BEFORE THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BENITO

AN ORDINANCE OF THE BOARD OF SUPERVISORS)OF THE COUNTY OF SAN BENITO AMENDING CHAPTER)19.43 OF THE SAN BENITO COUNTY CODE RELATING TO)THE LAND USE REGULATIONS APPLICABLE TO THE)MANUFACTURE AND LABORATORY TESTING OF)COMMERCIAL CANNABIS AND/OR CANNABIS PRODUCTS)

THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BENITO ORDAINS AS FOLLOWS:

SECTION 1: Chapter 19.43, "Cannabis Business Land Use Regulations," shall be amended as follows:

SECTION 2: Section 19.43.040 of the San Benito County Code is hereby amended in its entirety to read:

Section 19.43.040. Permit Requirements for All Cannabis Businesses.

- A. **Permit Required.** Commercial cannabis activities may only occur in compliance with the approval of the applicable permit identified in Section 19.43.040, subdivision (B), and in Title 25. The required permit shall be obtained prior to the commencement of any commercial cannabis activity. All conditions of the permit for the cannabis business shall be satisfied prior to the commencement of the commercial cannabis activity or as otherwise specified in the conditions of the permit.
- B. The below table identifies the cannabis business land uses allowed by zone and the type of permit required to establish each use pursuant to Title 25. Designation of zoning districts in this Section does not give any owner, occupant, or lessor of real property any rights to operate, or provide that any permit applied for under Title 25 shall be granted.

San Benito County Cannabis Business Permit Types/Land Use by Commercial Cannabis Activity	State License Type	Р		Permitt	ed Use, L	e, Land Use Permit required											
		MCUP		Minor Use Permit required													
		CUP		Conditional Use Permit required													
				Use Not Allowed													
		N/A		Not Ap	plicable												
		PERM	PERMIT REQUIRED BY ZONE														
		Agricultural Districts		Rural Districts			Residential Districts		Commercial Thoroughfare & Neighborhood Commercial		Controlled Manufacturing, Light Industrial, Heavy Industrial & Resources Recovery Park				Airport Safety District		
		AR	AP	R	RT	RR	R1	RM	C-1	C-2	СМ	M-1	M-2	RRP	AS		
Cultivation	1A, 1B, 1C, 2A, 2B, 3A, 3B, 4, 5A, 5B, Processor	CUP	CUP								CUP	CUP	CUP				
Manufacturing	6, 7, N, P, S	<u>CUP</u>	<u>CUP</u>								CUP	CUP	CUP				
Testing	8	<u>CUP</u>	<u>CUP</u>								CUP	CUP	CUP				
Retailer (Out-of-County Delivery)	10, 12	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Distributor	11										CUP	CUP	CUP				
Microbusiness	12										CUP	CUP	CUP				

(Non-Retail)								

- C. **Notice and Public Hearing.** Entitlements for cannabis business uses and/or development shall be subject to the applicable noticing requirements set forth in Chapters 25.43 and 25.49, except that a mailed notice regarding a pending action or hearing regarding a cannabis business entitlement shall be provided to all owners of property located within a 1,000-foot radius of the exterior boundaries of the subject parcel.
- D. **Indemnification.** The applicant shall enter into an indemnification agreement with the County in accordance with Chapter 19.41.

SECTION 3: Section 19.43.050 of the San Benito County Code is hereby amended in its entirety to read:

Section 19.43.050 Supplemental Requirements for Certain Cannabis Businesses.

- A. **Cultivation Site**. In reviewing an application submitted under Title 25 and order Chapter 7.02 to operate a cultivation-type cannabis business facility, the applicant shall provide the following additional information as requested:
 - 1. A pest management plan;
 - 2. A waste management plan;
 - 3. A landscape plan that considers scenic highway protection and may involve the installation of mature landscape;
 - 4. Preservation of agricultural lands, including preservation of prime agricultural lands in compliance with the General Plan;
 - 5. A water management plan, including the proposed water supply, proposed conservation measures, and any water off-set requirements. Such plan may include an estimate of water demand for the cultivation site prepared by a licensed professional engineer or other expert on water demand and a detailed description of how the new water demand will be offset. New water demands shall be offset at a 1:1 ratio;
 - 6. An energy management plan, including proposed energy conservation measures;
 - 7. An air quality management plan for controlling odor; and
 - 8. A security plan.
- B. **Distributor.** In reviewing the application submitted under Title 25 and order Chapter 7.02 to operate a distribution-type cannabis business facility, the applicant shall provide the following additional information as requested:
 - 1. A written statement detailing how, and from where, cannabis will be received, how any storage or transportation operations will be secured to prevent theft and trespass, and to whom the cannabis will be taken;

- 2. A quality control inspection and requirements plan;
- 3. Storage and handling plans;
- 4. Proof of ownership or a valid lease for any and all commercial vehicles that will be used to transport cannabis;
- 5. The year, make, model, license plate number, and numerical Vehicle Identification Number (VIN) for any and all commercial vehicles that will be used to transport cannabis; and
- 6. Proof of insurance in the amount of \$1,000,000 for any and all commercial vehicles being used to transport cannabis.

C. Manufacturing Site.

[RESERVED]

D. **Testing Laboratory.**

[RESERVED]

E. Microbusiness.

[RESERVED]

F. **[RESERVED]**

SECTION 4. If any section, subsection, sentence, clause, portion, or phrase of this Ordinance is for any reason held illegal, invalid, or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions hereof. The board hereby declares that it would have passed this chapter and each section, subsection, subsection, subsection, or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared illegal, invalid or unconstitutional.

SECTION 5. The Board of Supervisors hereby finds that this Ordinance is not subject to review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15308 Class 8: Actions by Regulatory Agencies for Protection of the Environment consists of actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment, California Business and Professions Code Section 26055, subd. (h), which states in pertinent part, "[w]ithout limiting any other statutory exemption or categorical exemption, [CEQA] does not apply to the adoption of an ordinance . . . that requires discretionary review and approval of permits . . . to engage in commercial cannabis activity. To qualify for this exemption, the discretionary review in any such law, ordinance, rule, or regulation shall include any applicable environmental review pursuant to [CEQA]."

SECTION 6. <u>EFFECTIVE DATE.</u> This ordinance shall take effect thirty (30) days from the date of its adoption, and prior to the expiration of fifteen (15) days from the adoption thereof shall be published at least one time in a newspaper of general circulation in San Benito County, with the names of the Supervisors voting for or against the same.

In regular session of the Board of Supervisors of the County of San Benito, adopted this _____ day of _____, 201____, on regular roll call of the members of said Board by the following vote:

AYES: Supervisor(s) NOES: Supervisor(s) ABSENT OR NOT VOTING:

> Mark Medina, Chair, Board of Supervisors

ATTEST:

Janet Slibsager, Clerk of the Board

APPROVED AS TO LEGAL FORM:

San Benito County Counsel Barbara J. Thompson

By:_____

Clerk of the Board

By: _____

Sarah M. Dickinson, Deputy County Counsel