



COUNTY OF MENDOCINO

DEPARTMENT OF PLANNING AND BUILDING SERVICES

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DATE: APRIL 5, 2018

TO: PLANNING COMMISSION

FROM: MARY LYNN HUNT, CHIEF PLANNER
MATTHEW KIEDROWSKI, DEPUTY COUNTY COUNSEL
ELIZABETH BURKS, LACO ASSOCIATES

SUBJECT: OA_2018-0005- AMENDMENT TO THE MENDOCINO COUNTY CODE CHAPTER 6.36
CANNABIS FACILITIES BUSINESSES AND CHAPTER 20.243 CANNABIS FACILITIES
OF THE INLAND MENDOCINO COUNTY CODE

The Mendocino County Board of Supervisors has directed staff to amend the Mendocino County Code Chapters 6.36 Cannabis Facilities Businesses and 20.243 Cannabis Facilities (CFC). This report details proposed amendments to ensure consistency with Bureau of Cannabis Control (BCC) and CalCannabis agency regulations. Other changes for clarity and consistency are also proposed.

With the adoption of the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), some sections of the aforementioned chapters of the Mendocino County Code, related to cannabis, are now inconsistent with the new state regulations. Several minor changes are proposed in order to better align the existing terms and definitions with those of the State. The proposed changes are also intended to ensure consistency throughout the code sections themselves. These proposed changes are detailed in the below, and can be viewed as red-line edits in the attached documents.

BACKGROUND

- On October 17, 2017, the Board adopted Chapter 20.243 - Cannabis Facilities and Chapter 6.36 - Cannabis Facilities Businesses (Ordinance No. 4394) to permit aspects of the cannabis industry (dispensing/retail, distribution, processing, testing and manufacturing) besides cultivation. The ordinance took effect on November 16, 2017.
- Direction has been given to staff for other amendments to both cultivation and facilities chapters of the Mendocino County Code. Currently there are 2 amendments in the hearing stage process in addition to the amendments noted in this report.
 - OA_2018-0001 was heard and recommended approval by the Planning Commission on February 1, 2018 and subsequently scheduled for the Board of Supervisors February 27, 2018 meeting. The item was continued to March 6, 2018 (after the writing of this report).
 - OA_2018-0003 was heard and recommended approval by the Planning Commission on March 1, 2018 and tentatively scheduled for the Board of Supervisors hearing on March 27, 2018.

PROPOSED CHANGES: The proposed amendments to Chapter 6.36 - Cannabis Facilities Businesses and Chapter 20.243 - Cannabis Facilities (Ordinance No. 4394) can be found in Attachment 2 of this report, and are shown in redline. The changes include the following:

- The ordinance currently uses the phrase “medical or adult-use” throughout. Occurrences of this phrase would be eliminated in most cases as the County would not be base their permit types on whether it was a medical or adult use facility.

- Currently, cannabis facilities are prohibited within a one thousand (1000) foot radius of a youth-oriented facility, a school, a park, or any church or residential treatment facility, as defined in Chapter 10A.17.020. Applicants would be able to apply for a reduction in the setback through an administrative permit, subject to the existing limitations of the chapter.
- Currently, the definition of “Microbusiness” means “the cultivation of adult use cannabis on an area 10,000 square feet or less *and* acting as a licensed distributor, Level 1 manufacturer, and retailer...”. As such, applicants are required to have all four components to qualify for a microbusiness license. The MAUCRSA only requires an applicant to have three out of the four components to qualify. To align with this state regulation, the definition would be changed to mean, “at least three (3) of the following commercial cannabis activities: cultivation of adult use cannabis on an area 10,000 square feet or less, distribution, Manufacturing Level 1 (Non-Volatile), and acting as a licensed retailer/dispensary under this Chapter...”
- Microbusinesses that are home occupations or cottage industries would be limited to Self-Distribution of the microbusiness’ own cannabis and cannabis products and limited to customer levels as allowed by the home occupation or cottage industry ordinances.
- Section 20.243.040 (F), would require, “All cultivation, manufacturing, distribution, and retail activities performed by a licensee under a permitted microbusiness shall occur on the same licensed premises.” This is an existing requirement of the Bureau of Cannabis Control, and would be included to align with State regulations.
- Distribution Transport Only and Self-Distribution licenses would be allowed in any zoning district as an accessory use to a cultivation site under application review or permitted pursuant to Chapters 10A.17 and 20.242, but the licensee would be restricted to distributing cannabis goods grown or made by the licensee itself.
- Non-Storefront Retail locations would be permitted in any zoning district as an accessory use to a cultivation site under application review or permitted pursuant to Chapters 10A.17 and 20.242.
- Minor rewording throughout for clarity

CEQA RECOMMENDATION: In order to comply with the California Environmental Quality Act (CEQA), the County of Mendocino determined that Ordinance 4394 amending Chapter 6.36 and Chapter 20.243, was exempt from CEQA under the “general rule” exemption (15061(b)(3)). Staff recommends that the currently proposed changes continue to be found exempt under the general rule.

GENERAL PLAN CONSISTENCY ANALYSIS: Staff finds that the proposed amendments are consistent with the 2009 Mendocino County General Plan. The amendments would not constitute an increase in the total number of manufacturing facilities intended to be allowed in the County because only sites with an existing facility would be adapted for cannabis purposes. The allowed uses would still only be permitted in areas already otherwise allowed for by the General Plan.

RECOMMENDED MOTION FOR THE PLANNING COMMISSION: Adopt resolution making the Planning Commission’s report and recommendation to the Board of Supervisors recommending that the Board of Supervisors approve Ordinance Amendment No. OA 2018-0005 which will modify Chapters 6.36 and 20.243 of the Mendocino County Code, finding that the actions as proposed do not have the potential to cause a significant effect on the environment, and is therefore not subject to CEQA pursuant to the General Rule Exemption of Section 15061(b)(3) of the CEQA Guidelines.

ATTACHMENTS:

1. Planning Commission Resolution
2. Ordinance Amendment-Redline