

MONO COUNTY PLANNING COMMISSION

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AGENDA

January 18, 2018 – 10 a.m.

Supervisors Chambers, County Courthouse, Bridgeport

*Videoconference: Town/County Conference Room, Minaret Village Mall, Mammoth Lakes

Full agenda packets, plus associated materials distributed less than 72 hours prior to the meeting, will be available for public review at the Community Development offices in Bridgeport (Annex 1, 74 N. School St.) or Mammoth Lakes (Minaret Village Mall, above Giovanni's restaurant). Agenda packets are also posted online at www.monocounty.ca.gov / boards & commissions / planning commission. Interested persons can subscribe on the website for inclusion on the e-mail distribution list,

**Agenda sequence (see note following agenda).*

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE

2. PUBLIC COMMENT: Opportunity to address the Planning Commission on items not on the agenda

3. MEETING MINUTES: Review and adopt minutes of December 21, 2017

4. PUBLIC HEARINGS: None

5. WORKSHOP

10:10 A.M.

A. CANNABIS REGULATIONS – An overview of application requirements and restrictions established by State departments followed by options the County may take to meet specific concerns as discussed at previous meetings. *Staff: Michael Draper*

11:30 A.M.

B. SHORT-TERM RENTALS & JUNE LAKE AREA PLAN UPDATE – *Staff: Wendy Sugimura*

6. REPORTS

A. DIRECTOR

B. COMMISSIONERS

7. INFORMATIONAL: No items

8. ADJOURN to February 15, 2018

***NOTE:** Although the Planning Commission generally strives to follow the agenda sequence, it reserves the right to take any agenda item – other than a noticed public hearing – in any order, and at any time after its meeting starts. The Planning Commission encourages public attendance and participation.

More on back...

DISTRICT #1
COMMISSIONER
Mary Pipersky

DISTRICT #2
COMMISSIONER
Roberta Lagomarsini

DISTRICT #3
COMMISSIONER
Daniel Roberts

DISTRICT #4
COMMISSIONER
Scott Bush

DISTRICT #5
COMMISSIONER
Chris I. Lizza

In compliance with the Americans with Disabilities Act, anyone who needs special assistance to attend this meeting can contact the Commission secretary at 760-924-1804 within 48 hours prior to the meeting in order to ensure accessibility (see 42 USCS 12132, 28CFR 35.130).

*The public may participate in the meeting at the teleconference site, where attendees may address the Commission directly. Please be advised that Mono County does its best to ensure the reliability of videoconferencing, but cannot guarantee that the system always works. If an agenda item is important to you, you might consider attending the meeting in Bridgeport.

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Commissioners may participate from a teleconference location. Interested persons may appear before the Commission to present testimony for public hearings, or prior to or at the hearing file written correspondence with the Commission secretary. Future court challenges to these items may be limited to those issues raised at the public hearing or provided in writing to the Mono County Planning Commission prior to or at the public hearing. Project proponents, agents or citizens who wish to speak are asked to be acknowledged by the Chair, print their names on the sign-in sheet, and address the Commission from the podium.

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SPECIAL MEETING DRAFT MINUTES

December 21, 2017

COMMISSIONERS: Scott Bush, Roberta Lagomarsini, Chris I. Lizza, Mary Pipersky, Dan Roberts

STAFF: Gerry Le Francois, principal planner; Wendy Sugimura & Michael Draper, analysts; Walt Lehmann, public works; Christy Milovich, assistant county counsel; CD Ritter, commission secretary

GUESTS: Sandi Forstenzer, Maureen Vogel, Clifford Mann, Kathie Tipton, Cheyanne Renfro, Stan Riffel, Jeph Gundzik, Mike Rosas, Chris Martinez, Patrick Gale, Ian Fettes

1. **CALL TO ORDER & PLEDGE OF ALLEGIANCE:** Chair Dan Roberts called the meeting to order at 10:05 a.m. in the Town/County Conference Room in Mammoth Lakes. Attendees recited pledge of allegiance to the flag.

2. **PUBLIC COMMENT:** No items

3. **MEETING MINUTES**

MOTION: Adopt minutes of November 16, 2017, as submitted (*Bush/Pipersky. Ayes: 5.*)

4. **PUBLIC HEARING**

A. CONDITIONAL USE PERMIT 17-014/Baker for use of existing bedroom for short-term rental with the owners living on site. The property is located at 305 Aspen Springs Ranch Rd. in the community of Crowley Lake. This parcel (APN 062-090-017) has a land use designation of Estate Residential (ER 3). A CEQA exemption is proposed.

Michael Draper described the proposal. Estate Residential allows application for owner-occupied Type I short-term rental conditional use permit. Three bedrooms on first floor, occupancy of eight. Applicant requested extension due to absence. Stacey Simon indicated go ahead today, withhold decision and further public comment in January. One parking space/bedroom. Can be met. Applicant received violation notice in August, owner responded with application. Project received five letters and one petition plus another letter and additional petition signatures. Comments: HOA has CC&Rs that prohibit nightly rentals. Applicant did not communicate intent to HOA or pursue exemption. HOA not want to police, change character of neighborhood, cope with road conditions in winter. Mono not reinforce CC&Rs, verify interpretation of articles. May be construed as reasonable opposition. First application in neighborhood, none taking place at this time, according to staff. Opposition letters from adjacent neighbors, across road. Two CC&Rs sections: residential uses and no unauthorized non-residential purposes. Staff recommends denial subject to reasonable opposition by those directly affected and one finding not met.

Recent purchase? Attendees confirmed.

OPEN PUBLIC HEARING: Clifford Mann, HOA president, confirmed owner purchased year ago August. Referred to CC&Rs restrictions on use. Lived there 16 years. Most owners longtime residents. Unique SFR property. Road grade issues of runoff, ditching, ruined a truck on that road. Owner-occupied status questionable. Great drive in summer. HOA was not notified, board members opposed. Protect lifestyle.

Representing self and/or HOA? *Both. Opposed to proposal.*

Difference in seasons? *Opposed to STR in area. Nobody but owners to enforce. Want to be left alone.*

HOA not notified, but what difference would it have made? *Applicant could have met with the HOA.*

Copy of HOA CC&Rs? *Assumed so. Longevity over 40 years. Automatic rollover of CC&Rs.*

Owner renting illegally? *Hasn't actually rented, just placed ad on Airbnb.*

Rent bottom floor long-term rental?

When did CC&Rs take effect? *June 10, 1976.*

--- Commissioner Lizza left to consult with counsel, & recused himself due to connection with current speaker ---

Maureen Vogel, who lives at bottom of street, cited safety factor, not wanting people who don't belong, privacy, and security. Cars slide down hill in winter, and traffic in summer unwanted.

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Kathie Tipton, owner 25 years who raised family there, ran nightly rentals 40 years in Mammoth. Rentals do not fit in neighborhood. She has spun out on road. Possibly open can of worms. **CLOSE PUBLIC HEARING.**

DISCUSSION: Commission will be two votes short on Jan. 18, but could continue. Pipersky had heard enough, but thought it nice to continue for applicant. Bush noted all things would not be equal next meeting. Simon reminded rights of appeal still in effect. Lagomarsini indicated nothing applicant could say would change her mind. Go with consensus of commission. Bush thought owner bought property to do this, but still has property. Bush had no problem denying. Pipersky cited substantial, reasonable opposition.

MOTION: Deny CUP 17-014 due to reasonable opposition and HOA regulations. (*Pipersky/Lagomarsini. Ayes: 4. Abstain: Lizza.*)

--- Commissioner Lizza returned at 10:47 ---

5. WORKSHOPS

A. CANNABIS: Wendy Sugimura noted PC recommendation to BOS of 600' from schools, plus community centers, libraries instead of 1,000'. BOS addressed personal cultivation. Move to next level of detail relating to setbacks, siting of operation, how to run. Would be GPA (General Plan Amendment), as zoning was integrated into GP (General Plan). Workshop would prefer dialog not presentation.

Consistency analysis. Activities not fit clearly into land use designations, more a finding of "similar to but not more obnoxious than."

Commercial and MU (Mixed Use) allow manufacturing and testing? Comments wanted use in more land use designations. Not typically active storefront. Vibrant main streets encourage visiting within community. Manufacturing not open to public. Keep compatible with existing policies, on side streets, rear entry, second floors. Questions: Available in LUDs (Land Use Designations), OK in retail frontages or different locations. Manufacturing contains permitting types: non-volatiles, volatiles, infusions, packaging/labeling.

Bush saw manufacturing at all different levels, anything but cannabis. Where do it now? Almost banning manufacturing? *Industrial and Industrial Park, or Service Commercial. June Lake C and MU.*

Lots empty storefronts throughout county, could revitalize. New business in June Lake, jeep audio installation, not much walking in/out of storefront. Could be more retail use. *Retail allowed in C. Are manufacturing and testing OK, not contributing to vitality of main streets.*

Manufacturing license means not sell product on site? *True in manufacturing laws.*

Storefront where still not sell to public or let them watch? Back streets make it scary. Second-story OK. *Microbusiness allows for all but testing. Microbusiness OK with retail component. State regulations on separation of uses. Microbusiness each entity has to follow State regulations. Capped at 10,000 sf.*

Roberts indicated professional office serves only certain clients, but in commercial location. Lizza thought Main Street locations better suited for receiving/distributing goods. Lagomarsini wanted to add knowledge to topic at time instead of coming back to it.

Big picture of what doing today? Sugimura cited policy questions related to LUDs, setbacks, aesthetics, visuals. Commercial cannabis uses nonexistent, currently illegal. Add which activities to allow in LUDs, specify if prohibited. Permissive zoning not recommended.

Legally defensible to whom? Stacey Simon stated local code enforcement. Beneficial if activity is not allowed. Public can make decisions on clear information. Sugimura noted federal Cole memo lays out certain priorities.

Lizza mentioned Green banking to open up financial system. Jeph Gundzik noted more states have it, not that far from feds.

Bush noted most of population favors recreational use. Pipersky reminded it's illegal.

Simon wanted regulation regime that meets needs of residents. Sugimura wanted to provide for commercial activity in Mono.

Comparison to alcohol, a heavily regulated commercial product? Sugimura planned future workshop on State regulations.

Roberts wanted to reduce restriction on commercial space use. Limited throughout county.

Lagomarsini thought any cannabis uses that pose potential danger should not be in commercial/retail zone. Volatile processing fit into category? Is it dangerous, obnoxious, odor, smell? Not in core retail area.

Chris Martinez, who represents a few investors, mentioned crude oil distillation. Could fill all places up, work on land use designation.

Sugimura stated consistency analysis on nonvolatile and volatiles is not compatible with MU and C, should be I and IP. Infusing could be similar to other commercial uses.

How much space? Gundzik cited shipping container with all equipment.

Lizza recalled coffee roasting problems with neighbors, certain hours restricted impact. Maybe limit to off-hours? *Allow for manufacturing, infusions, packaging/labeling. Active street-front issue not more obnoxious. Require discretionary use permits.*

Commercial OK, but how similar in MU designation? Bush cited gas stations in Walker. Sugimura confirmed MU in June Lake and Walker.

Lizza: Small-scale ag? Sugimura stated limited to residential or personal use. Subject to permit. Not finding great match for existing uses. Edibles not defined as food.

Main Street Lee Vining? *Commercial.*

Type 7: Volatile solvents. Prohibited outright over safety factors? Local FPDs did not see it as a problem. Mammoth Lakes FPD has state fire marshal, non-incorporated do not. Tom Perry has experience with operation in Mammoth.

Liz noted meth lab has volatiles. Martinez indicated in safe area nothing to blow up but self.

Roberts thought handling propane is safer. Bush does it all time at gas station.

Sugimura cited land development regulations, discretionary permitting process Draper will address.

Prohibit type 7 entirely? Bush thought not till people who know how show way to be done. Martinez indicated he will present next month.

Sugimura noted buffers around community centers, parks. Limited land base available. Need to limit number of businesses. Staff has limited capacity to monitor. All uses except ag do not need numerical cap. June Lake has no school, but available space. Need/desire for proximity buffer around established commercial business. Mammoth has 500' buffer for medical dispensaries. Disperses uses, impacts, visibility. Self-limiting factor. Only certain number can be there.

Maybe different buffer for Mono. Market difficult to predict. Start more conservative till understand market, or have businesses come in and then create buffers, caps. Same proximity buffer throughout Mono.

Take to June Lake CAC? *Yes. No opportunity in Long Valley. Lots of ag land. Numerical cap on operations maybe more appropriate for monitoring.*

Different caps for land size? Different license for every parcel. Could limit number of licenses to individuals to avoid land barons. Separate State license needed to operate on multiple parcels.

Roberts thought setting limits might preclude applying for permits in first place. Bush noted alcohol licenses limited, expensive. Simon added not transferable.

Draper noted if did merger to expand cultivation, would apply again. Simon indicated recovery of only cost of services.

State limit on number of licenses? Sugimura cited rigorous application requirements. Roberts saw self-limitation.

Lagomarsini wanted to encourage smaller operators to stay in business. She wanted lots of cottage industries in Mono and Inyo to prosper.

Lagomarsini noted Benton warehouse has no power till Edison upgrade occurs. Unclear on size comparison.

Annual renewals? *No other use permits have annual renewals. Inspections/fees associated with it.*

Draper continued the presentation. Specific issues on development standards at past public meetings. Setbacks: Prevent odor nuisances, enhanced security via setbacks. Notably cultivation setbacks from habitable space. Additional setbacks? Set toward specific operations? *Inyo got pushback on 100', wanted more.*

Lizza cited many setback requirements already.

Lagomarsini wouldn't want character of residential neighborhood next to commercial. Setbacks based on parcel size make sense. Sugimura noted 100' between habitable spaces for cultivation. Roberts did not want to add more setbacks to existing. Lizza wanted to discover setbacks insufficient for new activities. Look at existing, see where inadequate, make adjustments.

Additional setbacks maybe not necessary? Draper suggested modifications for existing setbacks.

Visual screening: Fencing around crop, visual screen of commercial property. Cannot see product from outside already intact. Requirements on fence height elsewhere maybe prevent theft, obnoxious views.

Incentive enough for grower to protect crop? *State not require fencing. No State security requirements.*

Sugimura recalled almond orchard gets theft all time. Growers maybe fence to keep wildlife out. Provisions in building code to prevent harm. Do we want to require, what should it look like?

Jeph Gundzik of Banner Springs Ranch mentioned need for some type of screen for wind, dust, pollen, protection from animals.

Lizza thought limits to fencing make Mono unique. Draper recalled Antelope Valley thought open view sheds could be disrupted by fences unless well designed. Roberts wanted fences not to affect viewshed.

Storefronts with signage of cannabis? Martinez suggested maybe green cross as with medical.

Draper cited research on design criteria, ordinances to steer toward good fences.

Odor nuisances: Could bring to code compliance, but difficult to pinpoint threshold of nuisance. Operation standards require filtration, ventilation systems not addressed in State regulations. Denver requires odor control plan.

Masking odor or filtering maybe case by case? Odors by various processes?

Martinez suggested locating away from towns. Pipersky wanted to try to mitigate odors. Draper indicated it's difficult for staff to determine mitigation.

Take odor issue to AV and Tri-Valley areas?

Security plan: No requirements for cultivation. Manufacturing has its own: prevent access, prevent access against theft. Draper indicated microbusiness would not need, but manufacturing would.

Sugimura talked with Sheriff Braun, need to find what would be required. Draper thought could require lockable gates or video surveillance. Sugimura noted State not required to feed to sheriff.

Draper mentioned robust security plans, businesses entering market to help. Need to be required up front.

Bush favored security, burglar alarm-type setup to notify law enforcement.

Security plan at time of application? Lagomarsini wanted same throughout county. Town has its own scheme, as does Inyo.

Pipersky noted Town MLPD chief approves security plan.

Sheriff approve every plan? *Yes, part of approval process.*

Draper noted State sets operating hours: 6 am-10 pm. Waste disposal plans set forth. Not deliver product through front door.

Sugimura planned to bring items back in more detail before BOS recommendation in March, so workshop in January, approval in February. Other big policy items: STR, housing also result in GPAs.

--- Commissioner Bush to work: 12:41 pm ---

--- Meeting resumed 12:53 pm ---

B. SHORT-TERM RENTALS & JUNE LAKE AREA PLAN UPDATE: Wendy Sugimura acknowledged community agreement on process developed and why based on BOS direction. Conversations with community, revisiting process would not be productive, so go with CAC recommendation. Back to principles: opportunity for input but not necessarily agree with or get their way, can't give everybody everything they want. Many hours of public engagement led to finality and certainty. Once decision is made, stick by it. If revisit, back to same issues. Find best way forward, no right decision.

Votes in neighborhoods translated into June Lake Area Plan policies. Leonard Avenue awaited enforcement cases, now closed. Types I and II appropriate, specific to owner, not land. Sugimura outlined various neighborhoods: Highlands: Allow through SP area. Dream Mountain: No input, CC&Rs rumored. South 158 area, opposite village: Split. No Type II due to workforce housing. Fall back under Mono regulations. Clark Tract: No traction on splitting into sections. Ideas generated by participants. Split Nevada Street off. Upper Nevada Street: No II, 1 year-round under 3% cap (eight). Three existing. Petersen Tract: No I or II.

Sugimura indicated Ch. 25 would apply countywide. No reasonable opposition to I or II.

Type II: Specific to owner, not land. Currently on moratorium till February 2018. Policy in June Lake Area Plan, but maybe throughout Mono.

Noticing: Drawn from outer limits from set of parcels owned 500'.

June Lake Area Plan Amendments: No more TRODs, replace with short-term rental. Balancing residential with tourist. Ch. 26 applies as well: Dark Sky Regulations, response time flexibility, quiet hours, no outdoor amplified sound or parties. Personal liability on private roads: home insurance coverage. Mono not qualified to evaluate, just require. Notify lender, as not all allow. Detached unit, owner live in other. Hideaway key.

Roberts saw some Ch. 26 regulations as overreach, throwing stumbling blocks. Mike Rosas saw the process as "restrict, prohibit, discourage."

Sugimura noted road condition disclosure. Workforce housing impact? PC consistently asked to look at whole housing situation. Specific criteria were provided on potential denied instead of prohibited. Changed throughout. Identify where STRs are appropriate; e.g., Rodeo Grounds SP.

Enforcement tools expanded based on public input and researching other jurisdictions. If violation not noted by Mono, allows private citizen to initiate civil action.

Simon stated it needs to be fleshed out. Private citizens have rights of action for other things (nuisance, noise). If legitimate, Mono pursues it.

--- CD Ritter departed at 1:45 pm ---

Sugimura continued discussing details of short-term rentals and June Lake Area Plan. Other attendees on rentals included Stan Riffel of Aspen Springs HOA.

6. REPORTS

A. DIRECTOR: None

B. COMMISSIONERS: None

7. **INFORMATIONAL:** No items

8. **ADJOURN** at 2:55 pm to January 18, 2018, at Bridgeport

Prepared by CD Ritter, PC secretary

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January 18, 2018

To: Mono County Planning Commission

From: Michael Draper, CDD Planning Analyst
Wendy Sugimura, CDD Senior Analyst

Re: WORKSHOP – Cannabis Regulations

RECOMMENDATION

Receive workshop presentation, and provide any desired direction to staff.

FISCAL IMPACT

No impact.

BACKGROUND

At the December meeting the Commission participated in a workshop to address specific policy questions relevant to the development of County cannabis regulations. The Commission was provided with information and gave feedback regarding Land Use Designations, Type 7 volatile manufacturing, limiting the number of cannabis operations, and annual renewal requirements. The Commission requested further information on the definition of “small” cultivation operations, and so state licensing types, which includes a size definition, are included in Attachment 1.

The Commission then discussed specific regulatory topics including setback requirements, visual screening, odor nuisances, and security plans. Staff received the following information on each given topic of regulation:

1. Setbacks - A variety of examples used by other jurisdictions was provided. The Commission discussed requiring compliance with existing Land Use Designation setbacks, and considering an additional 300-foot buffer between the operation’s perimeters and existing habitable space under separate ownership. Setback formulas based on parcel acreage were also of interest.
2. Visual screening – Requirements for fencing, signage, and business front screening was discussed and examples were given. The Commission discussed requiring a fencing plan and sign plan to allow for evaluation on a case-by-case basis. The plans should identify how fencing would fit with the location (not to intrude on scenic views), and the intended symbols and language to be used on signage elements.
3. Odor mitigation – The Commission discussed that an odor mitigation plan should be an application requirement. The plan would be evaluated on a case-by-case basis and the

applicant would have the flexibility to propose odor mitigation measures that fit the situation, facility, and need.

4. Security Plan – The Commission discussed that a security plan should be an application requirement to be approved by the County Sheriff. Elements to be included within the Security Plan should be consistent with the State’s security plan requirements and should include elements required by the Town of Mammoth Lakes’ cannabis program in order to retain regional consistency.

The State issued emergency regulations on November 16, 2017, governing commercial cannabis activities legalized under state law. The new regulations comprise over 300 pages, and are available at <https://cannabis.ca.gov/regulations-legislation/>. Staff has been reviewing the regulations to ensure compatibility and coordination with local regulations and procedures, and will provide a brief overview at the meeting (see Attachment 2).

DISCUSSION

The intent of this workshop is gather Commissioners’ input for the draft regulatory program on land use designations and regulations that would typically be identified at the “zoning code” level of detail.

Land Use Analysis

Based on the Commission’s previous discussion, the Land Use Designations would be modified to allow the following uses subject to a discretionary permitting process:

- Agriculture: Cultivation, Nursery, Microbusinesses (includes retail, manufacturing, and distribution as an accessory use to a bona fide agricultural operation)
- Commercial: Manufacturing, Testing, Retail, Distribution, Microbusiness (excluding cultivation)
- Service Commercial: Retail, Distribution, Manufacturing, Microbusiness (excluding cultivation)
- Mixed Use: Manufacturing, Testing, Retail, Distribution, Microbusiness (excluding cultivation)
- Industrial: Cultivation, Nursery, Manufacturing, Testing, Retail, Distribution, Microbusiness
- Industrial Park: Cultivation, Nursery, Manufacturing, Testing, Retail, Distribution, Microbusiness

The Commercial and Mixed Use designations have expanded to include cannabis operation types of Manufacturing, Testing, and Distribution. These uses may create internal consistency issues with existing Main Street policies promoting active and vibrant commercial districts. Staff will research the General Plan language and provide an update at the meeting.

Limiting the Number of Permits Issued

Cultivation:

There has been discussion on limiting the number of cultivation permits. This could be done directly by capping the actual number of permits or indirectly by establishing physical land requirements that would exclude parcels.

Inyo County has drafted regulations allowing 45 total available cultivation licenses. Cultivators are required to have 300-foot setbacks from all property lines. As a result, parcels less than 12 acres will find it difficult to feasibly conduct a cultivation operation.

Retail:

The Town of Mammoth Lakes' existing medical cannabis ordinance allows a maximum of two medical cannabis cooperatives set apart by a minimum of 500 feet from each other. The cooperatives are limited to no more than 75% of the ground floor area when located along primary and secondary active frontages and not permitted in the front 20 feet of the building when on the ground floor (administrative permit can authorize a reduction of the 20-foot requirement).

The Town's draft regulation covering Adult Use and Medical cannabis uses buffer and separation requirements to limit the number of retailers. Specifically, retailers must be 500 feet apart from each other, and must not to be located within a 600-foot buffer around schools, parks, libraries, and child-care facilities.

Most communities, after the application of buffers from schools and additional facilities as directed by the Board of Supervisors, have very limited land with the appropriate land use designation for retail, and therefore limiting the number of businesses may not be necessary. However, June Lake appears to have a significant available land base, and the issue was brought to the June Lake Citizen's Advisory Committee (CAC for discussion). Unfortunately, the meeting lacked a quorum and little direction was given, and so the issue will be agendized again for the February meeting. The discussion will also be raised at the Bridgeport Regional Planning Advisory Committee's (RPAC's) February meeting.

Topics for specific regulations

The purpose of this discussion is to determine the regulatory approach to each issue, in order for staff to begin drafting General Plan Development Standards for eventual adoption. As a reminder, adopted General Plan policies state that all commercial cannabis activities will be subject to a discretionary permitting process and the California Environmental Quality Act (CEQA).

- A. Setbacks:** per Action 1.L.3.b. Commercial cultivation activities to prevent odor nuisance and visual/aesthetic issues, and enhance security.

Existing minimum setbacks from property line by land use designation:

Agriculture: 50 feet front, rear and side.

Industrial: none

Industrial Park: uses subject to Use Permit – 20 feet front, 10 feet rear, 10 feet side.

Commercial: 10 feet front, 5 feet rear, 0 feet side

Mixed Use: 10 feet front, 5 feet rear, 10 feet side

For outdoor cultivation specifically, a 300-foot setback from property lines is the most conservative best practice recommended by HdL, the County's consultant, and has been adopted by Inyo County. An alternative is to require a 300-foot setback between an operation's perimeter and existing habitable space under separate ownership.

The Commission had considered Butte County, CA requirements, for cultivation (indoor and outdoor) which would need to be modified to be compatible with Mono County's existing setback requirements:

If the premises is one-half (0.5) of an acre in size or less, each detached structure shall ~~be set back at least 15' from all boundaries of the premises~~ meet minimum land use designation setbacks; greater than 0.5 acre but less than 5 acres, each detached structure or outdoor area shall be set back at least 50' from all boundaries; premises equal to or greater than 5 acres but less than 10 acres, 75'; 10 acres or greater, 150' from all boundaries. The ~~Director of the Department~~ Planning Commission may waive or reduce the requirement based upon a finding of unusual hardship for that parcel, or a site plan demonstrating improved security, visual mitigation, or odor mitigation.

- B. Visual Screening:** per Action 1.L.3.c., apply visual screening and other treatments to prevent attractive nuisance issues related to aesthetics and security, such as theft, exposure of minors and attraction of the criminal element.

Given the Commission's previous discussion on this topic, the following regulatory concepts have been drafted for consideration:

- All applicants for a cannabis operation permit shall submit a Visual Screening Plan indicating how the applicant will prevent sight of cannabis and cannabis product to prevent attractive nuisance issues related to aesthetics, security, exposure of minors, and attraction of the criminal element. Where necessary, a Visual Screening Plan will reference the applicants required Security Plan.
- Fencing shall be adequately secure to prevent unauthorized entry. Fencing, structures or vegetation may constitute adequate screening under this Chapter when approved by the Planning Commission.
- If an applicant believes a Visual Screening Plan is not necessary for the operation, the applicant must provide justification for non-applicability and the Commission must make findings accepting the finding.
- In addition, language relating to the visual aesthetics of the fencing itself could be required. Staff will research existing General Plan requirements and provide an update on potential options at the Commission meeting.

- C. Limiting odor nuisances:** generally provided by requiring that activities occur indoors or by establishing larger setbacks.

Given the Commission's previous discussion on this topic, the following regulatory concepts have been drafted for consideration:

- All applicants for a cannabis operation permit shall submit an Odor Mitigation Plan indicating how the applicant will prevent nuisance odors. Potential measures include indoor operations with filtration, increased setbacks, limiting odor-inducing activities to certain hours and areas, etc.
- Any fully-enclosed structure used for cannabis cultivation, drying, aging, trimming, and packing must be equipped with an odor control ventilation and filtration system(s), or other measures that can demonstrate similar effectiveness, to control odors, humidity, and mold, and prevent off-site odors.

- D. Security Plan:** Action 1.L.3.f. To ensure security, safety, and prevent access by minors and the criminal element, a Security Plan shall be required and subject to approval by appropriate law enforcement and code enforcement entities.
- a. State requirements are set for Distribution, Testing, Retail, and Manufacturing.
 - b. The plan must be reviewed and approved by the Mono County Sheriff's Department.
 - c. (Town of Mammoth Lakes) "A security plan outlining the proposed arrangements for ensuring the safety of persons and for protecting the premises from theft. The plan shall include, as a minimum, installation of security cameras, continuous operation of a robbery and burglary alarm system monitored by a state-licensed operator, and an annual written security assessment of the site by a qualified professional. The security plan must also include a lighting plan showing exterior and interior lighting that will be implemented to provide adequate security and comply with all town standards regarding lighting design and installation." (See Attachment 2.)
 - d. Background checks (similar to Town of Mammoth Lakes): Required for business owner, property owner, and managers, and require LiveScan for all other employees, with the authority of the Sheriff to disqualify employees based on their record.
- E.** Discussion on any issues such as operating hours, waste disposal, product delivery and export, enforcement, etc., which should be further regulated or have additional requirements imposed.

ATTACHMENTS:

1. CalCannabis Cultivation Licensing types
2. State Application Requirements

§ 8201. Cultivation License Types.

License types include:

(a) Specialty Cottage:

- (1) "Specialty Cottage Outdoor" is an outdoor cultivation site with up to 25 mature plants.
- (2) "Specialty Cottage Indoor" is an indoor cultivation site with 500 square feet or less of total canopy.
- (3) "Specialty Cottage Mixed-Light Tier 1 and 2" is a mixed-light cultivation site with 2,500 square feet or less of total canopy.

(b) Specialty:

- (1) "Specialty Outdoor" is an outdoor cultivation site with less than or equal to 5,000 square feet of total canopy, or up to 50 mature plants on noncontiguous plots.
- (2) "Specialty Indoor" is an indoor cultivation site between 501 and 5,000 square feet of total canopy.
- (3) "Specialty Mixed-Light Tier 1 and 2" is a mixed-light cultivation site between 2,501 and 5,000 square feet of total canopy.

(c) Small:

- (1) "Small Outdoor" is an outdoor cultivation site between 5,001 and 10,000 square feet of total canopy.
- (2) "Small Indoor" is an indoor cultivation site between 5,001 and 10,000 square feet of total canopy.
- (3) "Small Mixed-Light Tier 1 and 2" is a mixed-light cultivation site between 5,001 and 10,000 square feet of total canopy.

(d) Medium:

- (1) "Medium Outdoor" is an outdoor cultivation site between 10,001 square feet and one acre of total canopy.
- (2) "Medium Indoor" is an indoor cultivation site between 10,001 and 22,000 square feet of total canopy.
- (3) "Medium Mixed-Light Tier 1 and 2" is a mixed-light cultivation site between 10,001 and 22,000 square feet of total canopy.

(e) "Nursery" is a cultivation site that conducts the cultivation of cannabis solely as a nursery.

(f) "Processor" is a cultivation site that conducts only trimming, drying, curing, grading, packaging, or labeling of cannabis and nonmanufactured cannabis products.

APPLICATION REQUIREMENTS

Testing/Distributor/Retail/Microbusiness – Bureau of Cannabis Control

http://bcc.ca.gov/law_regs/bcc_notice_emerg.pdf

§ 5002. Annual License Application Requirements

(c) An application must be completed by an owner as defined by section 5003 of this division.

An application must be submitted to the Bureau for each cannabis license applied for. An application for an annual cannabis license includes the following:

- (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.
- (2) If applicable, the **business trade name** (“DBA”) of the applicant.
- (3) The **license type** the applicant is applying for, including A-license or M-license designation for all license types other than testing laboratories.
- (4) **Payment** of an application fee pursuant to section 5014 of this division.
- (5) Whether the owner is serving or has previously **served in the military**. Disclosure of military service is voluntary. An applicant that has served as an active duty member of the Armed Forces of the United States and was honorably discharged and who can provide evidence of such honorable discharge shall have his or her application expedited pursuant to Business and Professions Code section 115.4.
- (6) **A list of the license types** and the license numbers issued from the Bureau and all other state cannabis licensing authorities that the applicant holds, including the date the license was issued and the licensing authority that issued the license.
- (7) **Whether the applicant has been denied a license** or has had a license suspended or revoked by the Bureau or any other state cannabis licensing authority. 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.
- (8) The **physical address** of the premises.
- (9) The **mailing address** for the applicant, if different from the premises address.
- (10) The **telephone number** for the premises.
- (11) **The website address and email address** of the applicant’s business.
- (12) The business’ **federal employer identification number**.
- (13) Contact information for the applicant’s **designated primary contact person** including the name, title, phone number, and email address of the individual.
- (14) A **description of the business organizational structure** of the applicant, such as partnership or corporation.
- (15) **The business-formation documents**, which may include, but are not limited to, articles of incorporation, operating agreements, partnership agreements, and fictitious business name statements. The applicant shall also provide all documents filed with the California Secretary of State, which may include, but are not limited to, articles of incorporation, certificates of stock, articles of organization, certificates of limited partnership, and statements of partnership authority.
- (16) A list of **every fictitious business name** the applicant is operating under including the address where the business is located.
- (17) A commercial cannabis business that is a foreign corporation shall include in its application the certificate of qualification issued by the Secretary of State of California.

(18) The applicant shall supply the following **financial information**:

(A) A list of funds belonging to the applicant held in savings, checking, or other accounts maintained by a financial institution. The applicant shall provide for each account, the financial institution's name, the financial institution's address, account type, account number, and the amount of money in the account.

(B) A list of loans made to the applicant. For each loan, the applicant shall provide the amount of the loan, the date of the loan, term(s) of the loan, security provided for the loan, and the name, address, and phone number of the lender.

(C) A list of investments made into the applicant's commercial cannabis business. For each investment, the applicant shall provide the amount of the investment, the date of the investment, term(s) of the investment, and the name, address, and phone number of the investor.

(D) A list of all gifts of any kind given to the applicant for its use in conducting commercial cannabis activity. For each gift, the applicant shall provide the value of the gift or description of the gift, and the name, address, and phone number of the provider of the gift.

(19) A complete **list of every individual that has a financial interest** in the commercial cannabis business as defined in 5004 of this division, who is not an owner pursuant to Business and Professions Code section 26001(a).

(20) A complete list of every owner of the applicant as defined in Business and Professions Code section 26001(a). Each individual named on this list shall submit the following information:

(A) The full name of the owner.

(B) The owner's title within the applicant entity.

(C) The owner's date of birth and place of birth.

(D) The owner's social security number or individual taxpayer identification number.

(E) The owner's mailing address.

(F) The owner's telephone number. This may include a number for the owner's home, business, or mobile telephone.

(G) The owner's email address.

(H) The owner's current employer.

(I) The percentage of the ownership interest held in the applicant entity by the owner.

(J) Whether the owner has an ownership or a financial interest as defined in 5003 and 5004 of this division in any other commercial cannabis business licensed under the Act.

(K) 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 that includes the name, date of birth, physical description, and picture of the person, such as a driver license.

(L) A detailed description of the owner's convictions. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Convictions dismissed under Penal Code section 1203.4 or equivalent non-California law must be disclosed. Convictions dismissed under Health and Safety Code section 11361.8 or equivalent non-California law must be disclosed. Juvenile adjudications and traffic infractions under \$300 that did not involve alcohol, dangerous drugs, or controlled substances do not need to be included. For each conviction, the owner shall provide the following:

(i) The date of conviction.

(ii) Dates of incarceration if applicable.

(iii) Dates of probation if applicable.

(iv) Dates of parole if applicable.

(v) A detailed description of the offense for which the owner was convicted.

(vi) A statement of rehabilitation for each conviction. The statement of rehabilitation is to be written by the owner and may contain evidence that the owner would like the Bureau to consider that demonstrates the owner's fitness for licensure. Supporting evidence may be attached to the statement of rehabilitation and may include, but is not limited to, a certificate of rehabilitation under Penal Code section 4852.01, dated letters of reference from employers, instructors, or professional counselors that contain valid contact information for the individual providing the reference.

(M) If applicable, a detailed description of any suspension of a commercial cannabis license, revocation of a commercial cannabis license, or sanctions for unlicensed commercial cannabis activity by a licensing authority or local agency against the applicant or a business entity in which the applicant was an owner or officer within the three years immediately preceding the date of the application.

(N) Attestation to the following statement: Under penalty of perjury, I hereby declare that the information contained within and submitted with the application is complete, true, and accurate. I understand that a misrepresentation of fact is cause for rejection of this application, denial of the license, or revocation of a license issued.

(21) Evidence that the applicant has the **legal right to occupy** and use the proposed location that complies with section 5007 of this division.

(22) **Evidence that the proposed premises is in compliance** with Business and Professions Code section 26054(b) - not be located within a 600-foot radius of a school providing...

(23) For an applicant with 20 or more employees, the applicant shall attest that the applicant has entered into a **labor peace agreement** and will abide by the terms of the agreement, and the applicant shall provide a copy of the agreement to the Bureau. For applicants who have not yet entered into a labor peace agreement, the applicant shall provide a notarized statement indicating the applicant will enter into and abide by the terms of a labor peace agreement.

(24) The applicant shall provide a **valid seller's permit number issued by the California Department of Tax and Fee Administration**, if applicable. If the applicant has not yet received a seller's permit, the applicant shall attest that the applicant is currently applying for a seller's permit.

(25) **A diagram of the premises** as required by section 5006 of this division:

(a) An applicant shall submit to the Bureau, with the application, a complete and **detailed diagram of the proposed premises**.

(b) The diagram shall show the **boundaries of the property** and the proposed premises to be licensed, showing all boundaries, dimensions, entrances and exits, interior partitions, walls, rooms, windows, doorways, and common or shared entryways, and shall include a brief statement or description of the principal activity to be conducted therein.

(c) The diagram shall show and **identify commercial cannabis activities that will take place in each area of the premises**, and identify limited-access areas.

(d) The diagram shall show **where all cameras are located** and assign a number to each camera for identification purposes.

(e) The diagram shall be to scale.

(f) The diagram shall not contain any highlighting and the markings on the diagram shall be in black and white print.

(g) If the proposed premises consists of only a portion of a property, the diagram must be labeled indicating which part of the property is the proposed premises and what the remaining property is used for.

(h) If the proposed premises will be a **microbusiness**, in addition to the requirements of subsections (b) through (g), the diagram must also include measurements of the planned canopy, including aggregate square footage and individual square footage of separate cultivation areas, if any.

(26) **Proof of a bond** as required by section 5008 of this division: surety bond of at least \$5,000

(27) For testing laboratory applications, the certificate(s) of accreditation as required by section 5702 of this division, or the information required for a provisional license as required by section 5703 of this division.

(28) When an applicant provides a license, permit, or other authorization from the local jurisdiction where the licensed premises will be or is located, the Bureau will notify the applicable local jurisdiction to confirm the validity of the authorization. If the local jurisdiction does not respond within 10 calendar days, the Bureau shall consider the authorization valid.

(29) All licensee applications shall include a **detailed description of the applicant's operating procedures** including the following (if applicable):

(A) The Transportation Procedures

(i) A description of the applicant's procedure for transportation of cannabis goods, including whether or not the applicant will be transporting cannabis goods or contracting for transportation services.

(B) Inventory Procedures

(i) A description of the applicant's procedure for receiving shipments of inventory.

(ii) Where the applicant's inventory will be stored on the premises and how records of the inventory will be maintained.

(iii) The applicant's procedure for performing inventory reconciliation and for ensuring that inventory records are accurate.

(C) Non-Laboratory Quality Control Procedures

(i) The applicant's procedures for preventing the deterioration of cannabis goods held by the applicant.

(ii) The applicant's procedures for ensuring that cannabis goods are properly packaged and labeled prior to retail sale.

(iii) The applicant's procedures for ensuring that a licensed testing laboratory samples and analyzes cannabis goods held by the applicant.

(D) **Security Procedures**

(i) The applicant's procedure for allowing individuals access to the premises.

(ii) A description of the applicant's video surveillance system including camera placement and procedures for the maintenance of video surveillance equipment.

(iii) How the applicant will ensure that all access points to the premises will be secured, including the use of security personnel.

(iv) A description of the applicant's security alarm system.

(30) For applicants applying for a microbusiness license, the application shall include a detailed description of the applicant's operating procedures required by this section for each cannabis activity the applicant intends to engage in.

(31) For applicants applying for a testing laboratory license, in addition to the operating procedures required under subsection (c)(29) of this section, the standard application shall include the operating procedures required by Chapter 6 of this division.

(32) The **limited waiver of sovereign immunity required by section 5009** of this division, if applicable.

(33) Evidence of exemption from, or compliance with, the **California Environmental Quality Act** as required by section 5010.

Cultivation – Department of Food & Agriculture, CalCannabis

https://static.cdfa.ca.gov/MCCP/document/Proposed%20Emergency%20Regulations%20Final_12.12.17.pdf

§ 8102. **Annual License Application Requirements.**

Applications for a cultivation license shall be completed and submitted online at calcannabis.cdfa.ca.gov or by mailing a hard copy of the application to the department at P.O. Box 942872, Sacramento, CA 94271-2872. Application fees, pursuant to section 8101 of this chapter, shall accompany the applications submitted online at calcannabis.cdfa.ca.gov or by mail to the department at P.O. Box 942872, Sacramento, CA 94271-2872. Applications shall include the following, if applicable:

(a) The **legal business name** of the applicant entity.

(b) The **license type**, pursuant to in section 8201 of this chapter, for which the applicant is applying and whether the application is for an M-license or A-license;

(c) A list of **all the types, including the license numbers of valid licenses**, from the department and other cannabis licensing

(d) The **physical address** of the premises;

(e) The **mailing address** of the applicant;

(f) 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, that contains the name, date of birth, physical description, and picture of the individual;

(g) An **individual or entity serving as agent for service** of process for the applicant. 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;

(h) **A complete list of every owner** of the applicant entity pursuant to section 8103 of this chapter. Each individual owner named shall submit the following information:

(1) Full legal name;

(2) Title within the applicant entity;

(3) Date of birth;

(4) Social security number or individual taxpayer identification number;

(5) Home address;

(6) Primary phone number;

(7) Email address;

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

(9) Percentage of the ownership interest held in the applicant entity by the owner;

(10) 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;

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

(12) If applicable, a detailed description of criminal convictions. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Convictions dismissed under sections 1203.4, 1203.4a and 1203.41 of the Penal Code or equivalent non-California law shall be disclosed. Juvenile adjudications and traffic infractions do not need to be included. For each conviction, all of the following shall be provided:

(A) The date of conviction;

(B) Date(s) of incarceration, if applicable;

(C) Date(s) of probation, if applicable;

(D) Date(s) of parole, if applicable;

(E) A detailed description of the offense for which the owner was convicted; and

(F) A statement of rehabilitation for each conviction. The statement of rehabilitation is to be written by the owner and may contain evidence that the owner would like the department to consider that demonstrates the owner's fitness for licensure. Supporting evidence may be attached to the statement of rehabilitation and may include, but is not limited to, a certificate of rehabilitation under section 4852.01 of the Penal Code, dated letters of reference from employers, instructors, or professional counselors that contain valid contact information for the individual providing the reference.

(13) A copy of their completed application for electronic fingerprint images submitted to the Department of Justice.

(i) **A complete list of financial interest holders** pursuant to section 8103 of this chapter, including the following information for:

(1) Individuals: full legal name, tax identification number (social security number, individual taxpayer identification number, or national identification number), government identification number, and type of government identification; and

(2) Business entities: legal business name and employer identification number.

(j) Copies of all documents filed with the California Secretary of State, which may include, but are not limited to, **articles of incorporation, operating agreement, partnership agreement, fictitious business name statement, certificate of stock, articles of organization, certificate of limited partnership, and statement of partnership authority**. If an applicant is a foreign corporation, a certificate of qualification issued by the California Secretary of State pursuant to section 2105 of the Corporations Code;

(k) **A valid seller's permit number** issued by the California Department of Tax and Fee Administration, or confirmation from the California Department of Tax and Fee Administration that a seller's permit is not needed. If the applicant entity has not yet received a seller's permit, the applicant entity shall attest that they are currently applying for a seller's permit;

(l) 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;

(m) Evidence that the applicant entity has the **legal right to occupy and use the proposed location** pursuant to section 8104 of this chapter;

(n) Evidence of having obtained a **surety bond in the amount of not less than \$5,000**, payable to the department. The bond shall be issued by a corporate surety licensed to transact surety business in the State of California;

- (o) Evidence of **enrollment with the applicable Regional Water Quality Control Board** or State Water Resources Control Board for water quality protection programs or written verification from the appropriate board that enrollment is not necessary;
- (p) Evidence that the applicant has conducted a **hazardous materials record search** of the EnviroStor database for the proposed premises. If hazardous sites were encountered, the applicant shall provide documentation of protocols implemented to protect employee health and safety;
- (q) Evidence of exemption from, or compliance with, division 13 (commencing with section 21000) of the Public Resources Code, **California Environmental Quality Act (CEQA)**. The evidence provided shall be one of the following:
- (1) A copy of the applicant's license, permit, or other authorization from the local jurisdiction, if the local jurisdiction has adopted an ordinance, rule, or regulation pursuant to section 26055(h) of the Business and Professions Code that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity.
 - (2) A copy of the Notice of Determination or Notice of Exemption and a copy of the CEQA document, or reference to where it can be located electronically, if the applicant does not wish to provide a copy of the license, permit, or other authorization provided by the local jurisdiction or if the local jurisdiction has not adopted an ordinance, rule, or regulation pursuant to section 26055(h) of the Business and Professions Code that requires discretionary review and approval of permits, licenses, or other authorizations to engage in commercial cannabis activity.
 - (3) If an applicant does not have the evidence specified in subsections (1) or (2), or if the local jurisdiction did not prepare a CEQA document, the applicant will be responsible for the preparation of an environmental document in compliance with CEQA that can be approved or certified by the department, unless the department specifies otherwise.
- (r) For indoor and mixed light license types, **identification of all power sources for cultivation activities**, including but not limited to, illumination, heating, cooling, and ventilation;
- (s) A **property diagram** pursuant to section 8105 of this chapter;
- (t) A **proposed cultivation plan** pursuant to section 8106 of this chapter;
- (u) **Identification of all of the following applicable water sources used for cultivation activities** and the applicable supplemental information for each source pursuant to section 8107 of this chapter:
- (1) A retail water supplier;
 - (2) A groundwater well;
 - (3) A rainwater catchment system;
 - (4) A diversion from a surface waterbody or an underground stream flowing in a known and definite channel;
- (v) A copy of any final **lake or streambed alteration agreement** issued by the California Department of Fish and Wildlife, pursuant to sections 1602 or 1617 of the Fish and Game Code, or written verification from the California Department of Fish and Wildlife that a lake and streambed alteration agreement is not required;
- (w) An attestation that the proposed location is at least a **six-hundred (600) foot radius from a school** providing instruction in kindergarten or any grades one (1) through twelve (12), or a day care center or youth center as defined in section 26001 of the Business and Professions Code that is in existence at the time the application is submitted, or that the premises complies with a local ordinance specifying a different radius. The distance shall be measured in the same manner as provided in subsection (c) of section 11362.768 of the Health and Safety Code unless otherwise provided by law;
- (x) An attestation that they will enter into, or have already entered into, and will abide by the terms of a **labor peace agreement** if the applicant entity will have twenty (20) or more employees on payroll at any one time;

(y) An **attestation that the applicant entity is an "agricultural employer"** as defined by the Alatorre-Zenovich-DunlapBerman Agricultural Labor Relations Act of 1975; division 2, part 3.5 (commencing with section 1140) of the Labor Code;

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

(aa) Any applicant that may fall within the scope of sovereign immunity that may be asserted by a federally recognizable tribe or other sovereign entity shall **waive any sovereign immunity defense** that the applicant may have, may be asserted on its behalf, or may otherwise be asserted in any state or local administrative or judicial enforcement actions against the applicant or licensee, regardless of the form of relief sought, whether monetary or otherwise, under the state laws and regulations governing commercial cannabis activity, and shall provide documentation as may be requested by the department that establishes that the applicant has the lawful authority to enter into the waiver described above and has effectively done so. The limited waiver of sovereign immunity shall meet the requirements of the following:

(1) The written limited waiver shall include that the applicant or licensee has the lawful authority to enter into the waiver required by this section, the applicant or licensee hereby waives sovereign immunity, and the applicant or licensee agrees to do all of the following:

(A) Provide documentation to the department that establishes that the applicant or licensee has the lawful authority to enter into the waiver required by this section;

(B) Conduct all commercial cannabis activity in full compliance with the state laws and regulations governing commercial cannabis activity, including submission to all enforcement provisions thereof;

(C) Allow access as required by statute or regulation by persons or entities charged with duties under the state laws and regulations governing commercial cannabis activity to any premises or property at which the applicant conducts any commercial cannabis activity, including premises or property where records of commercial cannabis activity are maintained by or for the applicant or licensee;

(D) Provide any and all records, reports, and other documents as may be required under the state laws and regulations governing commercial cannabis activity;

(E) Conduct commercial cannabis activity with other state commercial cannabis licensees only, unless otherwise specified by state law;

(F) Meet all of the requirements for licensure under state laws and regulations governing the conduct of commercial cannabis activity, and provide truthful and accurate documentation and other information of the applicant's qualifications and suitability for licensure as may be requested by the department;

(G) Submit to the personal and subject matter jurisdiction of the California courts to address any matter related to the waiver or commercial cannabis application, license, or activity, and that all such matters and proceedings shall be governed, construed and enforced in accordance with California substantive and procedural law, including but not limited to the Act;

(2) Any applicant or licensee shall immediately notify the department of any changes that may materially affect the applicant and licensee's compliance with subsection (1).

(3) Any failure by an applicant or licensee to comply with the requirements of subsections (1) and (2) shall be a basis for denial of an application or renewal or discipline of a licensee.

(bb) **The department shall not approve an application for a state license if approval of the license would violate the provisions of any local ordinance** or regulation adopted in accordance with section 26200 of the Business and Professions Code by a county or, if within a city, a city, within which the licensed premises is to be located.

Manufacturing – Department of Public Health

https://www.cdph.ca.gov/Programs/OLS/CDPH%20Document%20Library/DPH-17-010E_TEXT_FINAL-ADA.pdf

§40128. Annual License Application Requirements.

(a) To apply for a manufacturer license from the Department, the applicant shall submit the following on behalf of the commercial cannabis business:

(1) A completed application form as prescribed by the Department, or through online submission, which includes all of the following information:

(A) **Business information** specified in Section 40129;

(B) **Owner information** as specified in Section 40130; and

(C) **Manufacturing premises and operations information** as specified in Section 40131.

(2) The nonrefundable application fee as specified in Section 40150.

(b) The application shall be signed by the applicant under penalty of perjury that the information provided is complete, true, and accurate, and shall include the following attestations:

(1) The applicant is authorized to act on behalf of the commercial cannabis business;

(2) If the licensed premises has 20 or more employees, the applicant will enter into a labor peace agreement and will abide by the terms of the agreement as required by section 26051.5 (a)(5)(A) of the Act. A copy of the agreement shall be sent to the Department. If the applicant has not yet entered into a labor peace agreement, a notarized statement indicating the applicant will enter into and abide by the terms of a labor peace agreement shall be sent to the Department;

(3) The commercial cannabis business is operating in compliance with all local ordinances; and

(4) The proposed premises is not within a 600-foot radius of the perimeter of a school providing instruction in kindergarten or any grades 1 through 12, or a day care center, or youth center, or that the premises complies with the local ordinance specifying a different radius, as specified in section 26054(b) of the Act.

§40129. Annual License Application Requirements – **Business Information**.

(a) The applicant shall submit the following information for the commercial cannabis business:

(1) The legal business name;

(2) The federal tax identification number. If the commercial cannabis business is a sole proprietorship without a federal tax identification number, the applicant shall submit the social security number of the sole proprietor;

(3) The name(s) under which the business will operate (“Doing Business As”), if applicable;

(4) The business’s mailing address which will serve as the address of record;

(5) The name, title, phone number and email address of the primary contact person for the commercial cannabis business;

(6) The seller’s permit number issued by the California Department of Tax and Fee Administration or notification issued by the California Department of Tax and Fee Administration that the business is not required to have a seller’s permit. If the applicant has not yet received a seller’s permit, the applicant shall attest that the applicant is currently applying for a seller’s permit;

(7) The business structure of the commercial cannabis business as filed with the California Secretary of State (e.g., limited liability company, partnership, corporation). A commercial cannabis business that is a foreign corporation shall include in its application the certificate of qualification issued by the Secretary of State of California;

(8) A list of the owners, as defined in Section 40102;

- (9) A list of financial interest holders, as defined in Section 40102;
- (10) Proof of having obtained a surety bond in the amount of \$5,000, payable to the State as obligee, to ensure payment of the cost incurred for the destruction of cannabis products necessitated by a violation of the Act or the regulations adopted thereunder.
- (11) The license type applied for and whether the application is for medicinal or adult-use manufacturing.

(b) Pursuant to section 26055(e) of the Act, applicants may voluntarily submit a copy of a license, permit, or other authorization to conduct commercial cannabis manufacturing activities issued by the local jurisdiction. Upon receipt of the application, the Department shall contact the applicable local jurisdiction to confirm the validity of the authorization. If the local jurisdiction does not respond within 10 calendar days, the Department shall consider the authorization valid.

§40130. Annual License Application Requirements - **Owners**.

(a) Each owner that is an individual shall submit all of the following information:

- (1) **Name**;
- (2) **Title or position held**;
- (3) **Social security number**;
- (4) **Date of birth**;
- (5) **Mailing address**;
- (6) Contact **phone number and email address**;
- (7) A copy of **Department of Justice form BCIA 8016 (request for Live Scan Service)**; and
- (8) **Disclosure of all of the following**, including dates and a description of the circumstances, if applicable:
 - (A) **Any criminal conviction** from any jurisdiction. Adjudications by a juvenile court and infractions do not need to be disclosed. Convictions dismissed under Penal Code section 1203.4 or equivalent non-California law must be disclosed;
 - (B) **Any civil proceeding or administrative citation**, penalty or license sanction that is substantially related to the qualifications of a manufacturer as identified in Section 40162, subsections (f) and (g), including proceedings, penalties or sanctions against you or against a business entity in which you were an owner or officer;
 - (C) **Any fines or penalties for cultivation or production of a controlled substance on public or private land** pursuant to Fish and Game Code section 12025 or 12025.1;
 - (D) **Any sanctions by a licensing authority, city, or county for unlicensed commercial cannabis activity** within 3 years preceding the date of the application;
 - (E) Any suspension or revocation of a cannabis license by a licensing authority or local jurisdiction within 3 years preceding the date of the application.

(b) The owner form shall be signed by the owner under penalty of perjury that the information provided is complete, true, and accurate.

(c) An owner **disclosing a criminal conviction** or other penalty or sanction pursuant to subdivision (a), paragraphs (8)(A) and (B), shall submit any evidence of rehabilitation with the application for consideration by the Department. A statement of rehabilitation shall be written by the owner and contain all the evidence that the owner would like the Department to consider that demonstrates the owner's fitness for licensure. Supporting evidence may be attached to the statement of rehabilitation and may include, but is not limited to, evidence specified in Section 40165, and dated letters of reference from employers, instructors, or counselors that contain valid contact information for the individual providing the reference.

§40131. Annual License Application Requirements – **Manufacturing Premises and Operations Information.** The applicant shall submit all of the following information regarding the manufacturing premises and operation:

- (a) The **physical address of the manufacturing premises;**
- (b) Whether the premises manufactures **medicinal-use and/or adult-use cannabis products;**
- (c) The **type of activity** conducted at the premises (extraction, infusion, packaging, and/or labeling);
- (d) The **types of products** that will be manufactured, packaged, or labeled;
- (e) The **name, title and phone number of the on-site individual who manages the operation** of the premises;
- (f) The **name, title and phone number of an alternate contact person** for the premises;
- (g) The **number of employees at the premises;**
- (h) The **anticipated gross annual revenue** from products manufactured at the premises. An applicant for an M-license shall submit the anticipated gross annual revenue from the sale of medicinal-use products manufactured at the premises and an applicant for an A-license shall submit the anticipated gross annual revenue from the sale of adult-use products manufactured at the premises;
- (i) **A premises diagram.** The diagram shall be specific enough to enable ready determination of the bounds of the property and the proposed premises to be licensed, showing all boundaries, dimensions, entrances and exits, interior partitions, walls, rooms, windows, and common or shared entryways. The diagram must show the areas in which all commercial cannabis activities will be conducted. The diagram shall be to scale. If the proposed premises consists of only a portion of a property, the diagram shall be labeled to indicate which part of the property is the proposed premises and identifying what the remaining property is used for.
- (j) The following information:
 - (1) **A description of inventory control procedures** sufficient to demonstrate how the applicant will comply with the requirements of Section 40282, or a copy of the standard operating procedure addressing inventory control;
 - (2) **A description of quality control procedures** sufficient to demonstrate how the applicant will comply with all of the applicable requirements specified in Sections 40232- 40268 or a copy of the standard operating procedure addressing quality control;
 - (3) **A description of the transportation process** to be used by the applicant that is in compliance with state law, or a copy of the standard operating procedure addressing transportation;
 - (4) **A description of security procedures** sufficient to demonstrate how the applicant will comply with the requirements of Section 40200, or a copy of the standard operating procedure addressing security procedures;
 - (5) **A description of the waste disposal procedures** sufficient to demonstrate how the applicant will comply with the requirements of Section 40290, or a copy of the standard operating procedure addressing waste management.
- (k) A **written statement signed by the owner of the property**, or the owner’s agent, identifying the physical location of the property and acknowledging and consenting to the manufacture of cannabis products on the property. The name, address and contact phone number for the owner or owner’s agent shall be included.
- (l) Any manufacturer submitting operating procedures and protocols to the Department pursuant to the Act and this chapter may claim such information as a trade secret or confidential by clearly identifying such information as “confidential” on the document at the time of submission. Any claim of confidentiality by a manufacturer must be based on the manufacturer’s good faith belief that the information marked as confidential constitutes a trade secret as defined in Civil Code section 3426.1(d), or is otherwise exempt from public disclosure under the California Public Records Act in Government Code section 6250 et seq.

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§40200. Security Plan.

Every applicant and licensee shall develop and implement a security plan. **At a minimum, the security plan shall include a description of the security measures to be taken to:**

(a) **Prevent access** to the manufacturing premises by unauthorized personnel and protect the physical safety of employees. This includes, but is not limited to:

- (1) Establishing **physical barriers to secure perimeter access** and all points of entry into a manufacturing premises (such as locking primary entrances with commercial grade, non-residential door locks, or providing fencing around the grounds, driveway, and any secondary entrances including windows, roofs, or ventilation systems);
- (2) Installing a **security alarm system** to notify and record incident(s) where physical barriers have been breached;
- (3) **Establishing an identification and sign-in/sign-out procedure** for authorized personnel, suppliers, and/or visitors;
- (4) **Maintaining the premises such that visibility and security monitoring of the premises is possible;** and
- (5) Establishing **procedures for the investigation of suspicious activities.**

(b) **Prevent against theft** or loss of cannabis and cannabis products. This includes but is not limited to:

- (1) **Establishing an inventory system to track cannabis and cannabis products and the personnel responsible** for processing it throughout the manufacturing process;
- (2) **Limiting access of personnel within the premises** to those areas necessary to complete job duties, and to those time-frames specifically scheduled for completion of job duties;
- (3) **Supervising tasks or processes with high potential for diversion** (including the loading and unloading of cannabis transportation vehicles); and
- (4) Providing **designated areas in which personnel may store and access personal items.**

(c) **Secure and back up electronic records** in a manner that prevents unauthorized access and that ensures the integrity of the records is maintained.

§40205. Video Surveillance....