#### **ATTACHMENT 7**

#### Hartman, Clare

From:

Hartman, Clare

Sent:

Monday, February 01, 2016 1:56 PM

To:

Hartman, Clare

Subject:

FW: Cannabis Lic types State of Calif

From: Dino D'Argenzio [mailto:dargenzio@keegancoppin.com]

**Sent:** Monday, February 01, 2016 12:45 PM

To: Hartman, Clare

Cc: Erlina Othman Real Estate

Subject: Re: Cannabis Lic types State of Calif

Hi Clare

Thank you - and Following up on this;

We have obtained input from

" the industry " as well as looking at other Counties in Calif. that have range of policy:

there is a need clarify that the

" cultivation " as you describe should be consistent and clear enough to include the act of " processing , manufacturing & packaging " of

the grown product in the same buildings or zonings on a properly zoned site -

this would enable the raw harvested materials to be processed for the intended finished product - and shipped or distributed as law permits .

I.E cultivation should include the processing, manufacturing and packaging of the raw material to edibles, oil extraction ect ect.

( subject to the MUP of coarse )

It needs to be clear and consistent to include these other steps in the cultivation - processing& manufacturing; otherwise it is not clear what other zonings will allow the processing and manufacturing of the cultivated product.

For example :Some growers will grow only, dry it and package off to wholesale or retail;

Other growers will grow it, process into another useable raw material form to be used in baking, or into oils, edibles ect;

others will purchase the cultivated material in dry form from the grower and use it to make some step along the way

Others will obtain the cultivated material and open a "testing and compliance "type lab as the industry evolves to include compliance criteria.

We believe all of these steps are part of the "cultivation process" in order to produce the product.

thank you and we look forward to your input.

Dino

Dino D'Argenzio & Erlina Othman Commercial Real Estate Senior Partner Keegan & Coppin Co.Inc 1355 No.Dutton Ave Santa Rosa,Ca 95401

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## Hartman, Clare

From: Dino D'Argenzio <DArgenzio@KeeganCoppin.com>

**Sent:** Friday, January 29, 2016 3:42 PM

To: Hartman, Clare

Cc: 'Erlina Othman Real Estate'
Subject: Cannabis Lic types State of Calif

Hi Clare

Following up our meeting today here are the license definitions as requested.

These came direct from an attorney.

Please let us know if you have any follow up questions:

Erlina Othman

**Type 1 = Cultivation;** Specialty outdoor; Small. Type 1, or "specialty outdoor," for outdoor cultivation using no artificial lighting of **less than or equal to 5,000 square feet** of total canopy size on one premises, or up to 50 mature plants on noncontiguous plots.

**Type 1A = Cultivation; Specialty indoor;** Small. Type 1A, or "specialty indoor," for indoor cultivation using exclusively artificial lighting of **less than or equal to 5,000 square feet** of total canopy size on one premises.

**Type 1B = Cultivation; Specialty mixed-light**; Small. Type 1B, or "specialty mixed-light," for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, of less than or equal to **5,000 square feet** of total canopy size on one premises.

**Type 2 = Cultivation**; **Outdoor**; **Small**. Type 2, or "small outdoor," for outdoor cultivation using no artificial lighting between **5,001** and **10,000** square feet, inclusive, of total canopy size on one premises.

**Type 2A = Cultivation; Indoor; Small.** Type 2A, or "small indoor," for indoor cultivation using exclusively artificial lighting between **5,001** and **10,000** square feet, inclusive, of total canopy size on one premises.

**Type 2B = Cultivation; Mixed-light; Small.** Type 2B, or "small mixed-light," for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, between **5,001** and **10,000 square feet**, inclusive, of total canopy size on one premises.

**Type 3 = Cultivation; Outdoor; Medium**. Type 3, or "outdoor," for outdoor cultivation using no artificial lighting from **10,001 square feet to one acre,** inclusive, of total canopy size on one premises. The Department of Food and Agriculture shall limit the number of licenses allowed of this type.

**Type 3A = Cultivation; Indoor; Medium.** Type 3A, or "indoor," for indoor cultivation using exclusively artificial lighting between **10,001** and **22,000** square feet, inclusive, of total canopy size on one premises. The Department of Food and Agriculture shall limit the number of licenses allowed of this type.

**Type 3B = Cultivation; Mixed-light; Medium.** Type 3B, or "mixed-light," for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, **between 10,001 and 22,000 square feet**, inclusive, of total canopy size on one premises. The Department of Food and Agriculture shall limit the number of licenses allowed of this type.

**Type 4 = Cultivation; Nursery.** Type 4, or "nursery," for cultivation of medical cannabis **solely as a nursery**. Type 4 licensees may transport live plants.

**Type 6 = Manufacturer 1."Manufacturing level 1,**" for manufacturing sites that produce medical cannabis products using nonvolatile solvents.

Type 7 = Manufacturer 2. "Manufacturing level 2," for manufacturing sites that produce medical cannabis products using volatile solvents. The State Department of Public Health shall limit the number of licenses of this type.

**Type 8 = Testing.** "Testing," for testing of medical cannabis and medical cannabis products. Testing licensees shall have their facilities licensed according to regulations set forth by the division. A testing licensee shall not hold a license in another license category of this chapter and shall not own or have ownership interest in a facility licensed pursuant to this chapter.

**Type 10 = Dispensary; General.** "Dispensary" means a facility where medical cannabis, medical cannabis products, or devices for the use of medical cannabis or medical cannabis products are offered, either individually or in any combination, for retail sale, including an establishment that delivers, pursuant to express authorization by local ordinance, medical cannabis and medical cannabis products as part of a retail sale. "Dispensing" means any activity involving the retail sale of medical cannabis or medical cannabis products from a dispensary.

Type 10A = Dispensary; No more than three retail sites. "Special dispensary status" for dispensers who have no more than three licensed dispensary facilities. This license shall allow for delivery where expressly authorized by local ordinance.

**Type 11 = Distribution.- Distributor,"** for the distribution of medical cannabis and medical cannabis products from manufacturer to dispensary. A Type 11 licensee shall hold a Type 12, or transporter, license and register each location where product is stored for the purposes of distribution. A Type 11 licensee shall not hold a license in a cultivation, manufacturing, dispensing, or testing license category and shall not own, or have an ownership interest in, a facility licensed in those categories other than a security interest, lien, or encumbrance on property that is used by a licensee. A Type 11 licensee shall be bonded and insured at a minimum level established by the licensing authority.

**Type 12 = Transporter.-** "Transport," for transporters of medical cannabis or medical cannabis products between licensees. A Type 12 licensee shall be bonded and insured at a minimum level established by the licensing authority.

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Commercial property specialist since 1977 in Sonoma County

## Hartman, Clare

From:

rcersted@ircoc.com

Sent:

Thursday, January 28, 2016 2:45 PM

To:

\_CityCouncilListPublic

Cc: Subject: Hartman, Clare
Planning Commission: 11 Feb 2016 Mtg: Urgency Ordinance

Mayor Sawyer; Vice Mayor Schwedhelm; Council Members Carlstrom, Combs, Coursey, Olivares, and Wysocky,

Given the passage of AB 21 -- yesterday in the California State Senate on a 35-3 vote and today in the State Assembly by a 65-0 vote [ <a href="http://goo.gl/F1xniE">http://goo.gl/L0xkg8</a> ] -- and its likely signing by Governor Brown, Santa Rosa Associates II hereby respectfully requests the City of Santa Rosa amend the time table for the proposed urgency ordinance permitting the Commercial Cultivation of Medical Cannabis.

As the largest private land-owner in the City, Santa Rosa Associates II is strongly opposed to possible cultivation within the Business Park (BP) Zoning District in the City. That said, we believe there are significant benefits to thoughtful consideration of all alternatives here. Thus, we respectfully request the City slow down the planning process associated with the urgency ordinance, allowing time for City staff to consider a wise approach or approaches.

Thank you for your consideration of the foregoing.

Richard C. Ersted Santa Rosa Associates II c/o Industrial Realty Company of California 650.592.5425 [v] rcersted@ircoc.com



January 18, 2016

City of Santa Rosa 100 Santa Rosa Avenue Santa Rosa, CA 95404

Robert Jacob Peace in Medicine 1061 N Dutton Avenue Santa Rosa, CA 95401

Dear Deputy Planning Director Hartman,

I have briefly outlined what I believe would be both the prudent and pragmatic approach when considering the future of the cannabis economy here in Santa Rosa.

On behalf of Peace in Medicine network, a Santa Rosa based medical cannabis dispensary with over 250 employees, I strongly urge you to consider the following items:

- Reject a ban on cannabis cultivation Do not make our citizens illegal overnight.
- <u>Create a Conditional Use Permit (C.U.P.) process for appropriately zoned properties to engage in legal above-board cultivation.</u>
- Over the next nine months, develop clear and comprehensive regulations that both protect the community as well as the small business owner and cannabis cultivators.

As a leader in the cannabis community, I would like to encourage the City Council to <u>allow for cultivation via a Conditional Use Permit (C.U.P.) process.</u> As a second step, the City Council should consider a full <u>Zoning Code Amendment</u> by September or sooner (timing estimated by staff). This process is necessary to ensure Peace in Medicine stays compliant throughout the implementation of the new State medical marijuana laws, MMRSA. I have strong concerns that not allowing licensed dispensaries to engage in permitting cultivation now will cause loss of revenue, and have compounding effects to the employees and patients of Peace in Medicine.

Furthermore, banning cultivation in Santa Rosa would have adverse consequences to licensed dispensaries and commercial cultivators alike. These are the very citizens the state is encouraging to become compliant through the new State regulatory program, however a ban would remove any ability for these growers to become compliant with the law. Currently, there exists no ability for cannabis growers to document their cannabis activities with the city. By approving a ban on cultivation, the City Council would in effect make cannabis cultivation illegal, making an otherwise undocumented small

Phone: 707.823.4206



business illegal instead of the current state of ambiguity. This would have adverse consequences, not just to the patients and growers, but to our entire community.

Cultivation of cannabis in Sonoma County rivals only winemaking as an agricultural enterprise, and it is the threat of a ban on cultivation that has compelled our community to speak before you today. We have never seen so many of our industry professionals attending city council meetings and stepping up to participate civically. The regulations have enabled a whole new sector of the workforce to come forward as full community participants. This is because the negative impact would be felt not only by Peace in Medicine and patients, but by small cultivators as well; mom and pop business supplementing their Social Security or those simply trying to make ends meet. New ordinances shouldn't erect new barriers to these small operations who are trying to do the right thing and be good actors in the community.

Santa Rosa has always been a great place for business to prosper, and as the State is transitioning into new laws that recognize and permit medical cannabis commercial activities, so too should the city consider the benefits of the cannabis economy. With this in mind, I urge staff and the City Council to consider permitting cannabis cultivation in additional zones. We also look forward to an expanded conversation of what other cannabis activities will be allowed in the different zoning districts.

As the future of the cannabis economy continues to unveil, cities and counties should consider how to allow good operators to thrive in their communities. Peace in Medicine has always been an advocate of clear and sound policy and we strongly encourage this council to consider the many benefits of the cannabis economy to patients and residents alike.

Peace in Medicine has been committed to being a responsible caring medical cannabis organization. We are one of the city's significant tax payers and strive to operate in a way that benefits the entire community. It is for these reasons that we strongly encourage your consideration of *the following items:* 

- Reject a ban on cannabis cultivation Do not make our citizens illegal No on a ban.
- <u>Create a Conditional Use Permit (C.U.P.) process for appropriately zoned properties to engage in legal above board cultivation.</u>
- Over the next nine months, develop clear and comprehensive regulations that both protect the community as well as the small business owner and cannabis grower. Develop clear and sound regulations via a zoning amendment for the long term solution.

Thank you for your attention to this important matter.

Robert Jacob

6771 Sebastopol Ave., #100, Sebastopol, CA 95472

www.peaceinmedicine.org

Robert Jacob

Phone: 707.823.4206 Fax: 707.823.4212

info@peaceinmedicine.org

## Hartman, Clare

From: Sent: Pat Coyle <coylaw@sonic.net>
Monday, January 18, 2016 2:04 PM

To:

\_CityCouncilListPublic

Cc:

Hartman, Clare; charles sikes; Bill Hillendahl; hawaiilola Beckley; McHenry, Eric;

matthew.hardwick@gmail.com; Joe Fortuna Electric Co; Fred AE6SF

Subject:

Marijuana Cultivation and Radio Interference

Council Members: I agree with the Staff recommendations of Agenda Item 15.1-2 regarding the retention of Council Control at the January 19 meeting over MJ growing at least for the time being. It is our request that no permits be granted for cultivation that uses equipment that violates Federal standards for electromagnetic radiation that causes radio interference. (RFI) The amateur radio community would like the opportunity to address the fact of grow light interference upon Amateur (and other)Radio Operations and have more time to present information to the Council and staff.

First, the grow lights of marijuana cultivators and their ballasts exceed the limits of electromagnetic radiation permitted by the Federal Communication Commission. I am a ham radio operator and the grow light radiation (RFI) does interfere in ham radio operations in violation of Federal Law. Under Federal Law, radio operations have priority over local interference issues and it is the obligation of the interfering party (growers) to eliminate the interference.

I can give you examples and give you instances where hams have tried to work peacefully with growers to eliminate the problem and have been met with threats of violence and have been threatened physically. This is unconscionable and is either something of which the Council is apparently unaware, or turns a blind eye to the problem.

Second, apparently the Council are unaware of the substantial contribution that amateur radio operators are involved with the City of Santa Rosa's emergency and disaster communications. The City of Santa Rosa's Auxiliary Emergency Communications System, which works under the Fire Department's emergency and disaster protocols, is staffed entirely by ham radio volunteers. Ham radio operators are in every neighborhood of the City, and those hams report conditions to hams in the local fire stations. The fire station hams then relay the reports to the City Emergency Operations Center. Additionally the hams are tasked with assisting Fire Department communications as may be requested, and serve as emergency back-up communications.

The County of Sonoma has a similar program, called Auxiliary Communication System (ACS) which is also composed entirely of ham radio operators.

This is a cursory explanation and I am available about any time to discuss this further and present evidence before the Council or Staff.

I assure you that ham radio operators wish to work with the City and the growers to work out technical solutions, which are not normally especially difficult, but the threats of violence we have received from the growers will not forever go unanswered. It is our hope to work this out peaceably. We believe we are entitled to consideration over what is essentially an illegal operation as defined by the Federal Communications Commission, yet the City seems more than happy to have us available for emergency communications. Something is wrong here.

Please add me to your list of persons to be notified of any consideration of the marijuana grow issue. Thank You

Pat Coyle 132 Steiner Court, Santa Rosa, CA 95404 707-578-3797



January 23, 2016

Deputy Director of Planning Clare Hartman City of Santa Rosa 100 Santa Rosa Avenue Santa Rosa, CA 95404

Dear Deputy Director Hartman,

Thank you for your work towards creating a CUP process for cannabis cultivation facilities in Santa Rosa. Santa Rosa is leading the way in Sonoma County in its forward-thinking approach to cannabis; where we are as an industry, and where we are going.

Now we get to do the exciting work of developing local guidelines for Santa Rosa. I have been helping create model regulations and cultivation guidelines in San Francisco, where I serve as the CEO of SPARC, a model medical cannabis dispensary. There, we created the first permitted indoor cannabis cultivation facility, and much of what we developed has become the industry standard for city officials.

I would like to invite you to come and tour our cultivation facility in San Francisco. It is a 13,000 square foot cultivation, manufacturing, secured storage, trimming and packaging facility, set adjacent to million dollar condominium sites, with an advanced HVAC system equipped with ion filters to remove any emitted smell, state-of-the art LED lighting, and a comprehensive neighborhood improvement and engagement plan.

Additionally, I extend an invitation for you to tour our dispensary locations in Sebastopol and Santa Rosa. Even if you have toured before, feel free to come back and tour again. Please simply let me know which facility you would like to tour and we will be thrilled to host you.

On behalf of our thousands of patients, our 250 employees, and the cannabis community at large, thank you again so very much for your forward-thinking action of creating a CUP process for cannabis cultivation in Santa Rosa. While some jurisdictions are shying away from leading on what has an air of inevitability, it's refreshing that leaders such as yourself are engaging the industry and taking on the issue sooner rather than kicking the can down the road. I am proud Santa Rosa is home to Peace in Medicine and look forward to continuing the work with you to regulate and permit the new cannabis economy in a way that benefits the entire community.

Sincerely,

Robert Jacob

**Executive Director** 

Robert Jacob

Phone: 707.843.3227

Fax: 707.823.4212

info@peaceinmedicine.org

Re: Planning Commission February 11, 2016 Agenda Item #15

To Chair Cisco, Members of the Santa Rosa Planning Commission and Staff,

The Sonoma County Growers Alliance would like to thank the Planning Commission for its diligent work and continued consideration regarding the implementation of local permits reflecting the license types created by MMRSA. We believe that the working relationships that we have developed thus far will serve the process well.

We support the Planning Commission's recommendation to create a Conditional Use permit until such a time as the City of Santa Rosa completes its comprehensive effort to regulate medical cannabis. Sonoma County Growers Alliance suggests the following items for the Commission's consideration:

- Create a clear process for operators to apply for a Conditional Use Permit which includes:
  - A clause for applicants to acknowledge that once a permitting structure is implemented, that businesses operating with a CUP will need to meet the requirements of the new regulations set forth
  - We request a consideration of a minimum grace period of 90 days to for CUP operators to be able to contract appropriate services to ensure compliant facilities
- Begin development of model ordinance for permanent permitting of applicable license types relevant to the City's demographics
  - o Create a timely process for operators to obtain a permit once the structure is determined
  - o Keep permit costs down in order to lower barriers of entry
- Consider an 'Operator in Good Standing' waiver as the local and state regulations are being developed.
  - Requirements may include:
    - Proof of CA medical ID
    - Proof of code enforcement compliance: operators must show proof that their place of business is up to code as specified by City
    - Current place of business must be in the zoning of CG, IL, IG, BP, LIL or RR
    - Proof of ownership of property or notarized permission from landlord
    - Fire Department inspection of the building solely for building safety/fire hazard inspection
    - The preceding burdens of proof fall upon the operator to submit such as one packet to the City Manager's office
  - The following additional items may be considered as additional support of approval of waiver:
    - Demonstration of existing or intended security methods implemented
    - Demonstration of existing or intended fire safety protocols
    - Demonstration of compliance with existing NCRWQCB water discharge waiver
    - Demonstration of existing or intended energy conservation methods
    - Letters from neighbors to support the application

SCGA is prepared to work with the Planning Commission in whatever way it sees fit to develop and communicate local policy to the cannabis industry. Please let me know how we can be of assistance.

Tawnie Logier
Executive Director
SCGAlliance



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SANTA ROSA ASSOCIATES II
RICHARD C. ERSTED
rcersted@ircoc.com

#### VIA EMAIL TO planningcommission@srcity.org

February 9, 2016

Planning Commission Chair Patti Cisco; Vice Chair Peter Stanley; Members Ashle Crocker, Hans Dippel, Vicki Duggan, Casey Edmonson and Curt Groninga City of Santa Rosa

Re:

11 February 2016 Planning Commission Meeting

Item 14: Public Hearing – Zoning Code Text Amendment – Urgency Ordinance to Allow Commercial Cultivation of Medical Cannabis with a Conditional Use Permit

Subject:

Comments

Dear Planning Commission Chair Cisco; Vice Chair Stanley; and Members Crocker, Dippel, Duggan, Edmonson and Groninga:

In regards to the above-referenced item, Santa Rosa Associates II hereby respectfully notes there's no longer an urgency to adopt an ordinance. On Wednesday, February 3, 2016, Governor Jerry Brown signed AB21 into law. A copy of AB21 is attached hereto. As stated in a February 3, 2016 article published by the Associated Press, a copy of which is also attached hereto, AB21 "amends the comprehensive medical marijuana regulations ... to eliminate a paragraph giving the state alone authority to license pot growers in jurisdictions that did not have laws on the books by March 1 specifically allowing or outlawing cultivation."

Given the passage of AB21, the March 1, 2016 deadline mentioned in the City Planning Department staff report no longer applies. For example, the following portion of the staff report is no longer correct:

"... to ensure full local control over regulation of commercial cultivation of marijuana for medical purposes in the City of Santa Rosa is preserved, the MMRSA requires the City to adopt cultivation regulations or a ban by ordinance in advance of March 1, 2016." [City staff report; page 4]

As a result, the City of Santa Rosa is free to set its own timeline, not adhere to a State-set deadline. With the passage and signing of AB21, the City now may carefully consider, on the City's own timeline, "... all of the policy, safety and land use issues that are raised when considering whether

City of Santa Rosa Planning Commission February 9, 2016 Page 2

to, and how to, authorize or regulate commercial cultivation of marijuana for medical purposes in the City" [City staff report; page 4].

There's no need, too, to adopt a standard ordinance. Instead, questions around regulation of the proposed use are best addressed in a thoughtful, unrushed manner. Unfortunately, to date, there's been no time to do so, as noted in the staff report:

"... there has been little time for broad community outreach and engagement. Typically zoning code text amendments of this nature involve comprehensive interdepartmental review, agency outreach and coordination, stakeholder notification, and extensive community outreach and engagement." [City staff report; page 10]

Now, with the passage of AB21, the City has time to do so. Thoughtful consideration of all impacts will likely result in a much better ordinance.

As the largest private land-owner in the City, holding fee title to approximately two hundred forty (240±) acres since 1961, including, but not limited to, significant property adjoining land zoned Business Park (BP), Santa Rosa Associates II (SRA II) is opposed to the cultivation of medical marijuana in the City's BP zoning. Our reasons follow:

Such BP zoning is, in general, marked by significant infrastructure outlays; open site planning with little, if any, fencing or restricted access such as gates and the like; and significant, long-term building and site improvement investment. Many firms have expended significant sums to create a suitable facility in the City's BP zone, where City standards are generally higher and require more care and attention to detail and, thus, more financial investment. With its large-scale medical care facility proposed for the Santa Rosa Corporate Center at the intersection of Mercury Way and Corporate Center Drive, Kaiser Permanente will soon hopefully invest significant sums in Southwest Santa Rosa, located on real property within the BP zone.

Other zoning districts appear much better suited to the possible cultivation use. In particular, the General Industrial (GI), Light Industrial (LI) and Limited Light Industrial (LLI) zoning districts may be best suited to address the likely requirements. For example, significant power improvements are, in general, often required for such cultivation and are often easiest to find in GI and LI zoning districts. From an April 2014 article in Wired:

"Start with indoor farms, which are massively energy-intensive. Their high-pressure sodium lights, which ... require large amounts of electricity, can send temperatures soaring. Yet marijuana plants need to stay cool and dry. Traditionally, growers have handled this dilemma by using electricity-gulping HVAC compressors." [ http://www.wired.com/2014/04/high-tech/]

City of Santa Rosa Planning Commission February 9, 2016 Page 3

Further, tall, high-security fencing, topped perhaps with barb wire or razor wire, may be a wise choice, given the commercial value of the crop. Such fencing is best suited to GI, LI and LLI zoning districts.

SRA II respectfully suggests the Commission take testimony and continue the public hearing to a future date, instructing staff to further study the attendant issues and concerns. SRA II appreciates the hard work and diligent effort put forth to date by City staff, including Ms. Hartman, and are confident further time and study will produce a very good result for the City.

Thank you very much for your attention to the foregoing.

Sincerely,

SANTA ROSA ASSOCIATES II

Richard C. Ersted Lead Partner

Cc (with enclosures): Clare Hartman, Deputy Director – Planning via email

Enclosures

You are currently viewing the printable version of this article, to return to the normal page, please click here.

# Governor signs emergency amendment to medical marijuana law

By - Associated Press - Wednesday, February 3, 2016

SACRAMENTO, Calif. (AP) - An emergency bill to fix a legislative drafting error that had local governments in California racing to ban medical marijuana cultivation won Gov. Jerry Brown's signature on Wednesday.

The legislation, AB21, by Democratic Assemblyman Jim Wood of Healdsburg amends the comprehensive medical marijuana regulations the California Legislature passed in September to eliminate a paragraph giving the state alone authority to license pot growers in jurisdictions that did not have laws on the books by March 1 specifically allowing or outlawing cultivation.

Fearful of losing their power to set policy to the state, dozens of cities chose to ban all commercial pot-growing within their borders during the last three months. Some also prohibited authorized medical marijuana users from growing their own pot. Dozens more were scheduled to consider the issue in the next few weeks.

The deadline made it into the final regulations approved in the closing hours of the last legislative session by mistake, Wood said. Local officials now have plenty of time to decide where they stand because the state isn't expected to start licensing commercial pot grows until 2018, he said.

"Now that we have given local officials the time to take a thoughtful approach to regulating medical marijuana, I hope they will maximize that time by engaging with the public and having thorough discussions," Wood said.

Although medical marijuana has been legal in California since 1996, lawmakers only last year endorsed a framework that sets statewide licensing and operating rules for marijuana dispensaries, product manufacturers, growers and every other aspect of the state's sprawling

pot industry.

The California departments of agriculture, health and consumer affairs are starting to draft regulations that licensees will have to follow. In the meantime, voters are expected to consider a ballot initiative in November that would also legalize recreational marijuana sales to adults 21 and over.

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# Bill Text: CA AB21 | 2015-2016 | Regular Session | Chaptered California Assembly Bill 21

Bill Title: Medical marijuana: cultivation licenses.

Spectrum: Moderate Partisan Bill (Democrat 5-1)

Status: (Passed) 2016-02-03 - Chaptered by Secretary of State - Chapter 1, Statutes of 2016. [AB21 Detail]

Download: California-2015-AB21-Chaptered.html

BILL NUMBER: AB 21 BILL TEXT

CHAPTERED

CHAPTER

FILED WITH SECRETARY OF STATE FEBRUARY 3, 2016

APPROVED BY GOVERNOR FEBRUARY 3, 2016

PASSED THE SENATE JANUARY 25, 2016

PASSED THE ASSEMBLY JANUARY 28, 2016

AMENDED IN SENATE JANUARY 21, 2016

AMENDED IN SENATE JANUARY 15, 2016

AMENDED IN SENATE JANUARY 4, 2016

AMENDED IN ASSEMBLY MAY 5, 2015

Assembly Members Wood, Bonta, Cooley, Jones-Sawyer, INTRODUCED BY and Lackey

(Principal coauthor: Senator McGuire)

DECEMBER 1, 2014

An act to amend Section 11362.777 of the Health and Safety Code, relating to medical marijuana, and declaring the urgency thereof, to take effect immediately.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 21, Wood. Medical marijuana: cultivation licenses. Existing law, the Compassionate Use Act of 1996, an initiative measure enacted by the approval of Proposition 215 at the November 5, 1996, statewide general election, authorizes the use of marijuana for medical purposes. Existing law, enacted by the Legislature, provides for the licensing and regulation by both state and local entities of medical marijuana and its cultivation. Existing law provides that if a city, county, or city and county does not have land use regulations or ordinances regulating or prohibiting the cultivation of marijuana, commencing March 1, 2016, the Department of Food and Agriculture is the sole licensing authority for medical marijuana cultivation applicants in that city, county, or city and county.

This bill would delete the provision that grants the department the sole licensing authority under those circumstances.

Existing law exempts certain persons cultivating medical marijuana from the requirement to obtain both a state license from the Department of Food and Agriculture and a license, permit, or other entitlement allowing cultivation from the city, county, or city and county in which the cultivation will occur. Existing law authorizes a city, county, or city and county to regulate or ban the cultivation, storage, manufacture, transport, provision, or other activity by a person otherwise exempt from state regulation, or to enforce that regulation or ban.

This bill would instead provide that an exemption from these licensure requirements does not limit or prevent a city, county, or city and county from exercising its police power authority under a specified provision of the California Constitution.

This bill would declare that it is to take effect immediately as an urgency statute.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 11362.777 of the Health and Safety Code is amended to read:

11362.777. (a) The Department of Food and Agriculture shall establish a Medical Cannabis Cultivation Program to be administered by the secretary and, except as specified in subdivision (c), shall administer this section as it pertains to the cultivation of medical marijuana. For purposes of this section and Chapter 3.5 (commencing with Section 19300) of Division 8 of the Business and Professions Code, medical cannabis is an agricultural product.

- (b) (1) A person or entity shall not cultivate medical marijuana without first obtaining both of the following:
- (A) A license, permit, or other entitlement, specifically permitting cultivation pursuant to these provisions, from the city, county, or city and county in which the cultivation will occur.
- (B) A state license issued by the department pursuant to this section.
- (2) A person or entity shall not submit an application for a state license issued by the department pursuant to this section unless that person or entity has received a license, permit, or other entitlement, specifically permitting cultivation pursuant to these provisions, from the city, county, or city and county in which the cultivation will occur.
- (3) A person or entity shall not submit an application for a state license issued by the department pursuant to this section if the proposed cultivation of marijuana will violate the provisions of any local ordinance or regulation, or if medical marijuana is prohibited by the city, county, or city and county in which the cultivation is proposed to occur, either expressly or otherwise under principles of permissive zoning.
- (c) (1) Except as otherwise specified in this subdivision, and without limiting any other local regulation, a city, county, or city and county, through its current or future land use regulations or ordinance, may issue or deny a permit to cultivate medical marijuana pursuant to this section. A city, county, or city and county may inspect the intended cultivation site for suitability before issuing a permit. After the city, county, or city and county has approved a permit, the applicant shall apply for a state medical marijuana cultivation license from the department. A locally issued cultivation permit shall only become active upon licensing by the department and receiving final local approval. A person shall not cultivate medical marijuana before obtaining both a permit from the city, county, or city and county and a state medical marijuana cultivation license from the department.
  - (2) A city, county, or city and county that issues or denies

conditional licenses to cultivate medical marijuana pursuant to this section shall notify the department in a manner prescribed by the secretary.

- (3) A city, county, or city and county's locally issued conditional permit requirements must be at least as stringent as the department's state licensing requirements.
- (d) (1) The secretary may prescribe, adopt, and enforce regulations relating to the implementation, administration, and enforcement of this part, including, but not limited to, applicant requirements, collections, reporting, refunds, and appeals.
- (2) The secretary may prescribe, adopt, and enforce any emergency regulations as necessary to implement this part. Any emergency regulation prescribed, adopted, or enforced pursuant to this section shall be adopted in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and, for purposes of that chapter, including Section 11349.6 of the Government Code, the adoption of the regulation is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health and safety, and general welfare.
- (3) The secretary may enter into a cooperative agreement with a county agricultural commissioner to carry out the provisions of this chapter, including, but not limited to, administration, investigations, inspections, licensing and assistance pertaining to the cultivation of medical marijuana. Compensation under the cooperative agreement shall be paid from assessments and fees collected and deposited pursuant to this chapter and shall provide reimbursement to the county agricultural commissioner for associated costs.
- (e) (1) The department, in consultation with, but not limited to, the Bureau of Medical Marijuana Regulation, the State Water Resources Control Board, and the Department of Fish and Wildlife, shall implement a unique identification program for medical marijuana. In implementing the program, the department shall consider issues, including, but not limited to, water use and environmental impacts. In implementing the program, the department shall ensure that:
- (A) Individual and cumulative effects of water diversion and discharge associated with cultivation do not affect the instream flows needed for fish spawning, migration, and rearing, and the flows needed to maintain natural flow variability.
- (B) Cultivation will not negatively impact springs, riparian wetlands, and aquatic habitats.
- (2) The department shall establish a program for the identification of permitted medical marijuana plants at a cultivation site during the cultivation period. The unique identifier shall be attached at the base of each plant. A unique identifier, such as, but not limited to, a zip tie, shall be issued for each medical marijuana plant.
- (A) Unique identifiers will only be issued to those persons appropriately licensed by this section.
- (B) Information associated with the assigned unique identifier and licensee shall be included in the trace and track program specified in Section 19335 of the Business and Professions Code.
- (C) The department may charge a fee to cover the reasonable costs of issuing the unique identifier and monitoring, tracking, and inspecting each medical marijuana plant.
- (D) The department may promulgate regulations to implement this section.
- (3) The department shall take adequate steps to establish protections against fraudulent unique identifiers and limit illegal diversion of unique identifiers to unlicensed persons.
- (f) (1) A city, county, or city and county that issues or denies licenses to cultivate medical marijuana pursuant to this section

shall notify the department in a manner prescribed by the secretary.

- (2) Unique identifiers and associated identifying information administered by a city or county shall adhere to the requirements set by the department and be the equivalent to those administered by the department.
- (g) This section does not apply to a qualified patient cultivating marijuana pursuant to Section 11362.5 if the area he or she uses to cultivate marijuana does not exceed 100 square feet and he or she cultivates marijuana for his or her personal medical use and does not sell, distribute, donate, or provide marijuana to any other person or entity. This section does not apply to a primary caregiver cultivating marijuana pursuant to Section 11362.5 if the area he or she uses to cultivate marijuana does not exceed 500 square feet and he or she cultivates marijuana exclusively for the personal medical use of no more than five specified qualified patients for whom he or she is the primary caregiver within the meaning of Section 11362.7 and does not receive remuneration for these activities, except for compensation provided in full compliance with subdivision (c) of Section 11362.765. For purposes of this section, the area used to cultivate marijuana shall be measured by the aggregate area of vegetative growth of live marijuana plants on the premises. Exemption from the requirements of this section does not limit or prevent a city, county, or city and county from exercising its police authority under Section 7 of Article XI of the California Constitution.
- SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

To allow local governments to protect the health of their citizens by regulating marijuana at the earliest possible date, it is necessary that this act take effect immediately.



Robert Jacob Peace in Medicine 1061 N Dutton Avenue Santa Rosa, CA 95401

February 10, 2016

City of Santa Rosa Planning Commission 100 Santa Rosa Avenue Santa Rosa, CA 95404

Dear Planning Commissioners and Staff:

On behalf of a licensed medical cannabis business which is based in Santa Rosa and employs more than 250 people, I would like to encourage the commission to use the removal of the MMRSA March 1st deadline as an opportunity to continue the discussion to improve our local ordinances surrounding medical cannabis.

I know that clear planning directives and regulation benefits and protects the entire community. Peace in Medicine is committed to being a responsible caring medical cannabis organization. We are one of the city's significant tax payers and strive to operate in a way that benefits the entire community. It is for these reasons that we would like to share with you our thoughts on the policies currently being considered by the Santa Rosa Planning Commission. We encourage the Planning Commission to:

- Pass an interim CUP cultivation ordinance process even though the March 1st deadline has been eliminated.
- Start the process to create a more comprehensive cannabis ordinance, where you analyze the full spectrum of land uses and zones for commercial cannabis activities.
- Continue to explore possibilities for small cultivators to get a permit via a scalable permitting structure, which costs less than the CUP process, and work to implement this as soon as possible.

Now that the March 1, 2016 deadline has been removed, Santa Rosa has an opportunity to deliberate on the best way to incorporate the MMRSA regulations into working land use policies. I strongly encourage this commission to make use of this opportunity by considering the full spectrum of land uses and permits available through the MMRSA, as well as how Santa Rosa can support mom and pop and micro cultivators.

Thank you for your attention to this important matter.

Sincerely,

Robert Jacob Executive Director

Robert Jacob

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