- viii. Access restriction procedures, including measures ensuring that minors will not have access to Cannabis;
 - ix. Record keeping policy;

- x. Track and trace measures:
- xi. Odor prevention and ventilation measures;
- xii. Energy usage plan;
- xiii. Size, height, colors, and design of any proposed signage at the Premises:
 - xiv. A pest-management plan, if applicable; and
- xv. Such other information as the Community Development Director determines is necessary to ensure compliance with State law and this chapter.

SECTION 5. Ordinance Code Section 5.148.070 – Review, Approval, and Issuance of Commercial Cannabis Activity Licenses, subsections (b) and (c) are hereby amended to read as follows:

- b) Upon review of a complete Application, the Community Development Director, or designee, shall deny the Application on one or more grounds provided by Section 5.148.080, or may grant the requested License upon making all of the following findings:
 - the Applicant's proposed Commercial Cannabis Activities comply with the provisions of this Chapter and all additional requirements of State law and County Code;
 - the Application is either exempt from or has complied with the requirements of the California Environmental Quality Act ("CEQA");
 - feasible mitigation measures or feasible alternatives identified during CEQA review necessary to avoid or substantially lessen any significant impact on the environment have been imposed as an enforceable condition of the License;
 - 4) the Department has imposed written conditions on the proposed Commercial Cannabis Activity which require the Applicant to obtain a valid State License prior to engaging in any Commercial Cannabis Activity; and
 - 5) the Department has imposed written conditions on the proposed Commercial Cannabis Activity which, in the judgment or discretion of the Community Development Director or his designee, are necessary to preserve the health, welfare, or safety of the community or environment.
- c) Each License shall be granted for a five-year period and shall expire five (5) years after the date of its issuance.

SECTION 6. Ordinance Code Section 5.148.080 – Grounds for Denial of an

Application, subsection (a) is hereby amended to read as follows:

- a) The Community Development Director, or his designee, may deny an Application for a commercial Cannabis License for any of the following reasons:
 - 1) Based on the evidence in the record, the Community Development Director, or designee, is unable to make the findings required by Section 5.148.070(b);
 - 2) The Applicant made a knowingly false statement of a material fact in the Application or knowingly omitted a material fact from the Application;
 - 3) The proposed commercial Cannabis Activities do not fully comply with the requirements of this chapter or any State law or regulation;
 - 4) The Applicant failed to provide all information required in the Application and/or failed to allow a pre-inspection of the proposed Premises;
 - 5) The Applicant has outstanding taxes, fees, or fines owed to the Department or to the County;
 - 6) An owner is subject to prosecution or has been convicted or sanctioned for an offense or violation set forth under California Business and Professions Code Section 26057(b)(4), (b)(6); or
 - 7) An owner has been sanctioned by the State or any other licensing authority for unauthorized commercial Cannabis Activities or has had a state License or any other License for commercial Cannabis Activities suspended or revoked in the three (3) years immediately preceding the date the Application is filed.

SECTION 7. Ordinance Code Section 5.148.090 – License Renewal,

subsections (a). (b), and (c) are hereby amended to read as follows:

a) To renew a License, a completed License renewal Application and renewal fee shall be received by the Department no fewer than sixty (60) calendar days before the expiration of the License. In the event the License is not renewed prior to the expiration date, it may be deemed revoked as of the date of its expiration, in which case the Licensee must cease all commercial Cannabis Activity until such time that the Licensee is issued a new License from the Department. The Licensee and all owners will be subject to enforcement actions set forth below in Section 5.148.180 for continuing operations after a License has expired without a renewal.

- b) The License renewal Application shall contain, at minimum, the following:
 - (1) The name of the Licensee. For Licensees who are individuals, the Licensee shall provide both the first and last name of the individual. For Licensees who are business entities, the Licensee shall provide the legal business name of the Licensee. All renewal Applications shall identify a primary point of contact and provide current contact information.
 - (2) The License number and expiration date;
 - (3) The Licensee's address of record and Premises address;
 - (4) An attestation that all information provided to the Department in the original Application is accurate and current or a detailed explanation of any changes or discrepancies. If any of the documentation and information supplied by the Applicant in the original Application has changed, the Applicant shall submit updated information and documentation with the renewal form and shall provide such other information as the Department may require.
- c) The Community Development Director, or designee, may deny any request for a License renewal for any of the following reasons. The Community Development Director, or designee, shall also have the authority to impose new conditions on the License, if those conditions are reasonably necessary to avoid denial of a License renewal Application.
 - (1) The License renewal Application is filed fewer than sixty (60) calendar days before expiration of the License;
 - (2) The Licensee does not fully comply with the requirements of this chapter or any State rule, law, or regulation:
 - (3) The Licensee has failed to fully comply with any condition imposed on the License;
 - (4) Changes in circumstances after the issuance or most recent renewal of the License result in an impact to the health, welfare, or safety of the community or environment that cannot be mitigated by the imposition of new conditions;
 - (5) The Licensee has failed to provide all information required in the License renewal Application and/or has failed to allow a requested inspection of the Premises:
 - (6) The Licensee has any outstanding taxes, fees, or fines owed to the Department or to the County;
 - (7) The License is suspended or revoked at the time of the request for

License renewal;

- (8) The Licensee is subject to prosecution or has been convicted or sanctioned for an offense or violation set forth under California Business and Professions Code Section 26057(b)(4), (b)(6); or
- (9) The Licensee or an owner has been sanctioned by the State or any other licensing authority for unauthorized commercial Cannabis Activities or has had a State License or any other License, permit, or authorization for commercial Cannabis Activity suspended or revoked between the time the original License was issued and the filing of the request for License renewal.

SECTION 8. Ordinance Code Section 5.148.100 – License Nontransferable, is hereby retitled to Section 5.148.100 – Change in Ownership, and is hereby revised to read as follows:

5.148.100 - Change in Ownership

- a) A License issued under this chapter does not create any interest of value, and is not transferable or assignable to another person or owner. Any change in the owners requires submission of the information required under Section 5.148.060(b)(8) to the Department within 14 calendar days of the effective date of the ownership change. The Licensee may continue to operate under the active license while the Department reviews the qualifications of the new owner(s) in accordance with State law and regulations and this chapter to determine whether the change would constitute grounds for denial of the license, if at least one existing owner is not transferring his or her ownership interest and will remain as an owner under the new ownership structure. If all owners will be transferring their ownership interest, the business shall not operate under the new ownership structure until a new license application has been submitted to and approved by the Department, and all application and license fees for the new application have been paid.
- b) A change in ownership occurs when a new person meets the definition of owner in Section 5.148.020(y).
- c) A change in ownership does not occur when one or more owners leave the business by transferring their ownership interest to the other existing owner(s).
- d) A License is issued to and covers only the Licensee with respect to the Premises identified on the License. The License does not run with the land and a Licensee shall not sublet any portion of the Premises.

SECTION 9. Ordinance Code Section 5.148.110 – Fees is hereby amended to read as follows:

- a) The filing of an initial Application and/or an Application for renewal or modification of a License shall be accompanied by payment of such fees as the Board of Supervisors may establish to recover the cost of administration and enforcement of this chapter. Such fees are non-refundable. Applicants and Licensees are responsible for the costs of inspections, investigations, and any other activity required pursuant to this chapter. All fees and costs specified by this chapter shall be established by resolution of the Board of Supervisors and may be amended from time to time.
- b) In the event that the required fees are not established by the Board of Supervisors on or before January 1, 2018, Applications may be submitted without such fees in the interim period before such fees are established. For any Applications submitted to the Department under this provision, payment of such fees shall be due within twenty-four (24) hours of the date such fees are established by the Board of Supervisors. Applications are not considered complete, and Licenses will not be issued, until all required fees have been paid.

SECTION 10. Ordinance Code Section 5.148.160 – Cultivation Requirements is hereby amended to be entitled and numbered and read as follows:

Section 5.148.160 – Cultivation Requirements

- a) <u>Cultivation Types Allowed.</u> The following State License types, as defined by California Business and Professions Code Section 26061, will be permitted in the unincorporated County, subject to issuance of a Commercial Cannabis License: Type 1B Cultivation, Specialty Mixed-Light, Small; Type 2B Cultivation, Specialty Mixed-Light, Small; Type 3B Cultivation, Mixed-Light, Medium; and Type 4 Cultivation, Nursery. No other State Licenses for Cultivation, including Indoor Cultivation (i.e., State License Type 1A Cultivation, Specialty Indoor, Small; Type 2A Cultivation, Indoor Small; Type 3A Cultivation, Indoor, Medium; Type 5A Cultivation, Indoor, Large), Outdoor Cultivation (i.e., State License Type 1 Cultivation, Specialty Outdoor, Small; Type 2 Cultivation, Outdoor, Small; Type 3 Cultivation, Outdoor, Medium; Type 5 Cultivation, Outdoor, Large) or Microbusinesses (State License Type 12), shall be allowed in the unincorporated area. Nursery licenses shall only be issued for Mixed-Light growth.
- b) <u>Number of Licenses</u>. The Department will not restrict the total number of Licenses an Owner is authorized to hold at any point in time, or an Owner's total authorized Canopy, provided the number of Licenses and Canopy meets all State requirements. Multiple Cultivation Licenses may be located on the same

parcel if each Premises has a unique entrance and immovable physical barriers between uniquely Licensed Premises. All Licensees must meet all applicable State and County land use and zoning requirements. Licensees are prohibited from commingling Cannabis from other Premises.

- c) <u>Square Footage Limitations</u>. The total combined square footage of the Cultivation Area shall not exceed the maximum size thresholds as established by the applicable State License set forth in California Business and Professions Code Section 26061.
- d) Structure Setbacks. All structures associated with Cultivation shall be setback a minimum of 300 feet from residential and business structures on surrounding properties. This setback applies only to residential and business structures in existence at the time a License is first issued for the subject property, unless the subject property is without a valid License for a period of 18 months or more at any time after a License is first issued. In the latter case, residential and business structures that have been added to surrounding properties shall be deemed to have been in existence at the time a License is first issued, and the 300-foot setback shall apply to such structures. The 300-foot setback shall not apply to residential or business structures on parcels owned by the same owner as the parcel on which Cultivation will occur.

The 300-foot setback from existing residential and business structures shall be measured from the nearest exterior wall of the residence/business to the nearest exterior wall of the structure associated with Cultivation.

The requirements of this subsection (d) shall not apply to operations of exclusively Type 4 Nursery Licenses.

e) Property Setbacks. All Premises shall also be setback a minimum of 600 feet from any school providing education to K-12 grades, licensed day care center, youth center or playground as defined by California Health and Safety Code Section 11353.1, and alcohol or drug treatment facility as defined by California Health and Safety Code Section 11834.02 in existence at the time the License is issued. The 600-foot distance from these facilities shall be measured in a straight line from the closest property line of the protected site to the closest property line of the parcel with the Cultivation.

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

- f) <u>Building Requirements</u>. All structures used for Cultivation shall comply with all applicable State or local building regulations, zoning, and land use requirements. Cultivation uses that provide access to the public including, but not limited to, employees, vendors, contractors, business partners, members, customers, or patients shall meet State or local requirements for accessibility including, at a minimum, ingress and egress.
- g) <u>Fire Code Requirements</u>. A Licensee shall prepare and implement a fire prevention plan, which shall include, at minimum, emergency vehicle access and turn-around at the Cultivation Site, vegetation management, and fire break maintenance around all structures. A plan for compliance with this Section shall be proposed at the Application stage.
- h) <u>Lighting</u>. All lighting shall be fully shielded, downward casting, and not spill over onto other structures, other properties or the night sky. All operations shall be fully contained so that little to no light escapes. Between sunset and sunrise, light shall not escape at a level that is visible from neighboring properties or the public right of way, and, to the extent feasible, from a fixed location 250 feet in all directions from the structure where the Cultivation is being conducted.
- i) Security and Fencing. All Cultivation Sites shall be screened from public view by native, fire resistant vegetation, and vehicle access fenced with locking gates. Fencing and fencing materials shall be consistent with the surrounding area and shall not diminish the visual quality of the Premises or surrounding area. Security measures shall be designed to ensure emergency access in compliance with fire safety standards. All structures used for Cultivation shall have locking doors to prevent free access. If a Licensee hires or contracts for security personnel to provide security services, such security personnel shall comply with all State requirements relating to proprietary/private security services as currently set forth in Chapters 11.4 and 11.5 of Division 3 of the California Business and Professions Code. A plan for compliance with this Section and the surveillance, alarm, and monitoring requirements set forth above in Section 5.148.130 shall be proposed at the Application stage. Security plans will be confidential to the extent authorized by law.
- j) Runoff and Storm Water. Runoff containing sediment or other waste or by-products, including, without limitation, fertilizers and pesticides, shall not be allowed to drain to the storm drain system, waterways, or adjacent lands, and shall comply with all applicable State and federal regulations. A plan for compliance with this Section shall be proposed at the Application stage.
- k) Wastewater Discharge. Licensees shall submit verification of compliance with the Waste Discharge Requirements of the applicable Regional Water Quality Control Board, or waiver thereof. Excess irrigation water or effluent from Cultivation activities leaving the Cultivation Site shall be directed to a sanitary sewer (with permission from sewer authority), wastewater treatment and

distribution system, irrigation, greywater or bio-retention treatment system. If discharging to a wastewater treatment and distribution system, a system capacity evaluation by a California-licensed civil engineer shall be included in the wastewater management plan. All domestic wastewater shall be disposed of in a permanent sanitary sewer or on-site wastewater treatment system (OWTS) with demonstrated adequate capacity and in compliance with County Ordinance Code Chapter 4.84. A plan for compliance with this Section shall be proposed at the Application stage. The plan must, at minimum, identify the amount of wastewater, excess irrigation, and domestic wastewater anticipated, as well as treatment and disposal facilities.

- I) Pest Prevention. All Cannabis and Cannabis Products shall be kept commercially clean in respect to established pests of general distribution so that exposure to such pests is under effective control. Licensees shall comply with all applicable State and federal pesticide laws and regulations, including, without limitation, those enforced by the State Department of Food and Agriculture and State Department of Pesticide Regulation. A plan for compliance with this Section shall be proposed at the Application stage. The plan must, at minimum, include the product name and active ingredient(s) of all pesticides to be applied to Cannabis during any stage of plant growth and integrated pest management protocols, including chemical, biological, and cultural methods the Licensee anticipates using to control or prevent the introduction of pests on the Cultivation Site.
- m) Energy Usage. All electrical power, including, without limitation, for illumination, heating, cooling, and ventilation, shall be provided by on-grid power with 100% renewable energy source or on-site zero net energy renewable source such that annual consumed energy is less than or equal to the on-site renewable generated energy. All structures must comply with the current California Energy Efficiency Standards for newly constructed or renovated buildings per Title 24. Part 6 of the Energy Code. The use of generators is prohibited, except for portable temporary use in emergencies only. A plan for compliance with this Section shall be proposed at the Application stage.
- n) Noise Limits. Noise generated at the Premises shall comply with the County's Noise Control requirements set forth Ordinance Code Chapter 4.88.
- Occupational Safety. Licensees shall comply with all applicable federal, State, and local laws and regulations governing California Agricultural Employers, which may include: federal and State wage and hour laws, CAL/OSHA, OSHA, and the California Agricultural Labor Relations Act.
- p) <u>Hazardous Materials</u>. Licensees who utilize hazardous materials shall comply with all applicable County and State hazardous materials requirements. Use of a Carbon Dioxide (CO2) gas enrichment system requires a safety plan approved by the applicable Fire Protection Agency, and visible posting of the approved

- plan at Cultivation Site. All employees shall be trained on the safety plan on an annual basis.
- q) Waste Management. All Cannabis waste must be properly stored and secured to prevent access by the public. A plan demonstrating compliance with applicable State regulations regarding waste management shall be proposed at the Application stage. The plan must address the storing, handling, and disposing of all waste by-products of Cultivation and, at minimum, characterize the anticipated amount and types of waste generated, identify the designated holding area(s) for Cannabis waste, and describe the operational measures that are proposed to manage, track/identify, and dispose of Cannabis waste in compliance with County and State standards.
- Applicants must provide evidence to the satisfaction of the r) Water Usage. Community Development Director, or designee, that adequate water is available to serve the proposed cannabis operation and other uses existing or proposed on the parcel on a sustainable basis. If surface water is to be used, proof of adequate riparian water rights or appropriative water rights shall be provided. If ground water is to be used, such as agricultural wells, and the well to be utilized is within a basin that has been determined to be a medium or high-priority basin under the Sustainable Groundwater Management Act, the applicant must provide documentation to the satisfaction of the Community Development Director, or designee, that the water usage proposed on the parcel shall not exceed the historic water usage on the parcel, as determined by the Community Development Director. Finally, if water service is to be used, the applicant must provide a can and will serve letter from the water service provider that states that the water service provider shall serve the current and proposed uses on the parcel. Additionally, Licensees must provide the Department with proposed conservation measures, demonstrate that Licensee is in compliance with all statutes, regulations, and requirements of the State Department of Food and Agriculture and State Water Resources Control Board, Division of Water Rights, and allow the Department and/or other County departments access to the Premises to monitor water usage. Domestic water sources must be from a source permitted by the County. A plan for compliance with this section shall be proposed at the Application stage. Applicants are encouraged to work with the San Mateo County Resource Conservation District for help in plan development.

SECTION 11. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, it shall not affect the remaining portions of this Ordinance.

SECTION 12. EFFECTIVE DATE. This Ordinance shall be effective 30 days from the date of its passage.

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