BOARD OF SUPERVISORS

Michael Sanchez, Vice Chair 1st District
Kevin Goss, 2nd District
Sharon Thrall, 3rd District
Lori Simpson, 4th District
Jeff Engel, Chair 5th District

AGENDA FOR SPECIAL MEETING OF MAY 31, 2018 TO BE HELD AT 10:00 A.M.
IN THE BOARD OF SUPERVISORS ROOM 308, COURTHOUSE, QUINCY, CALIFORNIA

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AGENDA

The Board of Supervisors welcomes you to its meetings which are regularly held on the first three Tuesdays of each month, and your interest is encouraged and appreciated.

Any item without a specified time on the agenda may be taken up at any time and in any order. Any member of the public may contact the Clerk of the Board before the meeting to request that any item be addressed as early in the day as possible, and the Board will attempt to accommodate such requests.

Any public comments made during a regular Board meeting will be recorded. The Clerk will not interpret any public comments for inclusion in the written public record. Members of the public may submit their comments in writing to be included in the public record.

REASONABLE ACCOMMODATIONS: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please contact the Clerk of the Board at (530) 283-6170. Notification 72 hours prior to the meeting will enable the County to make reasonable arrangements to ensure accessibility. Auxiliary aids and services are available for people with disabilities.

STANDING ORDERS

10:00 A.M. **CALL TO ORDER/ROLL CALL**

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT OPPORTUNITY
Matters under the jurisdiction of the Board, and listed on this notice of special meeting may be addressed by the general public at the beginning of the agenda. Any member of the public wishing to address the Board during the "Public Comment" period will be limited to a maximum of 3 minutes.

ACTION AGENDA

1. **BOARD OF SUPERVISORS**
   - **A.** Receive report pursuant to Election Code 9111; and Board action to either enact proposed **ORDINANCE** without change; or, adopt **RESOLUTION** to call for this Matter to be Subject at the next General Election. **Roll call vote**
   - B. Adopt **ORDINANCE**, first introduced on May 15, 2018, adding Chapter 9 to Title 1 of the Plumas County Code Concerning Cannabis Cultivation Enforcement. **Roll call vote**
   - C. Discussion and possible direction to staff regarding Planning Commission continuing to work on Cannabis Ordinance

2. **CLOSED SESSION**

ANNOUNCE ITEMS TO BE DISCUSSED IN CLOSED SESSION

A. Personnel: Public employee appointment or employment – Behavioral Health Director
B. Conference with Labor Negotiator regarding employee negotiations: Sheriff's Administrative Unit; Sheriff's Department Employees Association; Operating Engineers Local #3; Confidential Employees Unit; Probation; Unrepresented Employees and Appointed Department Heads

REPORT OF ACTION IN CLOSED SESSION (IF APPLICABLE)

ADJOURNMENT
Adjourn meeting to Tuesday, June 5, 2018, Board of Supervisors Room 308, Courthouse, Quincy, California.

IMPACT REPORT

IMPACTS ON THE PLUMAS COUNTY GENERAL FUND, IMPACTS ON PLUMAS COUNTY OFFICES/DEPARTMENTS AND IMPACTS ON PLUMAS COUNTY LAND USE REGULATIONS

MEDICAL AND ADULT USE CANNABIS INITIATIVE

PRODUCED PURSUANT TO
CALIFORNIA ELECTIONS CODE SECTION 9111

PRESENTED TO THE PLUMAS COUNTY
BOARD OF SUPERVISORS

May 31, 2018

CONTRIBUTORS

The County of Plumas Offices and Departments of:
County Clerk-Recorder's Office, County Auditor-Controller's Office, County Tax-Collector's Office, County Assessor's Office, County Sheriff's Office, Office of the District Attorney, County Agricultural Commissioner's Department, County Department of Information Technology, County Department of Environmental Health, County Building Department, County Department of Public Works, County Planning Department, County Public Health Department

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A. Text of Medical and Adult Use of Cannabis Initiative

B. Text of Election Code Section 9111

C. Initiative Summary of Initiative by R. Craig Settlemire, Plumas County Counsel

D. Comments by Plumas County Offices/Departments

E. Initiative Assumptions Number of Permits

F. Initiative Assumptions Application Fees

G. Permit Type and Zoning District Matrixes

INTRODUCTION

A. PURPOSE OF THE REPORT

This report evaluates the potential land use and financial impacts of the Initiative Measure to Enact Voter-Approved County Ordinance on Cannabis Activities, a proposed measure that has qualified for Plumas County's November 2018 ballot. If passed, the initiative would require the County to establish a licensing process within the Plumas County Clerk-Recorder's Office for commercial cannabis activities and would establish an initial 2% general tax on the net profits (defined as gross sales minus operating costs and other taxes and fees). The initiative establishes that until December 30, 2019, certain defined "Priority Residents" would be treated differently from "Non-Residents"[1]. Compared to Non-Residents, Priority Residents would be able to operate in more zones, apply for more licenses and would not be subject to special use permit and CEQA processes. Also, licenses would be limited to one (1) Non-Resident for every nine (9) Priority-Resident.

1. Basis for the Report

On May 1, 2018, the Plumas County Board of Supervisors requested preparation of this report in accordance with sections 9118 and 9119 of the California Elections Code. Section 9119 authorizes the Board to order a report that addresses the proposed initiative's effects on the use of land, internal consistency of the County's adopted plans and zoning ordinance, fiscal conditions, and other matters.

This report addresses the potential effects on land use conditions and related issues. Fiscal impacts of the initiative are also addressed in the report.

2. Scope of the Report

Basic assumptions of the report are that, if the initiative passes, the County would have to establish an entirely new licensing function within the County Clerk-Recorder's Office, the County Information Technology Department would have to establish an electronic licensing function to assist the County Clerk-Recorder's Office in issuing and tracking licenses, the County Information Technology Department would have to establish, within the County Treasurer-Tax Collector's Office, software to track cannabis tax collections, the County Auditor-Controller's Office would have to internally audit annual income and expense records of cannabis licenses business and would have to hire an independent auditing firm to perform on-site audits to verify the accuracy of income and expenses claimed as part of the 2% tax calculation on net profit.

Other assumptions of the report are that, if the initiative passes, other County departments would have to address commercial cannabis activities not currently apart of these departments' mandates and/or operations. These County departments are Environmental Health, Building Department, Sheriff's Office, Department of Agriculture-Agricultural Commissioner, County Assessor's

[1] While the term "Non-Resident" is defined, many of the zoning provisions do not reference "Non-Residential", refer to "New Licenses", a term that is not defined.

Office, Department of Public Works, Department of Facility Services, Planning Department, and potentially County Counsel's Office, who provides support, legal advice to various County Departments to carry out their programs and functions.

The report seeks to inform the Board of Supervisors and the electorate by providing objective answers to the following questions:

What are the fiscal impacts to the County General Fund?

What are the impacts to affected County Departments?

What types of County regulations (Zoning Code) and polices (General Plan) would be affected by the initiative?

The report focuses on the fiscal implications, implications on affected County Departments, and implications on County regulations and policies. The report does not address questions regarding the legal validity of the initiative. Out of necessity, the report makes several assumptions regarding possible interpretations of the measure, but the various legal issues raised by the initiative can be addressed only by the courts.

The report contains appendixes, including a full text of the proposed initiative, the Ballot Title and Summary prepared by the Plumas County Counsel, details on the necessary assumptions, memos by the affected County Offices and Departments, and a full text of California Elections Code section 9119.

B. THE PROPOSED INITIATIVE

Summary of the Provisions of the Proposed Initiative

The ballot summary of the proposed initiative prepared by County Counsel provides a good introduction to the provisions of the initiative. This summary is as follows:

> **Initiative Measure to Enact Voter-Approved County Ordinance on Cannabis Activities**
>
> The purpose of this initiative is to adopt an ordinance that will supersede any outstanding ordinance pertaining to commercial cannabis activity in the unincorporated area of Plumas County, including the moratorium ordinance prohibiting commercial cannabis cultivation enacted by the Board of Supervisors on October 24, 2017.
>
> Under the proposed ordinance:
>
> Persons or entities engaging in medicinal or adult-use commercial cannabis activities must apply for an annual license that is subject to payment of an application fee each year, and annual inspections by the County Agricultural Commissioner. Application fees range from $1,000 to $10,000 depending on type.

The zones where cannabis activity is allowed, and the maximum number of licenses, are specified by license type.

A setback is required from schools (K-12), preschools, and youth centers existing at the time of application (600 feet from the property line and 1000 feet from the cannabis activity). General setbacks are required from property lines (25 feet) and public roads (50 feet), but such general setbacks do not apply to buildings existing at the adoption of this ordinance.

Indoor cannabis cultivation and processing facilities are required to control odor, humidity, and mold. Seven-foot fencing is required if cultivation is in the view of the public or a neighboring parcel. Greenhouse light cannot exceed parcel boundaries.

Until December 30, 2019, "Priority Residents" are treated differently from "Non-Residents." Compared to Non-Residents, Priority Residents can operate in more zones, apply for more licenses at one time, and are not subject to special use permit and CEQA processes. Also, licenses are limited to one Non-Resident for every nine Resident.

An initial 2% general tax is imposed on the net profits (defined as gross sales minus operating costs and other taxes and fees) of commercial cannabis activity. The Board of Supervisors may increase the tax rate by not more than 1% per year for no more than four years. The tax does not apply to persons cultivating cannabis for their personal adult use or personal medicinal use.

Fines up to $500 per day may be imposed for violations. A process is established for giving licensees notice of non-compliance, time for cure, re-inspections, license suspension, and appeal of a license termination or fine. Fines and license termination are non-exclusive: other remedies for non-compliance are available for enforcement, including abatement of a public nuisance.

A "qualified patient" and a "primary caregiver" for not more than five qualified patients (such terms defined in Health and Safety Code '11362.7) are exempt from county license requirements for cannabis activities in all zones.

The ordinance claims a "specific exemption" until December 30, 2019, for Priority Licensees from the requirements of the California Environmental Quality Act ("CEQA") for property previously used for commercial cannabis activity. It also claims exemption from CEQA requirements under specific provisions of state regulations. Referencing certain judicial decisions, it further states enactment of the ordinance by initiative is not subject to CEQA.

C. Effects on the General Fund

The effects on the General Fund are being estimated due to the uncertainty of the amount of revenue from permitting activities, the uncertainty of the actual costs to various County Offices/Departments, and the lack of certainty of revenue from the proposed general tax.

Initial estimates for the proposed general tax have been determined to be negligible by the County Auditor-Controller and the Treasurer-Tax Collector indicates the revenue generated from the proposed general tax may not be enough to cover the costs to County departments that manage the potential ordinance that would be created by the proposed initiative. The proposed tax methodology is that the tax would be on 2% net profits.

The Auditor-Controller's comments are, "Unlike income tax code that defines how and when to recognize revenue, and which expense items are allowed as deductions, this initiative does not provide guidance for the calculation of net revenue less expenses. This will create confusion and lack of consistency in how revenues and expenses are measured and reported to the County for payment of the 2% fee on the net income. It is the opinion of the County Auditor/Controller that the income from the 2% fee would be negligible, and therefore will not provide the County a substantial source of revenue to cover the increased costs of cannabis related activity."

The costs to implement the licensing program, should the initiative be approved by the electorate, and the revenue from licensing fees are best determined estimates. A major aspect of the cost estimate is that the initiative places the licensing of commercial cannabis activities within the County Clerk-Recorder's Office, a County department that is not a normal licensing or permitting department. There are significant start-up cost estimates done for the report that are directly attributed to the placement of the licensing within the County Clerk-Recorder's Office, which may have been lower if the licensing was placed within a department that is a permitting department, such as the Planning Department.

The County Clerk Recorder states in her comments on the initiative that:

> Staff in the County Clerk-Recorder's department have no experience in creating application forms; approving or denying applications; issuing or revoking licenses or coordinating compliance with the terms of the Ordinance.
>
> These requirements are all functions that are not consistent with the historic and current duties of the staff and elected department head. Current duties include conducting all elections, candidate filings, issuing marriage licenses, performing marriages, recording land title transactions and filing fictitious business name statements.
>
> The department is not experienced in the duties required by the Ordinance which include; verifying compliance with CEQA, knowledge of the standards of Pesticide Regulation, identifying water sources, verifying CDFW's Streambed Alteration Permits, verifying proposed security measures for facilities, verifying the discharges of waste resulting from processing Cannabis, verifying building use standards relating to fire and panic safety along with regulations of the State Fire Marshall, verifying evidence of the legal right to occupy and use facilities for "Cannabis activity, verifying that for operations with 20 or more employees that the applicant has entered into a labor peace agreement, verify the submission of fingerprint images to the Department of Justice for information regarding a record of convictions and arrests or whether or not the applicant is free on bail or has prior convictions and statements of rehabilitation.

The initiative appear to indicate that the license fees would be collected the Clerk-Recorder's Office for the costs for that office to implement the license process delineated the initiative. There is no indication in the initiative sections that this fee would also pay for coordination with other County Department by the Clerk-Recorder's in licensing the commercial cannabis activities. However, because Clerk-Recorder's Office is funded by the General Fund, any collection of license fees that are not used for expense would be part of the General Fund.

While the Clerk-Recorder's Office has estimated costs of additional staff to process license applications, there are anticipated unknown costs of starting the licensing and managing the licensing should the initiative be passed by the electorate. There is a strong likelihood that all of the fees collected by the Clerk-Recorder's Office for licensing will perhaps not or just cover the Clerk-Recorder's Office's costs to issue, monitor, and enforce the commercial cannabis licenses. The estimated costs to other County General Fund departments may be an added cost to the General Fund. At this time the actual costs or revenue to the General Fund cannot be accurately estimated. However, should the revenue from licensing just cover the costs of the licensing activity itself the other County Department costs to General Fund are estimated to be around $260,085.

Note: Appendix E provides an analysis of an estimated number of permits possible under the terms of the initiative. This analysis was used to determine the effects on the General Fund. Appendix F Provides an analysis of the estimated application fees possible under the terms of the initiative. The report reader is encouraged to read these appendices.

The initiative indicates in "Sec. 11-14.3.113.-All Licensees shall pay all applicable fees for application, consultations, and inspections.

Estimated annual revenues for license application (and annual renewal) fees processing licenses are estimated to be between $571,000 and $776,000. The wide range of fees is due to uncertainty in the options the initiative provides in cultivation types and sizes, nurseries, and due to one permit type, Distributor (Self), providing again a range of options for licensing provided for in the proposed initiative.

There is some concern that this particular license type may not match a state license type and may not be available. The fee for the Distributor (Self) license is estimated to up to $180,000, if all available such licenses are issued. If the license type is not available then the estimated fees from licenses on the low range would fall to $391,000. Appendix E, page 4 for a discussion of the Distributor (Self) license.

The high range of license fees is estimated with all 50 available cultivation licenses to be $250,000. The low range of license fees is estimated with all 50 available cultivation licenses to be $50,000. If the high range of fees for cultivation licenses is used without the fees from the Distributor (Self) license then the total license fees collected would be calculated at $595,000. This uncertainty in the amount of license fees from cultivation permits leads to the actual license fees being collected for overall available license to be somewhere in the range of between $391,000 and $595,000. As the all licenses issued in the initial licensing of the commercial cannabis activities can be renewed annually from their issuance date whatever fees collected the first year of licensing, under the initiative, are expected to be those amounts, or nearly those amounts an annual basis going forward into the future.

There are unknown costs related to the County General Fund budget because of the budgeting process. The County is currently undergoing the preparation and approval of the Fiscal Year 2018-2019 budget, which is required by law to be adopted by October 2, 2018. The timing

of the November 2018 General Election and the County budget process do not match. If approved by the voters, the ordinance contained with the initiative, will become law and be active upon Certification of Elections not later than December 4, 2018. The expectation is that those wanting to apply for commercial cannabis license will start to do so upon the ordinance becoming active. This will require, because of necessary staffing needs in the Clerk-Recorder's Office to implement the ordinance, the already approved County Fiscal Year 2018-2019 to undergo an amendment process. Amending the budget to address the requirements of the initiative does not appear to be a consideration in the proposed initiative. Therefore there will be unknown costs to the General Fund to amend the County Budget should the initiative be passed by the electorate. However, the County will incur expenses to prepare for the licensing process before any licensing revenue is actually received.

Summary

The projected costs from the information taken from the County Offices/Departments responses for this report to implement the initiative are $525,165, as shown in Table B below. This cost number does not take into consideration possible other costs that maybe be incurred by some County Offices/Departments, as noted in Table D.

The projected revenue from assumptions regarding the amount of possible revenue will likely be in the range of $571,000 to $776,000 if all possible licenses are applied for and issued, as shown in Table C below. However, because the Distributor (Self) permit may not match a state license type and may not be available as such, the project revenue loss of $180,000 from this type of license then the project overall revenue from commercial cannabis licensing falls to a low of $391,000 or a high $595,000 depending on the mix of fees paid for cultivation licenses, and nursey licenses.

Limitations of This Analysis

The relatively short time frame for the preparation of this report (less than 30 days) necessarily limits the depth, detail, and scope of analysis provided in the report.

This analysis does not take into account sales taxes. The retail demand in the unincorporated areas of the Plumas County is not known at this point in time and cannot be predicted or projected in this report. Sales taxes may apply to the retail sales of commercial cannabis and may provide revenue to the General Fund to offset the costs of issuing and managing commercial cannabis activities.

Other effects not analyzed are effects on property taxes that fund the General Fund as the effects would be difficult to predict and too speculative and are beyond the scope of this report.

Other economic effects on the economy of Plumas County that effect the General Fund, such as changes in the number of jobs and other overall economic changes are also too speculative to predict and beyond the scope of the analysis of the report. There is recognition that with the addition of legalized commercial cannabis factor will affect the overall economy of Plumas County

and that the economy will change possibly positively or negatively. This analysis is beyond the scope of this report.

The overall county economic activity, short and long term, impacts to the General Fund's relationship to the provision of County services in relationship to the economic activity generated by the legalization of commercial cannabis licensing will be changed by the electorate's approval of the proposed initiative. To attempt to quantify this change in economic activity and its short and long term impacts to the Plumas County General Fund is too speculative at this time and beyond the scope of this report.

This report does not address any possible economic changes to other Districts, such as hospital and school districts, the numerous Special Districts within the County, the City of Portola, LAFCO, USDA Forests within the County, State lands and park within the county, and non-profits.

Table A, Possible General Fund Costs/Revenue Without Distributor (Self) Licenses (Note a)

Projected Costs Identified	$525,165	$525,165
Project Revenue Identified Low without Distributor (Self) licenses	$391,000	
Project Revenue Identified High		$595,000
Substantial Effects on General Fund	**<$134,165>**	**$69,835**
Possible Unknown Costs	**Insufficient Data**	**Insufficient Data**
Total Net Effect on General Fund	**Unknown**	**Unknown**

Note a) This table does not take into account any funds from the collection of taxes that may or may not be realized as a result of the General Tax provided for in the initiative and does not take into account General Fund Costs unknown or unidentified to County Offices/Department to assist the Clerk-Recorder's Office in the implementation of the initiative.

Table B, Possible General Fund Costs/Revenue With Distributer (Self) Licenses (Note a)

Projected Costs Identified	$525,165	$525,165
Project Revenue Identified Low with Distributor (Self) License	$571,000	
Project Revenue Identified High		$776,000
Substantial Effects on General Fund	**$48,850**	**$250,835**
Possible Unknown Costs	**Insufficient Data**	**Insufficient Data**
Total Net Effects on General Fund	**Unknown**	**Unknown**

Note a) This table does not take into account any funds from the collection of taxes that may or may not be realized as a result of the General Tax provided for in the initiative and does not take into account General Fund Costs unknown or unidentified to other County Offices/Department to assist the Clerk-Recorder's Office in the implementation of the initiative.

Table C, Showing Number of Permits by License Type as Specified in the Initiative and Fees Scenarios

The initiative sets some limits on certain type of licenses. Some types of licenses have no limits on the number of licenses. These licenses types are: Type 9 (Non-Storefront Retail), Cannabis Events, Type 11 (Self-Distributor), and Event Organizer. Assumptions for the number of permits for these license types can be found in Appendix E.

License Type	Number of Licenses Issued	Fees All Licenses Issued Low	Fees All Licenses Issued High
Cultivation (note a)	**50**	**$50,000**	**$250,000**
Dispensary	5	$30,000	$30,000
Non-Storefront Retail	5	$20,000	$20,000
Testing	2	$20,000	$20,000
Cannabis Events	5	$5,000	$5,000
Manufacturing Type N	5	$25,000	$25,000
Manufacturing Type P	5	$20,000	$20,000
Micro-Business	20	$160,000	$160,000
Distribution Self (note b)	**60**	**$180,000**	**$180,000**
Distribution Transport only	4	$16,000	$16,000
Distribution	4	$20,000	$20,000
Nursery (note c)	5	$25,000	$30,000
Total	**170**	**$571,000** (note d)	**$776,000** (note e)

(a) Range of possible fees from all cultivation licenses from lowest to highest scenarios.
(b) Major assumption as this is a unique license type to other distribution types found in the initiative and that the initiative authors intended for the permit type to be used extensively.
(c) Range of possible fees from for nursery type no-retail and retail.
(d) Uses assumptions for minimum fees scenario collected from cultivation licenses, the maximum fee scenario for self-distribution licenses, and minimum fees scenario for nurseries.
(e) Uses assumptions for maximum fees scenario collect from cultivation licenses, the maximum fees for self-distribution licenses, and maximum fees scenario for nurseries.

Table D Showing Costs to Departments to Implement the Initiative (Note e)

Office/Department	Estimated Costs (note a)	Annual Costs if known	Unknown Costs Or Potential Costs
Clerk-Recorder (Note b)	$264,300	$264,300	
Auditor-Controller	$121,165	$121,165	
Treasurer-Tax Collector	$60,000	$60,000	Costs for Banking
Information Technology (Note c)	$30,200	$4,000	
Environmental Health	$50,000	$50,000	
Building (Note d)	$30,000	$30,000	Potential additional staff costs $57,660
Agricultural Commissioner	$29,500	$29,500	
Sheriff			Costs maybe incurred, but not known at this time. Page 15
District Attorney			Costs maybe incurred, but not known at this time. Page 17
Assessor			Costs maybe incurred, but not known at this time. Page 18
Planning			Costs maybe incurred, but not known at this time. Page 19
Public Works			Costs maybe incurred, but not known at this time. Page 18
Public Health Agency			Costs maybe incurred, but not known at this time. Page 20
Total	**$525,165**	**$521,165**	

Note a) Costs are an estimate due to the unknown number of actual permits that will be applied for and processed.
Note b) The Clerk-Recorder costs do not include the potential costs of relocation due to lack of office space at the current location and potential unknown costs of getting the licensing program up and running.
Note c) Information Technology has an estimated annual cost of $4,000 for software licensing.
Note d) The Building Department indicates the possible need for additional staff at $57,660.
Note e) Other County Departments, such as GIS, the County Executive (in process of hiring) and etc. may incur costs but, are not known at this time.

2. Cost Estimates Discussion

The effects on the General Fund are being estimated due to the uncertainty of the amount of revenue from permitting activities, the uncertainty of the actual costs to various County Offices/Departments, and the lack of certainty of revenue from the proposed general Tax.

An analysis of the responses to costs, should the initiative be approver, from the Offices/Department follows.

Note: The responses received from commenting Offices/Departments are quoted below. These responses have been selected from the comments to address the issues of this section. The entire comments from the commenting Offices/Departments can be found in Appendix D.

Plumas County Clerk-Recorder's Office indicates that:

> Identifying costs for implementing a Cannabis Permit Licensing Program are estimates and not within the scope of the current duties provided by the Clerk-Recorder department. The amount of time and expertise required to process applications, verify data submitted, outsource and secure data from partnering departments, monitor, notify and correspond with existing license holders has not been determined based on lack of experience with the process. The actual cost to prepare an application, review and verify data, process the application, distribute the application to partnering departments for review for compliance, file the application, cashier the appropriate fee, and enter the applicant's information into a database has yet to be determined. A time and motion study would be required before costs could be determined.
>
> The County does not currently have an approved job description with a salary amount for a Cannabis Permit Licensing Program Manager or Technician that would facilitate the license application and revocation process, verify submitted materials, correspond with applicants and collect and deposit related fees associated with the program. Currently, there is an approved Collections Officer II and a Permit Manager both rated in the $3,572 - $4,347 monthly salary range level 2061; with benefits such as health insurance and retirement adding approximately $4,900 - $5,600 to each monthly. Actual compensation would require a thorough evaluation of the job duties and description once developed and approved by the Operating Engineers Union.
>
> The current office space for the County Clerk-Recorder is substantially undersized for the current needs of the department. Relocating and exchanging office space currently occupied by the County Auditor may provide the necessary space for implementing a Cannabis Permit Licensing Program. It would meet the need for requiring close proximity to the office of the Treasurer-Tax Collector for the deposit of funds into the treasury and provide sufficient floor space for additional staffing and permit functions. There would be costs associated with obtaining a moving company to accomplish relocating both departments. The task may take up to a week or longer and would require RFP's for the relocation of each department. The total cost is unknown, but estimated at between $4,000 and $5,000.
>
> A separate budget with operational line items for expenses would also need to be developed. Time studies would need to be done to determine the cost of processing each application by type. Equipment such as office furniture, a computer, and accounting and permitting software would also be required. A budgetary line item for specialized training in the permitting field along with travel expenses would also be required.

Service and Supplies:	Annual Budget
Phone line	$ 300
Postage	$1,000
Paper/Envelopes	$1,000
Office Expense	$ 500
Professional Services	$5,000
Travel/Training	$2,500
Salaries & Wages	
Fiscal Officer	$72,400
Cannabis Permit Licensing Program Manager	$72,400
Cannabis Permit Licensing Program Technician	$69,200
	$264,300

All of the County Clerk-Recorder Office's comments regarding the initiative's directive to be the County department that processes, issues, and enforces provisions of the licenses for the commercial cannabis activities can be found in Appendix D of this report.

Plumas County Auditor-Controller did a cost analysis which includes additional staff time and the costs of an independent outside auditor plus law enforcement to accompany the outside auditor. These costs are combined for a total of $121,165.

The full text of the County Auditor-Controller Office's comments regarding the initiative's directive regarding the general tax proposed for commercial cannabis activities can be found in Appendix D of this report.

Plumas County Treasurer-Tax Collector indicates that:

> The onset of the program would have to be managed by senior staff until the process is running smooth. There is the collection aspect with creating a tax registration form, tax return form and a method of collection through software system. The tracking of the licenses, registered taxpayers, auditing the tax return submitted, collection, delinquency letters and collection of delinquencies will all take significant staff time. As I mentioned, the banking and investing of Schedule 1 drug funds will have to be separate from the daily cash accepted by the Treasurer's office. An additional accounting system will have to be created to track these funds for audit purposes. It is expected that a full time staff person will need to be added to the Treasurer-Tax Collector's staff to manage the cannabis general tax. An estimate of the increase in wages could be $60,000.
>
> Cannabis is currently a Schedule 1 drug as classified by the Drug Enforcement Administration. It is illegal for banks to knowingly do business with Schedule 1 drug clients. The U.S. Department of Treasury has attempted to provide guidelines for banks and credit unions to follow if they wish to collect these funds. However, if they do not follow them appropriately then the bank charter can be

withdrawn. Currently, Plumas County has contracts with Plumas Bank and MUFG Union Bank and neither of these financial institutions will accept these funds. The Treasurer's office will have to start an RFP process to those few banks that do collect Schedule 1 funds. The RFP process in itself will be time consuming but on a continued daily process, the funds will have to be kept separate from other County and Special District funds within the treasury pool. The accounting of these funds will require additions to our accounting system, the investment pool as well as how the treasury is balance daily. The County will incur additional bank costs with the contract as well as staff time for the process of these deposits. These costs are undetermined at this time.

The full text of the County Treasurer-Tax Collector Office's comments regarding anticipated staff costs and the unknown cost of financial institutions and comments regarding the initiative's directive regarding the general tax proposed for commercial cannabis activities can be found in Appendix D of this report.

Plumas County Department of Information Technology indicates:

The effect of this ordinance on Information Technology would be in the automation requirements for a functional permitting system. This system would need to generate the permits, to manage the collection of fees and fines and allow for central access to permit information for all involved departments. The County Clerk and the Tax Collector would be the primary users of this system, but because of the involvement of other departments including the Sheriff and Public Works this system needs to be in a multiuser environment.

The cost of the implementation of this required system will include hardware for a central server and software purchase cost, plus the cost of associated hardware like printers for permits etc. Also there will be ongoing software maintenance fees for the continued use of the system.
I have reached out to Progressive Solutions Software for a quote of their business license permitting software as this system looks like it would be applicable for this use. This is the software used by Humbolt County for their cannabis permitting.

Below is an estimate of costs:

LicenseTrack permit software $20,000.00
HP Dedicated Computer Server $5,000.00
MS Server & Database Software $1,200.00
Dedicated Workstations $2,000.00 (1 for Clerk & 1 for Tax Collector)
Dedicated Printers $2,000.00 (1 for Clerk & 1 for Tax Collector)
Total implementation (1 time) cost $30,200.00
Ongoing cost (Software support) $ 4,000.00 annually

The full text of the County Information Technology Department's comments regarding the initiative can be found in Appendix D of this report.

Environmental Health Department indicates,

I estimate that this Department will need one additional half-time field staff to implement the Ordinance as written. This estimate assumes existing administrative staff can assimilate

cannabis work into existing processes, and certain economy of scale benefits can be realized by integrating cannabis activities such as plan review, permitting and inspection into existing Department workflows.

This estimate accounts for only limited enforcement activities. Primary enforcement would be the responsibility of a Code Enforcement Officer. This estimate also does not account for cannabis festival activities, which are not limited by the Ordinance, so could prove to require additional time and resources to permit and inspect.

Accordingly, the total cost to this Department to implement the Ordinance if adopted is estimated to be $50,000.

The full text of the Environmental Health Department's comments regarding the initiative can be found in Appendix D of this report.

Building Department indicates that:

The closest estimates I could give for additional time for Code Enforcement would be an additional 10 hours minimum a week for just cannabis related activities at $42.48 per hour or $22,089 per budget, but could go as high as $ 88,681 per budget if the County needed to add an another Officer. Those costs do not include vehicle maintenance, fuel or other incidental office costs, and possibly an additional vehicle. Other office staff could also be impacted by Code Enforcement actions in the forms of the Director, Plans Examiner, or Building Inspectors providing Building Code inspection support, and code consultation. The Building Permit Technicians and the Fiscal Officer could be impacted in administration support roles to the Code Enforcement Officer and researching parcel history for building permits. Because of the higher demands placed on all Building Department staff providing support to Code Enforcement due to this initiative it could cause delays with other Department functions. A conservative estimate for the cost of additional Department staff time could be an additional impact of $30,000 per budget. If the Department had to add another Permit Technician to keep up with time demands that could be an additional $57,660 per budget.

The full text of the County Building Department's comments regarding the initiative can be found in Appendix D of this report.

Plumas County Agricultural Commissioner indicates that:

This is an estimate of county cost for the Agriculture Department should the proposed Plumas County ordinance allowing commercial Cannabis cultivation and dispensaries become implemented. The total numbers are based on our best guess as to what numbers of licenses may be issued as per the proposed ordinance.

The approximate number of hours involved for site inspections round out to 426 hours. Staff conducting the inspections would need to be a licensed Agricultural and Standards Inspector. Using this department's current net county cost for our Agricultural and Standards inspector results in a total of $15,391.

Agriculture Department estimated cost of Cannabis enforcement

Expense	amount
Agricultural Inspector cost	$15,391
Unclaimed gas tax lost revenue	1,850
Revenue lost due to unbillable hours for Sierra County	3,078
Administrative Assistant Accounting hours	3,700
Vehicle cost	2081
Equipment and supplies	3150
Total expenses	$29,250

The full text of the Plumas County Agricultural Commissioner's comment's regarding the initiative can be found in Appendix D of this report.

Plumas County Sheriff's Office indicates in their comments, which are all included in this section of the report, state that:

> Sec. 11-1.112.- The Emergency Regulations mandate that no license for cannabis activity may be issued by the State unless the applicant demonstrates either local County approval of the licensed activity, or County acquiescence. The County of Plumas realizes that allowing a closely regulated cannabis industry in the County has the potential to benefit its economy and preserve its natural resources, as well as to provide its citizens access to the benefits of properly regulated cannabis products.
>
> *The Sheriff's Office, per federal law, does not concur. Further, evidence from other jurisdictions (rapid rise in crime, home invasions related to such activity) supports the opposite.*
>
> Sec. 11-1.114.-This Chapter will not be detrimental to the public health, safety and general welfare or adversely affect the orderly development of property, because the uses permitted

under this Chapter will be subject to careful review, limited in scope, number, and location, and subject to strict operating requirements, avoiding or limiting potential negative effects.

The Sheriff's Office, per federal law, does not concur. Further, evidence from other jurisdictions (rapid rise in crime, home invasions related to such activity) supports the opposite.

Chapter 3. Purpose and Intent

All stated purpose and intent declarations are misleading. Such cannabis activity benefits primarily the growers financially and a minimal number of end users as the majority of the county population does not consume cannabis.

Sec. 11-10.1.104.- An Application shall not be submitted by, and Licenses shall not be issued to, any person (hereafter, "Prohibited Personnel") holding office in, or employed by, any agency of the State of California or any of its political subdivisions when the duties of such person have to do with the enforcement of the Act or any other penal provisions of law of the State prohibiting or regulating the sale, use, possession, transportation, distribution, testing, manufacturing, or cultivation of Cannabis goods.

Regardless of whether such personnel are involved in enforcement or not, the law, county policy, and departmental policy would prohibit all personnel from engaging in this activity.

Sec. 11-10.1.105.- "Prohibited Personnel" includes, but is not limited to, any persons employed in the State of California Department of Justice as a peace officer, in any district attorney's office, in any city attorney's office, in any sheriffs office, in any local police department.

Regardless of whether such personnel are involved in enforcement or not, the law, county policy, and departmental policy would prohibit all personnel from engaging in this activity. Further, federal grant funding to those county departments allowing personnel to be involved in cannabis business would be forfeited.

Sec. 11-11.2.106.- Each Application must include a statement describing the proposed security measures for the facility that ensures the safety of members and employees and protects the premises from theft in accordance with State law.

Such security measures should also be regulated to meet heightened risk standards associated with such activities.

Sec. 11-114.104.- If, during the site inspection, violations of any building or other health, safety or other state or county statute, ordinance, or regulation are discovered, the Applicant shall be required to submit a written plan to remediate, abate, or cure the violations at the earliest feasible date, but in no event more than one (1) year after the date of issuance of the Cultivation Verification; said plan shall be signed by the Applicant, approved by the relevant enforcement

agency or agencies, and compliance with said plan shall be a condition of the Cultivation verification.

Time frame should be identical to the proposed cannabis enforcement ordinance. Allowing a year for the violator to address the violation allows multiple harvests with no recourse by the county. The violator can easily delay fixing the violation and reap benefits for a year.

Article 4- Dispensaries

The Sheriff's Office, per federal law, does not concur. Further, evidence from other jurisdictions (dispensaries cause rapid rise in crime in neighborhoods, especially dispensary robberies) support the opposite.

Chapter 12. Event Permits and On-Site Consumption

Law enforcement must provide security at such events for obvious reasons. The cost for providing law enforcement security services will require extensive overtime costs which the event organizers should be responsible for.

CHAPTER 17. Commercial Cannabis Notices, Violations, and Enforcement

Assuming the Cannabis Enforcement ordinance becomes effective, it is reasonably foreseeable that the Sheriff's Office will also be tasked with the enforcement of the Initiative ordinance as a result of an already established and funded investigative and enforcement process which will be easily adaptable for Initiative enforcement. This will drastically reduce the financial costs to those other departments which would otherwise be required to provide enforcement services.

CHAPTER 18. Public Nuisance

Nothing in the proposed ordinance will prevent law enforcement from taking any enforcement action authorized by the California Penal Code. Regardless of the initiative, if the grow is deemed a nuisance, the grower can be prosecuted.

The full text of the Plumas County Sheriff's Office comments regarding the initiative can be found in Appendix D of this report.

Office of the District Attorney indicates that:

There are two areas of the Medical and Adult Use of Cannabis Ordinance that, if passed, would impact the office of the District Attorney. First, the Ordinance creates a cash business model where participants could logically be expected to collect and maintain large sums of cash. Such an approach has been demonstrated, historically, to cause an increase in crime with regard to the taking of cash, whether by theft or violence. Second, inspection and monitoring provisions of the Ordinance, to the extent law enforcement is excluded, impact the ability to investigate crimes committed in the cultivation of cannabis. For example, the use of minors to cultivate or commission of certain environmental crimes

while cultivating would make an otherwise lawful act a felony. If such were to occur, an investigation being conducted by a non-law enforcement entity may compromise the investigation and prosecution.

The full text of the Office of the District Attorney's comments, regarding the initiative can be found in Appendix D of this report.

Department of Public Works indicates that:

Public Works is concerned that without this discretionary oversight of all applications, traffic, circulation, grading and drainage impacts could occur. Unmitigated impacts to public facilities (i.e. roadways and drainage facilities) and identified safety related impacts would need to be addressed by the Department of Public Works at the expense of the County. The exact financial impact is difficult to ascertain due to the wide range of potential scenarios.

Pursuant to Section 11-12.104 the Department of Public Works is responsible for developing an On-site Consumption Permit, including permit fees, and health and safety requirements. The impact to the Public Works Department would include staff time associated with the drafting of this permit, and the processing and enforcement of subsequent applications.

The drafting of the On-site Consumption Permit could take up to 40 hours with the processing and enforcement of individual applications consuming up to 16 hours of staff time per application. Assuming 12 applications per year, this would have an impact of 192 hours of Public Works staff time per year. While the application fee would cover the cost of processing the applications, the impacts on public works staff workload could create delays in the other public works responsibilities.

The full text of the Public Works Department's comments, regarding the initiative can be found in Appendix D of this report.

Plumas County Assessor indicates that:

Hopefully as commercial growing permits are processed by the County Clerk, referrals will be made to the Assessor's office in a similar fashion to what is done with Fictitious Business Name Statements. In my conversations with Calaveras County, it was suggested that permitted operations may only represent a fraction of the overall commercial cannabis production found in the county. Their estimate was that that only about 50% of the growers obtained permits. Locating unpermitted commercial operations would be difficult unless flyovers were done each year. Products such as Pictometry could provide for year to year comparisons to assist the discovery process. At a recent demonstration, the vendor for Pictometry estimated the cost to fly Plumas County would be about $145,000. In addition there would be staff time to review the data, make the necessary assessments and provide the associated taxpayer service. It is unclear how much this would cost. It is conceivable that the Sheriff, Public Works, Planning, Building, Environmental Health, Ag Commissioner and other departments might also benefit from the flyover data. Recognizing that the County only receives about 20% of the tax dollar, I suspect that the flyovers would not be cost effective, unless other departments got significant value for the data.

Absent flyovers, the Assessor's Office does not have the personnel resources to do a complete field canvas annually. Assessments will be made as discovery occurs. Employee safety issues are a concern.

Business property statement filing would be similar to any other business. Plumas County would work with the State Board of Equalization and California Assessor's Association to determine equipment classifications and economic lives. If the maximum number of permits were issued, it is possible that the Assessor's Office may need to request an additional clerk to assist with processing. These accounts would also increase our business property audits to a small degree.

I don't anticipate that this initiative would generate enough additional real property assessments to have a significant impact on the real property section of the office. There might be some increase in new construction for greenhouses and processing facilities.

There is the potential that this ordinance might increase the assessment appeals work load. While the initiative is specific about what zoning designations cultivation and processing can occur in and establishes setback requirements, Cannabis does produce an odor. Conflicting land uses could result in assessment appeals on the basis of noxious odors and a claim of adverse effects on the value of surrounding properties. These appeals would affect the Assessor's Office, County Counsel, Clerk of the Board and Board of Supervisors sitting as the Board of Equalization. Other assessment appeals may result, but are considered to be part of the typical workload.

The full text of the Plumas County Assessor's comments regarding the initiative can be found in Appendix D of this report.

The Planning Department indicates that:

Assumption: Planning will have the authority to check the zoning information provided on the application. This will result in an unknown cost due to time and staffing involved.

Assumption: Planning Department staff may be consulted in order to provide counseling on adherence to certain requirements of the initiative including, for example, verifying the particular zoning of an applicant's property, providing information on maps in the office and copies of those maps, reviewing site plans, verifying property line setbacks, etc. This will result in an unknown cost due to time and staffing involved.

Assumption: Based on a summary of possible license fees, revenue to the general fund from application fees could reach as much as $776,000. However, this revenue will be split among other general fund departments in order to implement the program as established by the initiative. It is unlikely that, given Planning's limited role, a full time position will need to be added, but there will be a demand for staff time and resources.

The Ordinance establishes fees for application, but not for "consultations" or "inspections". There would be an unknown cost involved with doing fee studies required for establishing these fees.

Positive fiscal impacts may result from the implementation of this initiative. Bringing illegal operations into compliance, with appropriate inspection and enforcement, may reduce costs to the Sheriff. There will be less environmental degradation. Revenues, through application fees and possibly some small amount from taxes will result. The cash flow for goods and services to the community businesses cannot and should not be discounted. Jobs could be retained and even created. There may also be an

increase in tourism resulting from increased access to cannabis and cannabis products as has happened in other communities.

The full text of the Planning Department's comments, regarding the initiative can be found in Appendix D of this report.

Plumas County Public Health Agency indicates that:

> The adoption of the ordinance, by the Supervisors or by voters, would increase community level access to cannabis. This increased access to cannabis may affect the number of individuals (by more or less) seeking medical marijuana identification cards from PCPHA. The ordinance may provide increased access to cannabis by residents vulnerable to the negative health effects from its use. The ordinance may increase access to cannabis to residents for whom its use may have a medicinal purpose. It is not known whether increased community access would result in use among residents not already using cannabis.

The full text of the Plumas County Public Health Agency's comments, including several Cannabis Fact Sheets, regarding the initiative can be found in Appendix D of this report.

D. Effects on Plumas County Offices/Departments

Note: The responses received from commenting Offices/Departments are quoted below. These responses have been selected from the comments to address the issues of this section. The entire comments from the commenting Offices/Departments can be found in Appendix D.

Effects on Plumas County Clerk-Recorder's Office

If passed, the proposed the Medical and Adult Use of Cannabis Ordinance, would require Plumas County to establish an entirely new licensing function within the County Clerk-Recorder's Office. This office's mandated duties would be expanded beyond the office's current duties, which are stated on the County Website as:

- Issuing marriage licenses and performing short ceremonies;
- Maintaining registries for process servers and legal document assistants;
- Processing Fictitious Business Name statements filings as well as environmental documents; including notices of determination, environmental impact reports, etc.;
- Processing notary public filings;
- Recording all land title documents, liens, mining claims, and veteran's discharges;
- Registering vital statistics including births, deaths, and marriages Providing certified copies of vital statistics and documents;
- Ensures integrity in the administration of fair and impartial elections.

The initiative states in section 11-11.1.101, "The County Clerk is hereby directed to:

- Create Application forms consistent with the terms of this Ordinance;
- Approve or deny Applications in accordance with the terms of this Ordinance;
- Issue and revoke Licenses;
- Coordinate as needed with other officials in the County to ensure that Licenses comply with all aspects of this Ordinance.

The County Clerk-Recorder's office is not a normal County permitting office or department. The normal permitting departments are the Planning Department, Environmental Health Department, Building Department, and to a limited extent the Public Works Department regarding encroachment permits. While all of these normal permitting departments may play a role in the licensing of commercial cannabis activities, their role according to section 11-11.101 as stated above will be to assist the County Clerk-Recorder's office as needed to ensure the licenses applied for and issued comply with all aspects of the initiative.

The County Clerk-Recorder's Office comments on the proposed initiative are extensive. Some of these comments are quoted below.

> The County Clerk-Recorder's department has never issued any type of license other than marriage licenses. Staff has no experience issuing the multitude of types of licenses required by the Ordinance.
>
> There are multiple types of licenses available through the application and fee process that would require staff to approve, verify, issue, revoke and monitor the status of each. There are no procedures in place, no experience within the department to perform the duties necessary to complete the process and additional personnel would be required to either have experience in permit management or receive training to accomplish the task.
>
> Staff in the County Clerk-Recorder's department have no experience in creating application forms; approving or denying applications; issuing or revoking licenses or coordinating compliance with the terms of the Ordinance.
>
> The staff in the County Clerk-Recorder's department have no experience with Special Use Permits or the process to obtain one.
>
> The staff in the County Clerk-Recorder's department have no experience with verification of documentation required to be presented with the application and no method to determine if the information provided is fraudulent. Staff have never performed background checks for any process handled in the department.
>
> The County Clerk-Recorder department does not have sufficient staffing or experience to re-verify each application annually.
>
> These requirements are all functions that are not consistent with the historic and current duties of the staff and elected department head. Current duties include conducting all elections, candidate filings, issuing marriage licenses, performing marriages, recording land title transactions and filing fictitious business name statements.

The County Clerk-Recorder department is currently working with reduced staff and no fiscal officer. There are no permitting managers, no permitting technicians, no accounting program for permitting transactions, no vault and no method to securely transport large amounts of cash to the Treasurer-Tax Collector department. There is insufficient office space needed to accommodate a Cannabis Permit Licensing program in the space currently occupied by the Clerk-Recorder department.

At a minimum, the County Clerk-Recorder department would require a full-time fiscal officer, a permit manager and a permit technician; an accounting system capable of monitoring and flagging specific actions required by the ordinance in the development of a Cannabis Permit Licensing Program; the transfer of the department to an office space near the Treasurer-Tax Collector that can accommodate a private office space for a licensing division; additional filing and storage systems for record keeping; a secure locking safe capable of storing large sums of cash and checks and a public access monitoring system that provides security to the entrance and exit an office.

The full text of the County Clerk-Recorder Office's comments regarding the initiative's directive to be the County department that processes, issues, and enforces provisions of the licenses for the commercial cannabis activities can be found in Appendix D of this report.

Effects on the Plumas County Treasurer-Tax Collector's Office

If passed, the proposed the Medical and Adult Use of Cannabis Ordinance, would require Plumas County to establish an entirely new cannabis tax collection system within the County Treasurer-Tax Collector's. This office's mandated duties would be expanded beyond the office's current duties, which are stated on the County Website as:

The Office of Treasurer is an elected office that has been combined with the function of tax collector. The treasurer is responsible for the cash management, investment, and safekeeping of all funds in the county treasury.

The tax collector function involves responsibility for the billing, collection, and accounting for all personal and real property taxes levied in the county. Further, the tax collector collects taxes on mobile homes, business license fees in unincorporated area, transient occupancy tax, and various other taxes and special assessments.

Responsibilities of the Centralized Collections Division include, but are not limited to, the following:

- Court Ordered Fines
- Juvenile Hall Fees
- Library Fines
- Parking
- Probation Fees
- Public Defender Fees
- Restitution and Delinquent Traffic Citations

The following is analysis of the initiative's Chapter 16. Taxes:

Sec. 11-16.101.- The County of Plumas shall enact a General Tax on the net profits (defined as gross sales minus operating costs and other taxes and fees) of all Commercial Cannabis Activity within the unincorporated areas of Plumas County.

Discussion: The County Auditor/Controller states that, "Unlike income tax code that defines how and when to recognize revenue, and which expense items are allowed as deductions, this initiative does not provide guidance for the calculation of net revenue less expenses. This will create confusion and lack of consistency in how revenues and expenses are measured and reported to the County for payment of the 2% fee on the net income. It is the opinion of the County Auditor/Controller that the income from the 2% fee would be negligible, and therefore will not provide the County a substantial source of revenue to cover the increased costs of cannabis related activity."

The County Treasurer/Tax Collector states that, "A concern also is the general tax is 2% of net income or gross income. The revenue generated from the net sales may not be enough to cover the expense to the county departments that are to manage this ordinance. There isn't information available to estimate the potential revenue stream. Auditing the tax returns would be extremely difficult based upon a primary cash business."

The County Treasurer/Tax Collector also states that, "The ordinance did not address the penalties and interest that is accrued on delinquencies and the process that those are to be collected."

Sec. 11-16.102.-The General Tax shall be set at two percent (2%) of net profits. The Board of Supervisors may increase the General Tax by no more than one percent (1%) in any given year, and the Board of Supervisors may increase the General Tax no more than four (4) times

Sec. 11-16.103. -The General Tax does not apply to persons cultivating Cannabis for their personal adult use or personal medicinal use.

Discussion: Plumas County has no local ordinance or rules regarding personal cultivation of six (6) cannabis plants per residence. The requirements of state law are the minimum requirements. There are at present no taxes and only the minimum state standards for personal cultivation in place in Plumas County is for personal cultivation of up to six (6) cannabis plants.

Sec. 11-16.104.-Proceeds from the General Tax shall be deposited into the County's general fund.

Sec. 11-16.105.-The tax proceeds will be subject to the same independent annual audit requirements as other general fund revenue. The audit report will be a matter of public record.

The County Treasurer-Tax Collector Office also indicates, "In order for this office to collect funds there will have to be new bank contracts negotiated, new collection software and staff to follow this collection."

The full text of County Treasurer-Tax Collector Office's comments regarding the initiative's directive regarding the general tax proposed for commercial cannabis activities can be found in Appendix D of this report.

Effects on Plumas County Auditor-Controller's Office

If passed, the proposed the Medical and Adult Use of Cannabis Ordinance, would require Plumas Auditor's Office to have additional duties requiring additional staff time and contract with an Independent Audit Firm knowledgeable in the field of cannabis. This office's mandated duties would be expanded beyond the office's current duties, which are stated on the County Website as:

Duties of the Auditor-Controller / Risk Management Department include:

- Auditing county departments
- Processing and apportioning property taxes
- Establishing tax and bond rates
- Maintaining tax rolls
- Processing and maintaining county and special district payroll, A/P, journal entries, and budgets
- Performing risk management duties
- Processing and administering workers' compensation claims
- Maintaining fixed asset listings
- Completing county financial statements
- Completing county and district annual state financial reports

The full text of the County Auditor-Controller Office's comments regarding the initiative's directive regarding the general tax proposed for commercial cannabis activities can be found in Appendix D of this report.

Effects on other Plumas County Departments

Generally, other County Departments will have increased workloads and staff needs in support of the County Clerk-Recorder's Office's mandate to be the be the permitting and enforcement department for commercial cannabis licenses should the initiative pass.

Environmental Health Department indicates:

> While the Ordinance only briefly mentions the Environmental Health Department (Department), passage of the Ordinance is anticipated to have a number of direct and indirect impacts to the

Department's activities, staffing and budget. Cannabis businesses are likely to engage in various activities which are already regulated by the Department under existing state law. Examples include permitting water supplies and hazardous materials management and oversight, to name just a few. Other impacts may be specific to new cannabis activities, such as ensuring the safety of cannabis edibles and the proper regulation and control of disposal, composting, or otherwise discarding cannabis-containing wastes.

Accordingly, this Department will likely be responsible for cannabis edibles safety and foodborne or other illness prevention. Roles may include preventing contaminants such as mold or pesticide residues from reaching consumers; ensuring consistent dose and/or concentration of cannabinoid by product or serving; confirming appropriate labeling and packaging standards for takeout sales; ensuring proper temperature control and processing for potentially hazardous foods (those foods that are able to support harmful bacteria growth); enforcing employee standards such as excluding sick employees from handling or preparing cannabis products; and confirming recordkeeping and the ability to trace back cannabis additives in case of recalls or outbreaks. For any of these new local roles and responsibilities, none of this Department's staff are trained or ready to administer these responsibilities.

Another likely role for this Department will be responding to complaints. As with any regulatory program, those businesses that comply with the regulations expect their competitors to do the same. If they pay the fees, submit applications, subject themselves to inspections and other oversight, they have a right to expect and often demand that the regulatory agencies hold everyone to the same standard. A level playing field is maintained by responding to, investigating, and correcting complaints of non-compliance. In a start-up industry that has not previously been regulated, the number of complaints could be substantial. This Department anticipates coordinating with other local agencies on this responsibility, but for the purposes of this report, it is assumed that these duties will be primarily the responsibility of a Code Enforcement Officer or some other local agency.

I estimate that this Department will need one additional half-time field staff to implement the Ordinance as written. This estimate assumes existing administrative staff can assimilate cannabis work into existing processes, and certain economy of scale benefits can be realized by integrating cannabis activities such as plan review, permitting and inspection into existing Department workflows.

The full text of the Environmental Health Department' comments regarding the initiative can be found in Appendix D of this report.

Building Department indicates that:

The cannabis cultivation initiative could create a great deal of time to be spent by both by the Building Department and Code Enforcement staff with little in the initiative detailing how those costs are to be recovered with reference to any existing County Ordinance dealing with Code Enforcement. I have found inconsistencies and contradictions between sections in this initiative that could also create a loss of time to correct or mitigate with no language built in to recover those costs for the County. In numerous sections, no mention was found that any permits will be required through the Building Department for the structures referenced throughout the initiative. That could require an increased amount of time on the Code Enforcement Officer and Building Department staff to investigate and enforce. I would assume that the existing County Ordinances in regards to Building and Compliance would still be enforceable, but also feel that given the wording of some these initiative sections that

some Licensees may challenge that authority, in turn consuming more time from County Department staff to mitigate.

The full text of the County Building Department's comments regarding the initiative can be found in Appendix D of this report.

Department of Public Works indicates that:

Public Works is concerned that without this discretionary oversight of all applications, traffic, circulation, grading and drainage impacts could occur. Unmitigated impacts to public facilities (i.e. roadways and drainage facilities) and identified safety related impacts would need to be addressed by the Department of Public Works at the expense of the County. The exact financial impact is difficult to ascertain due to the wide range of potential scenarios.

Pursuant to Section 11-12.104 the Department of Public Works is responsible for developing an On-site Consumption Permit, including permit fees, and health and safety requirements. The impact to the Public Works Department would include staff time associated with the drafting of this permit, and the processing and enforcement of subsequent applications.

The drafting of the On-site Consumption Permit could take up to 40 hours with the processing and enforcement of individual applications consuming up to 16 hours of staff time per application. Assuming 12 applications per year, this would have an impact of 192 hours of Public Works staff time per year. While the application fee would cover the cost of processing the applications, the impacts on public works staff workload could create delays in the other public works responsibilities.

The full text of the County Public Works Department's comments regarding the initiative can be found in Appendix D of this report.

Plumas County Agricultural Commissioner indicates that:

The approximate number of hours involved for site inspections round out to 426 hours. Staff conducting the inspections would need to be a licensed Agricultural and Standards Inspector. Using this department's current net county cost for our Agricultural and Standards inspector results in a total of $15,391.

If new staff is not hired for the increased work load, a significant amount of Agricultural Department state mandated program inspections will not be performed. This will result in a reduction of revenues from California Department of Food and Agriculture (CDFA) to Plumas County. Estimated reduction of $1,850 in State revenues and reduced enforcement of laws and regulations protecting consumers from weights and measures violations would result.

Cannabis is not a program this department can bill Sierra County for as Sierra County currently does not allow commercial Cannabis cultivation. Any Cannabis ordinance inspections would result in a loss of billable hours with Sierra County. Estimated loss of $3,078.

A Plumas County Cannabis inspection program will need separate tracking of hours for all financial statements to CDFA and Sierra County, and a new category of tracking will need to be conducted by the Department's Administrative Assistant. This results I an estimated 10 hours/month for a county cost of $3,700

To prevent loss of non-Cannabis program enforcement hours I recommend hiring another inspector to help the Department conduct its Cannabis inspections. The department could easily absorb any surplus time not spent in Cannabis inspections in other Agricultural and Weights and Measures programs.

The full text of the Plumas County Agricultural Commissioner's comments regarding the initiative can be found in Appendix D of this report.

Plumas County Department of Information Technology indicates that:

The effect of this ordinance on Information Technology would be in the automation requirements for a functional permitting system. This system would need to generate the permits, to manage the collection of fees and fines and allow for central access to permit information for all involved departments. The County Clerk and the Tax Collector would be the primary users of this system, but because of the involvement of other departments including the Sheriff and Public Works this system needs to be in a multiuser environment.

The full text of the Plumas County Department of Information Technology's comments regarding the initiative can be found in Appendix D of this report.

Plumas County Assessor indicates that:

Hopefully as commercial growing permits are processed by the County Clerk, referrals will be made to the Assessor's office in a similar fashion to what is done with Fictitious Business Name Statements. In my conversations with Calaveras County, it was suggested that permitted operations may only represent a fraction of the overall commercial cannabis production found in the county. Their estimate was that that only about 50% of the growers obtained permits. Locating unpermitted commercial operations would be difficult unless flyovers were done each year. Products such as Pictometry could provide for year to year comparisons to assist the discovery process. At a recent demonstration, the vendor for Pictometry estimated the cost to fly Plumas County would be about $145,000. In addition there would be staff time to review the data, make the necessary assessments and provide the associated taxpayer service. It is unclear how much this would cost. It is conceivable that the Sheriff, Public Works, Planning, Building, Environmental Health, Ag Commissioner and other departments might also benefit from the flyover data. Recognizing that the County only receives about 20% of the tax dollar, I suspect that the flyovers would not be cost effective, unless other departments got significant value for the data.

Absent flyovers, the Assessor's Office does not have the personnel resources to do a complete field canvas annually. Assessments will be made as discovery occurs. Employee safety issues are a concern.

Business property statement filing would be similar to any other business. Plumas County would work with the State Board of Equalization and California Assessor's Association to determine equipment classifications and economic lives. If the maximum number of permits were issued, it is possible that the Assessor's Office may need to request an additional clerk to assist with processing. These accounts would also increase our business property audits to a small degree.

I don't anticipate that this initiative would generate enough additional real property assessments to have a significant impact on the real property section of the office. There might be some increase in new construction for greenhouses and processing facilities.

There is the potential that this ordinance might increase the assessment appeals work load. While the initiative is specific about what zoning designations cultivation and processing can occur in and establishes setback requirements, Cannabis does produce an odor. Conflicting land uses could result in assessment appeals on the basis of noxious odors and a claim of adverse effects on the value of surrounding properties. These appeals would affect the Assessor's Office, County Council, Clerk of the Board and Board of Supervisors sitting as the Board of Equalization. Other assessment appeals may result, but are considered to be part of the typical workload.

The full text of the Plumas County Assessor's comments regarding the initiative can be found in Appendix D of this report.

Plumas County Sheriff's Office indicates in their comments, which are all included in this section of the report, state that:

Sec. 11-1.112.- The Emergency Regulations mandate that no license for cannabis activity may be issued by the State unless the applicant demonstrates either local County approval of the licensed activity, or County acquiescence. The County of Plumas realizes that allowing a closely regulated cannabis industry in the County has the potential to benefit its economy and preserve its natural resources, as well as to provide its citizens access to the benefits of properly regulated cannabis products.

The Sheriff's Office, per federal law, does not concur. Further, evidence from other jurisdictions (rapid rise in crime, home invasions related to such activity) supports the opposite.

Sec. 11-1.114.-This Chapter will not be detrimental to the public health, safety and general welfare or adversely affect the orderly development of property, because the uses permitted under this Chapter will be subject to careful review, limited in scope, number, and location, and subject to strict operating requirements, avoiding or limiting potential negative effects.

The Sheriff's Office, per federal law, does not concur. Further, evidence from other jurisdictions (rapid rise in crime, home invasions related to such activity) supports the opposite.

Chapter 3. Purpose and Intent

All stated purpose and intent declarations are misleading. Such cannabis activity benefits primarily the growers financially and a minimal number of end users as the majority of the county population does not consume cannabis.

Sec. 11-10.1.104.- An Application shall not be submitted by, and Licenses shall not be issued to, any person (hereafter, "Prohibited Personnel") holding office in, or employed by, any agency of the State of California or any of its political subdivisions when the duties of such

person have to do with the enforcement of the Act or any other penal provisions of law of the State prohibiting or regulating the sale, use, possession, transportation, distribution, testing, manufacturing, or cultivation of Cannabis goods.

Regardless of whether such personnel are involved in enforcement or not, the law, county policy, and departmental policy would prohibit all personnel from engaging in this activity.

Sec. 11-10.1.105.- "Prohibited Personnel" includes, but is not limited to, any persons employed in the State of California Department of Justice as a peace officer, in any district attorney's office, in any city attorney's office, in any sheriffs office, in any local police department.

Regardless of whether such personnel are involved in enforcement or not, the law, county policy, and departmental policy would prohibit all personnel from engaging in this activity. Further, federal grant funding to those county departments allowing personnel to be involved in cannabis business would be forfeited.

Sec. 11-11.2.106.- Each Application must include a statement describing the proposed security measures for the facility that ensures the safety of members and employees and protects the premises from theft in accordance with State law.

Such security measures should also be regulated to meet heightened risk standards associated with such activities.

Sec. 11-114.104.- If, during the site inspection, violations of any building or other health, safety or other state or county statute, ordinance, or regulation are discovered, the Applicant shall be required to submit a written plan to remediate, abate, or cure the violations at the earliest feasible date, but in no event more than one (1) year after the date of issuance of the Cultivation Verification; said plan shall be signed by the Applicant, approved by the relevant enforcement agency or agencies, and compliance with said plan shall be a condition of the Cultivation verification.

Time frame should be identical to the proposed cannabis enforcement ordinance. Allowing a year for the violator to address the violation allows multiple harvests with no recourse by the county. The violator can easily delay fixing the violation and reap benefits for a year.

Article 4- Dispensaries

The Sheriff's Office, per federal law, does not concur. Further, evidence from other jurisdictions (dispensaries cause rapid rise in crime in neighborhoods, especially dispensary robberies) support the opposite.

Chapter 12. Event Permits and On-Site Consumption

Law enforcement must provide security at such events for obvious reasons. The cost for providing law enforcement security services will require extensive overtime costs which the event organizers should be responsible for.

CHAPTER 17. Commercial Cannabis Notices, Violations, and Enforcement

Assuming the Cannabis Enforcement ordinance becomes effective, it is reasonably foreseeable that the Sheriff's Office will also be tasked with the enforcement of the Initiative ordinance as a result of an already established and funded investigative and enforcement process which will be easily adaptable for Initiative enforcement. This will drastically reduce the financial costs to those other departments which would otherwise be required to provide enforcement services.

CHAPTER 18. Public Nuisance

Nothing in the proposed ordinance will prevent law enforcement from taking any enforcement action authorized by the California Penal Code. Regardless of the initiative, if the grow is deemed a nuisance, the grower can be prosecuted.

The full text of the Plumas County Sheriff's Office comments regarding the initiative can be found in Appendix D of this report.

Plumas County Public Health Agency indicates that,

> The adoption of the ordinance, by the Supervisors or by voters, would increase community level access to cannabis. This increased access to cannabis may affect the number of individuals (by more or less) seeking medical marijuana identification cards from PCPHA. The ordinance may provide increased access to cannabis by residents vulnerable to the negative health effects from its use. The ordinance may increase access to cannabis to residents for whom its use may have a medicinal purpose. It is not known whether increased community access would result in use among residents not already using cannabis.

The full text of the Plumas County Public Health Agency's comments, including several Cannabis Fact Sheets, regarding the initiative can be found in Appendix D of this report.

Office of the District Attorney indicates that,

> There are two areas of the Medical and Adult Use of Cannabis Ordinance that, if passed, would impact the office of the District Attorney. First, the Ordinance creates a cash business model where participants could logically be expected to collect and maintain large sums of cash. Such an approach has been demonstrated, historically, to cause an increase in crime with regard to the taking of cash, whether by theft or violence. Second, inspection and monitoring provisions of the Ordinance, to the extent law enforcement is excluded, impact the ability to investigate crimes committed in the cultivation of cannabis. For example, the use of minors to cultivate or commission of certain environmental crimes while cultivating would make an otherwise lawful act a felony. If such were to occur, an investigation being conducted by a non-law enforcement entity may compromise the investigation and prosecution.

The full text of the Office of the District Attorney's comments, regarding the initiative can be found in Appendix D of this report.

Planning Department

The Planning Department indicates that,

> Assumption: Planning will have the authority to check the zoning information provided on the application. This will result in an unknown cost due to time and staffing involved.
>
> **Assumption:** Planning Department staff may be consulted in order to provide counseling on adherence to certain requirements of the initiative including, for example, verifying the particular zoning of an applicant's property, providing information on maps in the office and copies of those maps, reviewing site plans, verifying property line setbacks, etc. This will result in an unknown cost due to time and staffing involved.
>
> **Assumption:** Based on a summary of possible license fees, revenue to the general fund from application fees could reach as much as $776,000. However, this revenue will be split among other general fund departments in order to implement the program as established by the initiative. It is unlikely that, given Planning's limited role, a full time position will need to be added, but there will be a demand for staff time and resources.
>
> The Ordinance establishes fees for application, but not for "consultations" or "inspections". There would be an unknown cost involved with doing fee studies required for establishing these fees.
>
> Positive fiscal impacts may result from the implementation of this initiative. Bringing illegal operations into compliance, with appropriate inspection and enforcement, may reduce costs to the Sheriff. There will be less environmental degradation. Revenues, through application fees and possibly some small amount from taxes will result. The cash flow for goods and services to the community businesses cannot and should not be discounted. Jobs could be retained and even created. There may also be an increase in tourism resulting from increased access to cannabis and cannabis products as has happened in other communities.

The full text of the Planning Department's comments, regarding the initiative can be found in Appendix D of this report.

E. Effects on County Regulations (Zoning Code) and Policies (General Plan)

The Governor's Office and Planning and Research's 2017 General Plan Guidelines state, "The general plan is more than the legal underpinning for land use decisions; it is a vision about how a community will grow, reflecting community priorities and values while shaping the future."

Government Code Section 65860. States,

(a) County or city zoning ordinances shall be consistent with the general plan of the county or city by January 1, 1974. A zoning ordinance shall be consistent with a city or county general plan only if both of the following conditions are met:
(1) The city or county has officially adopted such a plan.
(2) The various land uses authorized by the ordinance are compatible with the objectives, policies, general land uses, and programs specified in the plan.
(b) Any resident or property owner within a city or a county, as the case may be, may bring an action or proceeding in the superior court to enforce compliance with subdivision (a). Any such action or proceeding shall be governed by Chapter 2 (commencing with Section 1084) of Title 1 of Part 3 of the Code of Civil Procedure. No action or proceeding shall be maintained pursuant to this section by any person unless the action or proceeding is commenced and service is made on the legislative body within 90 days of the enactment of any new zoning ordinance or the amendment of any existing zoning ordinance.
(c) In the event that a zoning ordinance becomes inconsistent with a general plan by reason of amendment to the plan, or to any element of the plan, the zoning ordinance shall be amended within a reasonable time so that it is consistent with the general plan as amended.

The Plumas County General Plan and the Plumas County Zoning Code (County Code Title 9) must be consistent with each other.

One of the purposes of the initiative stated in Section 11-3.101 is:

Sec. 11-3.101.- The purpose and intent of this Ordinance is to establish land use regulations concerning the cultivation, manufacture, testing, distribution, transportation, event organization, and storage of cannabis within the County of Plumas in order to limit and regulate such activities in coordination with the State of California in the implementation of the MAUCRSA.

Sections of the initiative directly addressing the State law and the General Plan are:

Sec. 11-1.115.-The criteria, procedures, standards, requirements, regulations, and provisions set forth in this Chapter shall be interpreted and applied consistent with all applicable State laws and regulations. To the extent that any criteria, procedure, standard, requirement, regulation, or provision of this Chapter which conflicts with or contradicts any applicable State law or regulation, or establishes a criteria, procedure, standard, requirement, or regulation that does not meet the minimum standards of any applicable State law or regulation, the requirements of the applicable State law or regulation shall take precedence.

Sec. 11-2.101.- California Elections Code §§9100, et seq., authorizes county ordinances to be enacted by the initiative of citizens through petition to the Board of Supervisors.

Sec. 11-3.102.- The purpose and intent of this Ordinance is also to address the County of Plumas' prerogative to tax, license, permit, regulate, or allow commercial cultivation and commercial activities involving cannabis as set forth in the MAUCRSA in conjunction with state licensing requirements and local laws, in order to protect the public health, safety, and welfare of the residents of Plumas County, and to mitigate or eliminate any adverse environmental effects of existing cannabis cultivation or commercial activities involving cannabis in the County of Plumas, and to prevent adverse environmental effects of any new cannabis cultivation or commercial activities involving cannabis which may be permitted or allowed in the future in accordance with this chapter and State law.

Sec. 11-3.105.- It is the purpose and intent of this Ordinance to implement State law by providing a means for regulating the cultivation of cannabis that is consistent with state law and which balances the needs of medicinal patients and responsible adult users, and promotes the health, safety, and welfare of the residents and businesses within the unincorporated area of Plumas County.

Sec. 11-3.106.- It is the purpose and intent of this Ordinance to bring the existing residents who met the standards of the Compassionate Use Act of 1996 before September 1, 2016 into compliance with MAUCRSA and the Plumas County General Plan.

Sec. 11-3.107.- It is the purpose and intent of this Ordinance to manage and maintain reasonable economic and social growth in conjunction with the Plumas County General Plan.

Sec. 11-5.104.-"Allowed Use" means a use adopted and approved by Plumas County to implement the General Plan by providing a precise delineation of permitted land uses, precluding land use conflicts, and by establishing general site development standards. The Plumas County General Plan has specified the uses of land in a manner which conveys full knowledge of potential uses. (§ 3, Ord. 84-593, eff. January 3, 1985)

Sec. 11-19.1.102.3.- The property is zoned for an Allowed Use suited to the cannabis activities being engaged in on the property, according to Plumas County's General Plan.

Sec. 11-14.3.102.- All Licensees shall possess a current, valid license, or licenses, issued by any agency of the State of California in accordance with the MAUCRSA, and regulations promulgated thereunder covering a similar cannabis activity, once said licenses become available. A copy of this license shall be provided by the Licensee to Plumas County.

Sec. 11-19.1.104.- The County of Plumas will not be held liable in any way for any Licensee's use of Plumas County's General Plan CEQA review or the outcome of such uses in the State's licensing process.

Sec. 11-21.101.- If any provision of this Title, or the application thereof, is held invalid, that invalidity shall not affect any other provision or application of this Title that can be given effect without the invalid provisions or application; and to this end, the provisions or application of this Title are severable.

Discussion and Comments

This initiative creates, if approved by the electorate, changes to the Plumas County Zoning Code (Title 9 of the Plumas County Code). The Zoning Code implements the General Plan's 2013. The Plumas County General Plan provides no mention and did not consider cannabis in its development. The Environmental Impact Report (EIR) used in the update of the General Plan did not consider cannabis in its analysis.

The initiative is an ordinance that will, if approved, make changes to the Zoning Code. The initiative does not make any stated changes to the Plumas County General Plan. The General Plan takes precedence over a land use zoning ordinance, if a zoning ordinance isn't consistent with the County General Plan. The zoning ordinance is invalid. A zoning ordinance adopted voter initiative is subject to the same requirement. The Planning Department has identified some inconsistencies with the initiative's ordinance and the present Zoning Code.

Matrixes have been created to delineate and summarize the types of licenses of allowed land uses contained within the initiative.

A parcel's Zoning can be looked up on the County Website at: https://mangomap.com/plumasgis/maps/47662/plumas-county-zoning.

The Planning Department's comments on internal consistency of the General Plan, consistency between planning and zoning and limitations on County actions are:

Section 11-3.106-It is the purpose and intent of this Ordinance to bring the existing residents who met the standards of the Compassionate Use Act of 1996 before September 1, 2016 into compliance with MAUCRSA and the Plumas County General Plan.

There is no mention of cannabis or cannabis cultivation or other commercial cannabis activities in the Plumas County General Plan. The Environmental Impact Report (EIR) prepared for the General Plan Update did not consider cannabis in its analysis.

Assumption: As there is no public information available as to locations of cannabis operations being conducted by existing residents, it is difficult to evaluate the inconsistencies with the Plumas County General Plan and zoning. There are inconsistencies between uses allowed under the initiative and current allowable uses as established in the General Plan and Title 9 of the Plumas County Code.

Section 11-5.104 – "Allowed Use" means a use adopted and approved by Plumas County to implement the General Plan by providing a precise delineation of land uses, precluding land use conflicts, and by establishing general site development standards. The Plumas County General Plan has specified the uses of land in a manner which conveys full knowledge of potential uses. (Section 3, Ordinance 84-593, eff. January 3, 1985)

There are inconsistencies between the General Plan implementation zoning code and uses permitted under the initiative. These inconsistencies are further delineated below.

Some uses are Allowed Uses in this initiative for Priority Residents. It is possible that there could be new or expanded uses for Priority Residents due to inadequate records of the previous cannabis activities conducted on properties. Under the initiative, these uses will be allowed in residential areas without a requirement for a special use permit and public hearing. There could be unanticipated social, economic or environmental compatibility issues with the neighborhood that would have been identified by the special use permit process.

Assumption: The zoning standards in Title 9 of the Plumas County Code serve to implement the Plumas County General Plan. Establishment of these standards were evaluated for potential impacts under the California Environmental Quality Act (CEQA). Some uses are permitted uses and some uses, those with potential to cause social, environmental or economic impacts to the surrounding neighborhoods, require public notice and hearing and issuance of a special use permit.

The initiative removes many of those requirements as well as permitted uses ("Allowed Uses" for Priority Residents) in areas that do not currently allow those uses.
Generally, the initiative allows many license types and activities in residential zones such as S-1 (Suburban), S-3 (Secondary Suburban), R-10 (Rural 10-acre), R-20 (Rural 20-acre). In addition, many uses are permitted to be conducted by residents in other zones. The Plumas County General Plan update contains policy language pertaining to Home Businesses that indicates that Home Businesses should undergo some sort of administrative or other permitting process in order to ensure compatibility with the surrounding area. In the case of the Initiative, many uses will be permitted in zones where they are not now permitted and will not be subject to additional review for compatibility. This may be in conflict with the following policy language:

LU

1.2.3 Home Business

The County strongly supports home businesses as a means of providing convenient employment opportunities and decreasing dependence on the auto. To ensure home businesses are in keeping with residential or rural character or the neighborhood or area, home businesses shall be subject to an administrative review or other permit processes as may be lawfully established in the zoning ordinance.

Another general policy pertains specifically to encroachment from non-compatible uses. Since the uses allowed under the Initiative have not been specifically reviewed to determine if they are compatible or not, there may be a conflict with the following policy language:

ECON

5.1.4 Discouragement of Non-Compatible Land Uses

The County shall protect the long-term economic viability of commercial, industrial, agricultural, timber and mineral resource lands by discouraging conversion and encroachment by non-compatible uses that adversely affect the sustainable uses of these lands.

Section 11-13.1.101.- In order to preserve County governmental resources, and because Priority Residents have a demonstrated history of responsible Cannabis activity in the County and are currently a part of the Plumas County environmental baseline, the County finds that during the initial two-year transitional period for the implementation of licensed commercial Cannabis activity in the County it is an appropriate exercise of its police power to designate certain zoning areas as "Allowed Use" for commercial Cannabis activity for Priority Residents only. During this transition period, Applicants who are not Priority Residents may still be granted licenses for commercial Cannabis activity in certain designated zones, but only after applying for and receiving a Special Use Permit in accordance with applicable existing County procedures.

Assumption: Special Use Permits, according to County Code, are processed and issued by the Planning Department. The language, "...but only after applying for and receiving a Special Use Permit in accordance with applicable existing County procedures" leads to an assumption that normal Planning Department fees for Special Use Permits, including the costs of California Environmental Quality Act (CEQA) document preparation must be paid. Another assumption is that upon receiving a Special Use Permit, an applicant can then apply for a license with the County Clerk/Recorder and at that time appropriate license fees for the cannabis license must also be paid.

Section 11-13.2.101.1-Zones that are available to a New Licensee with a Special Use Permit: R-10, R-20, AP, GA.

Plumas County's zoning code is permissive. Uses permitted are listed in the code. For example, "Horticulture" is a permitted use in R-10, R-20, AP, GA zones under the current zoning ordinance. The Initiative establishes a requirement for a special use permit in these zones for New Licensees. Therefore, this Initiative is not consistent with current requirements originally established under Ordinance 84-593. This establishes an additional process beyond the current zoning code requirement.

Section 11-13.2.103.1-Zones that are available to a New Licensee with a Special Use Permit: R-10, R-20, AP, GA.

"Horticulture" and "Agriculture" are permitted uses in R-10, R-20, AP, GA zones under the current zoning ordinance. The Initiative establishes a requirement for a special use permit in these zones for New Licensees. Therefore, this Initiative is not consistent with current requirements originally established under Ordinance 84-593. This establishes an additional permitting process beyond the current zoning code requirement. It is unclear why agricultural zones require special use permits for agriculture when the Initiative seeks to establish site standards designed to reduce environmental and other impacts.

Section 11-13.2.104.2-Non-retail Nursery Type 4 zones that are Allowed Use for Priority Resident Licensees: S-1, S-3, R-10, R-20, AP, GA, GF, M.
Section 11-13.2.104.3 Non-retail Nursery Type 4 zones that are for New Licensee with a Special Use Permit: R-10, R-20, AP, GA.
Section 11-13.2.104.4-Retail Nursery Type 4 zone that is Allowed Use for Priority Resident Licensees: AP, GA.
Section 11-13.104.5-Retail Nursery Type 4 zones that are for New Licensee with a Special Use Permit: AP, GA.

"Nursery" currently requires the issuance of a special use permit in S-1, S-3, R-10, and R-20 zones. It is not a permitted use in AP, GA, GF or M zones. This wording would allow a cannabis nursery in a zone where a nursery selling ornamental plants is not currently permitted. This initiative is therefore not consistent with current zoning requirements.

Section 11-13.2.105.3-Where a Microbusiness Licensee includes cultivation, the legal parcel where cultivation is occurring must have the following zoning designations for New Licensees with a Special Use Permit: AP, GA.

"Horticulture" and "Agriculture" are permitted uses in AP, GA. This requirement for a microbusiness is not consistent with current zoning requirements. This Initiative establishes an additional process beyond the current zoning code requirement that conflicts with current zoning code requirements and may be inconsistent with General Plan policies that serve to encourage agriculture, such as the following:

AG/FOR

8.1.1 Broad Range of Agricultural Uses

Support and promote a healthy and competitive agriculture industry by allowing for a broad range of agricultural uses, agricultural support services and agricultural products.

AG/FOR

8.1.2 Maintain Land in Agricultural Use

Support private and public owners of lands that have traditionally been used for agriculture to keep land in agricultural production by continuing existing agricultural use, developing compatible uses, and/or leasing lands to agricultural users.

The General Plan Update, adopted in 2013, specifically created policies to encourage agricultural uses, not to discourage agricultural uses by imposing additional permitting requirements.

Section 11-13.2.105.4-Where a Microbusiness includes retail, the legal parcel where the business is occurring must have the following zoning designations for Priority Residents: C-2, C-3, I-1, I-2, AP, GA, R-C.
Section 11-13.2.105.5- Where a Microbusiness includes retail, the legal parcel where the business is occurring must have the following zoning designations for New Licensees with a Special Use permit: C-2, C-3, I-1, I-2, AP, GA, R-C.

"Retail store" is limited in size in I-1, and I-2. "Retail store" is not permitted in AP, GA. This creates an anomaly such as has been identified in Sections 11-13.2.104.2, 11-13.2.104.3, 11-13.2.104.4 and 11-13.2.104.5, above. This Initiative is not consistent with current zoning requirements, nor does the general plan provide for retail businesses in agricultural areas:

AG/FOR

8.2.6 Non-Agriculture Uses

Limit non-agricultural development in agricultural areas to residential and accessory uses compatible or complimentary with agricultural production.

AG/FOR

8.3.2 Uses that Support Agriculture and Timber Resources

Allow compatible uses that support agriculture and timber, such as but not limited to agricultural commercial uses, agricultural industrial uses, direct product sales, processing, farm-based tourism, overnight hut system back-country ski touring and snowshoeing, destination hunting, fishing, and wildlife viewing, agricultural research and farm worker housing on agricultural land, subject to appropriate design review and development standards.

The retail component of the Microbusiness in the Initiative may not be limited to these particular functions and there may be a conflict with these general plan policies as there is no review by Planning for compliance by Priority Residents.

Section 11-13.3.102.1-The legal parcel where manufacturing is occurring must have the following zoning designations:
Section 11-13.3.102.2-Zones that are Allowed Use for Priority Resident Licensees: S-1, S-3, R-10, R-20, C-2, C-3, GA, R-C, GF, I-1, I-2.
Section 11-13.3.102.3-Zones that are available to New Licensee with a Special Use Permit: R-10, R-20, C-2, C-3, GA, R-C, I-1, I-2.

"Manufacturing" is only permitted in I-1 and I-2. It is permitted subject to the issuance of a special use permit in C-2.
"Manufacturing" is not permitted in S-1, S-3, R-10, R-20, C-3, GA, GF or R-C, but the Initiative will allow cannabis related manufacturing in these zones.

"Home Industry" is permitted to be conducted by a resident, subject to the issuance of a special use permit, in S-3, R-10, R-20, GA and GF. Home Industry can include manufacturing activities.

Once again, this initiative will allow an activity that is otherwise prohibited in the zone, but only if it is cannabis-related.

As discussed above, the Initiative may be in conflict with policies regarding agriculture. In addition, there are policies related to forest land uses that may be in conflict, such as:

AG/FOR

8.8.3 Protect Timberlands from Incompatible Uses

Protect Timberlands from incompatible adjacent land uses which adversely impact forest management activities.

AG/FOR

8.9.2 Multiple Use Purpose for Timber Resource Lands

Timber Resource lands are reserved for multiple use purposes that are compatible with timber production, other wood products, bio-mass, mineral resource extraction, grazing, recreation, carbon sequestration and wildlife habitat.

There is no mention of agriculture, horticulture, commercial cultivation of crops, or other commercial or manufacturing activities undertaken by residents in this policy language.

3. Regional Housing needs impact

This Initiative is unlikely to have a significant impact on Regional Housing needs in the County unless all or most affordable units were converted to indoor cultivation. The limitation on location and numbers of licenses would make this highly unlikely.

5. Impact on community's ability to attract and retain businesses

This is an unknown impact. Commercial Cannabis businesses would be attracted, but other existing businesses might be positively or negatively impacted by the establishment of new uses in the area. Some businesses may relocate away from cannabis activities if uses are not compatible. Agricultural and support businesses would be most likely be positively impacted.

6. Impact on the uses of vacant parcels of land

There might be an increased demand for vacant land to establish Commercial Cannabis uses. Past activity and speculation prior to the establishment of the Cannabis Moratorium ordinance seemed to result in a temporary rise in demand for certain commercially and agriculturally zoned and forested lands based on the many inquiries received by Planning staff.

7. Impacts on agricultural lands, open space, traffic congestion, existing business districts, and developed areas designated for revitalization

Assumption: License types and numbers are limited by district. Total possible licenses are assumed to be no more than 171 county-wide. It is unlikely that given the limited number and lack of concentration of commercial activity that significant impacts would occur that would result in traffic congestion, impacts to existing business districts and developed areas designated for revitalization.

Minor impacts to agricultural lands and open space lands could result from increased construction of barns and greenhouses that could impact scenic views. The designated scenic areas in the Plumas County General Plan that limit buildings will serve to minimize some of these impacts.

9. <u>Vagueness and ambiguities of the proposed initiative</u>

Section 11-5.123 – "Dwelling" for the purposes of this chapter, means a building intended for human habitation that has been legally established, permitted and certified as a single-family or multi-family dwelling.

The process for enforcement of this requirement is vague. There are many dwellings that were built pre-building permit. Requirements for building permits were not established in Plumas County until the late 1960s. There is no certification process that ensures that a dwelling is single-family or multi-family other than occupancy class and a full building permit record review. That would require that all dwellings undergo a building permit history review at unknown cost to the County due to time and staffing involved.

Section 11-5.124-"Enforcement Official" lists the **"Planning Commissioner".** The Planning Commissioner is an appointed member of the five member Planning Commission and is not a County employee. The Planning Commissioner is not granted any enforcement authority under current codes.

Section 11-5.145-"Parcel" means any parcel of real property that may be separately sold in compliance with the Subdivision Map Act (commencing with Section 66410 of the Government Code) and also means any parcel that is described, recorded and kept in official County records specifically including documents and maps used by the County Assessor's Office, the County Tax Collector's Office and the County Recorder's Office.

This definition is confusing. Legal parcels can be separately sold in compliance with the Subdivision Map Act. The subdivision and parcel maps are found in the Planning and Building Services Permit Center, maintained by the County Engineering Department. These records are not listed in the initiative as resource material.

The County Assessor's Office and the County Tax Collector's Office maintain maps and records pertaining to tax parcels, which may or may not be separately saleable legal parcels. This wording sounds like everything, including a tax parcel, can be considered a "parcel".

In some cases, there are illegally created parcels that may be shown on records or on maps in County offices. Illegally created parcels are prohibited from obtaining development and other permits. However, this initiative would appear to allow owners of illegally created or unclear parcels to obtain cannabis activity permits.

Absent a clear recorded parcel or subdivision map, the best way to determine what constitutes a parcel of real property is to obtain the property deed, which is on file in the County Recorder's Office.

In addition, there are many parcels in this County that were created prior to the adoption of the Subdivision Map Act and may or may not be in compliance with this act.

Section 11-9-1.101.-The County shall limit the number of Licenses available for Commercial Cannabis activities in the unincorporated areas of Plumas County. At no time shall Plumas County's total Commercial Cannabis Licenses exceed these limits without a unanimous vote by the Board of Supervisors. At no time shall the limit be reduced without a public vote. The following limitations shall apply to the inclusive combination of Adult Use and Medicinal Licenses:

Assumption: The maximum number of potential commercial licenses is temporarily set by the initiative. The Board of Supervisors upon a unanimous vote may, after December 30, 2019, increase the number of licenses. Any consideration to reduce the number of commercial licenses as specified in the initiative may not occur unless the matter is taken to the voters and approved by the voters.

Section 11-10.1.101.-In order to limit potentially deleterious population growth that may follow approval of commercial cannabis activity in the County, and in order to avoid the strain on limited County resources that such a spike in population growth may cause, the County will place a temporary limit on the number of Licenses issued to Non-Residents. Until December 30, 2019, Licenses issued to Non-Residents shall be limited to ten percent (10%) of the total Licenses issued. The remaining ninety percent (90%) of Licenses during this period will be issued to both Residents and Priority Residents.

Assumption: Up until December 30, 2019, 90% of the allowed licenses under the initiative will be issued to "Residents" and "Priority Residents".

This section is not clear as to whether the 10%/90% limitation applies to the total in each license category or if it applies to the total of all licenses without regard to the license category. Also, in establishing the 10%/90% ratio, the initiative is not clear if it acts as a limitation on the issuance of licenses in the other category.

Section 11-10.1.103.-Licenses shall be limited to one (1) Non-Resident License for every nine (9) Resident License, which shall include Priority Residents, until December 30, 2019 at which time the limitation shall expire and Priority Resident status shall expire.

Assumption: This provision will require that nine licenses be issued to Priority Residents before even one license may be issued to a Non-Resident or New Licensees. Nearly all available, within the limits as specified in the initiative, commercial cannabis licenses which is 90% up until December 30, 2019, will be for Residents as defined in Section 11-5.155 of the initiative. The remaining 10% of the available, within the limits as specified in the initiative, commercial cannabis licenses are for Non-Residents as defined in Section 11-5.139 are set aside for Non-Residents.

The process for obtaining an approval of a special use permit can typically take from three (3) to six (6) months or longer for more complex applications. Upon approval of a special use permit, under the Planning Department, a Non-Resident will still have to apply for a commercial cannabis license with the County Clerk, which will also take additional time to be approved. Non-Residents, seeking approval of a license by the County, will have a considerable longer processing time to receive a commercial cannabis license than Residents or Prior Residents. Perhaps due to the longer processing time for Non-Residents some of the licenses designated for Non-Residents may have just been issued or may not be issued by December 30, 2019.

The combination of these two requirements placed on Non-Resident applicants (the one to nine ratio and special use permit process) may have the effect of a complete ban on Non-Resident (New Licenses) obtaining a license prior to December 30, 2019. This practical ban on Non-Resident licenses may invite legal challenge.

Discussion:

A prominent feature of the Initiative Ordinance is the treatment of "Priority Residents" as contrasted with "Non-Residents" or license applicants who do not qualify as "Priority Residents." As stated in the ballot title and summary (see Section B on page 2):

> Until December 30, 2019, "Priority Residents" are treated differently from "Non-Residents." Compared to Non-Residents, Priority Residents can operate in more zones, apply for more licenses at one time, and are not subject to special use permit and CEQA processes. Also, licenses are limited to one Non-Resident for every nine Resident.

The provisions of the Initiative Ordinance limiting the issuance of licenses to one (1) Non-Resident license for every nine (9) Resident licenses will present issues regarding interpretation and application of this requirement. The two sections addressing this 1-to-9 ratio are as follows:

> Sec. 11-10.1.101.- In order to limit potentially deleterious population growth that may follow approval of commercial cannabis activity in the County, and in order to avoid the strain on limited County resources that such a spike in population growth may cause, the County will place a temporary limit on the number of Licenses issued to Non-Residents. Until December 30, 2019, Licenses issued to Non-Residents shall be limited to ten percent (10%) of the total Licenses issued. The remaining ninety percent (90%) of Licenses during this period will be issued to both Residents and Priority Residents.
>
> Sec. 11-10.1.103.- Licenses shall be limited to one (1) Non-Resident License for every nine (9) Resident License, which shall include Priority Residents, until December 30, 2019 at which time the limitation shall expire and Priority Resident status shall expire.

Most categories of licenses have a specific maximum number of licenses that may be issued for that type of license (see Table C), while there are four license types that do not specify a limit on the number of licenses. The Initiative Ordinance is not clear whether the term "total Licenses issued" applies to: 1) the total issued in each license type, or 2) the total of all cannabis licenses issued without regard to type. If the limitation of one (1) Non-Resident for nine (9) Resident licenses applies within each license type, then Non-Residents are *totally excluded* from nine (9) license types (see Table C, column "Number of Licenses Issued"). Total prohibition of Non-Residents from engaging in a particular occupation or line of business on the basis that it is necessary to slow population growth in Plumas County may invite a legal challenge. Uncertainty in how the ordinance language is interpreted or applied may also invite a legal challenge.

There can be difficulties in applying this one-to-nine ratio as the applications are received and the licenses are issued. The language, "Licenses shall be limited to one (1) Non-Resident License for every nine (9) Resident License . . ." will require that the County Clerk issue nine (9) Resident Licenses before the first license is issued to a Non-Resident. This will delay issuing licenses to Non-Residents. A Non-Resident will have to wait for nine (9) Residents to obtain licenses before

he or she is issued a license. This form of discrimination may invite a legal challenge. In addition, the delay may unintentionally cause the County to violate the Permit Streamlining Act, a California statute that generally requires a local agency to issue development permits within specified timeframes as soon as applications are complete.

The one-to-nine ratio may also work to the *disadvantage* of Resident applicants for cannabis licenses. At the same time Section 11-10.1.101 appears to allocate the "remaining 90% of Licenses to both Residents and Priority Residents" it also appears to reserve at least 10% of licenses to Non-Residents. This language could require that before a tenth license is issued to a Resident or Priority Resident, a single license must be issued to a Non-Resident. To do otherwise would violate the 10% to 90% requirement. The County Clerk will be faced with the odd process of alternating nine licenses to Residents, then one license to a Non-Resident, before going back to issuing nine licenses to Residents, and so on. This adherence to a strict ratio could actually slow the issuance of licenses if there are not many Non-Resident applicants. As discussed below, the requirement that Non-Residents comply with the special use permit process will significantly delay applications by Non-Residents for typically three (3) to four (4) months (or more for complex applications). Again, this form of disparate treatment may invite a legal challenge. In addition, the delay may unintentionally cause the County to violate the Permit Streamlining Act, a California statute that generally requires a local agency to issue development permits within specified timeframes as soon as applications are complete. Another possible effect of a very slow roll-out of the licensing process for Priority Residents will hamper the ability of those existing operations to obtain their State-issued license and so legalize their activity under both State law and local land use requirements.

As discussed in the letter from the Planning Department (Appendix ...), while Priority Resident Licensees can obtain a cannabis permit under this ordinance by means of a ministerial application process, "New Licensees" (this term is not defined, but it is assumed it applies to all applicants who do not qualify as a "Priority Resident, that is a "Non-Resident") must comply with the special use permit process. The special use permit process is more extensive in its requirements and, because it is a discretionary action by the County, it also involves the California Environmental Quality Act (CEQA). In the typical situation, the special use permit process will require three (3) to six (6) additional months to process compared to a "ministerial" permit. In more complex situations, such as when an environmental impact report (EIR) has to be prepared, the SUP process could take a year or more. As mentioned in the preceding paragraph, if the strict ratio is observed, this could delay the issuance of all permits. But, if the ratio is construed as applying only for the benefit of Priority Residents, the imposition of the SUP process on Non-Residents could have the practical effect of preventing Non-Residents from having any opportunity whatsoever to obtain licenses where there are numerical limitations. In other words, while the Non-Resident applicants are mired in the SUP process, Priority Residents may "corner the market" by applying for and obtaining all the available licenses in each category. This advantage may continue beyond December 30, 2019, if existing licensees are deemed to have a priority when they renew their licenses. Again, this form of disparate treatment may invite a legal challenge.

The Planning Department's comments regarding other issues of the initiative are:

Section 11-11.1.106.7-Attached documentation of zoning compliance, including a Special Use Permit if required, and, if applicable, total acreage of parcel/parcels where Cannabis cultivation is to take place.

Planning is not given any authority in the Initiative, so it is assumed that the applicant would research the zoning of their property(ies) using available maps either on file in the Planning Department or on-line. It is unclear what form "documentation of zoning compliance" would take. Planning staff may expend time certifying the applicants' claims to the County Clerk.

Some sections of the Initiative make reference to the legal parcel where Cannabis cultivation is to take place and some sections of the Initiative allow combination of parcels.

Section 11-11.2.102-Each Application must comply with and demonstrate compliance with CEQA (California Environmental Quality Act) as applicable to this title.

The usual process for demonstrating compliance with CEQA would be a Notice of Exemption or Notice of Determination issued by Planning but Planning is given no approval authority in the Initiative other than for issuance of special use permits where required.

Compliance with the California Environmental Quality Act (CEQA) is required for approval of "discretionary" actions by public agencies. Some permits are "ministerial" actions and do not require a specific CEQA determinations (e.g., building permits). Permits issued to Priority Residents appear to be ministerial and would not require analysis under CEQA. However, permits to non-residents or New Licensees are subject to the requirement to obtain a special use permit and are discretionary. There does not appear to be a clear rationale for this distinction. Since CEQA compliance does require more time and expense, this provision may generate a legal challenge as Priority Residents are not treated the same as non-residents or New Licensees.

The initiative establishes CEQA compliance for licenses issued without the requirement for special use permits, which are discretionary permits requiring CEQA compliance.

Section 11-11.3.101- Each Applicant for a License related to cultivation shall submit a site plan, drawn to standard scale, showing the *entire legal parcel*...

For the reasons enumerated under Section 11-5.145 above, this may or may not be possible to do without a full title search or possibly a Certificate of Compliance. In addition, **Section 11-14.2.101** allows adjoining parcels to be combined for the purposes of calculating total acreage and setbacks. This may be confusing to the Applicant as well.

Section 11-11.4.104- If, during the site inspection, violations of any building or other health, safety or other state or county statute, ordinance, or regulation are discovered, the Applicant shall be required to submit a written plan to remediate, abate, or cure the violations at the earliest feasible date, but in no event more than one (1) year after the date of issuance of the Cultivation Verification; said plan shall be signed by the Applicant, approved by the relevant enforcement agency or agencies, and compliance with said plan shall be a condition of the Cultivation verification.

Again, it is unclear from the wording of the Initiative whether Building or Planning staff have authority to inspect to determine if there are any other violations. The initiative appears to establish a one year cure time frame for all violations. Some violations may involve extreme safety hazards that should be corrected quickly, rather than allowing a full year. In addition, a county ordinance cannot supercede state statutory time requirements for state law violations over which county officials have enforcement responsibility.

Section 11-14.2.104 –The distance from any school providing education instruction to minors, or any grades 1 through 12, preschool day care center or youth center that is in existence at the time the Application is received to the nearest property line of Cannabis cultivation or operation site is at least 600 (six hundred) feet or 1000 (one thousand) feet from the Cannabis Cultivation or Cannabis Operation Facility.

There is no definition of "youth center".

Section 11-14.3.106-All Licensees shall maintain the applicable "Defensible Space" protocols and distances as established by the California Department of Forestry and Fire Protection around structures located on the legal parcel.

This would establish a requirement of a State agency not under County authority. The California Department of Forestry and Fire Protection (CALFIRE) is the enforcement authority for maintenance of "defensible space".

Section 11-14.3.114-All Licensees shall comply with any conditions that may apply as a result of allowed use or special use permit.

Assumption: Special Use Permit process is as per requirements of Title 9 of the Plumas County Code.

Although the Zoning Administrator approves the special use permit, the Planning staff is given no inspection authority making it unclear how the Licensees will be determined to have complied with special use permit conditions unless inspections are conducted by staff. As discussed above, inspection fees will need to be established after the appropriate fee studies are completed.

The full text of the Planning Department's comments regarding the initiative can be found in Appendix D of this report.

APPENDIX A

Text of Medical and Adult Use of Cannabis Initiative

NOTICE OF INTENTION TO CIRCULATE PETITION

Notice is hereby given by the persons whose names appear hereon of their intention to circulate the petition within the County of Plumas for the purpose of establishing a Medicinal and Adult Use of Cannabis Ordinance. A statement of the reasons of the proposed action as contemplated in the petition is as follows:

With the implementation of California's Medicinal and Adult-Use Cannabis Regulation and Safety Act effective January 1, 2018, Plumas County needs a new regulatory framework both to protect its citizens and its environment from illegal cannabis activity and to give its citizens the opportunity to participate and benefit from the new cannabis industry.

This proposed Ordinance would achieve these goals by the following:

- Establishing a strict application process and regulatory oversight of cannabis activity;
- Implementing a clear zoning regimen to restrict cannabis activity to appropriate locales;
- Increasing the County General Fund by fees and taxes imposed on proceeds from cannabis commercial activity, which in turn could fund local regulatory and law enforcement oversight; and
- Ensuring compliance with all applicable environmental regulations.

This Ordinance is intended to benefit local residents engaged in lawful cannabis activity and to provide the County with the funds to prevent non-residents from extracting resources from Plumas County or otherwise engaging in illicit activity.

Without this Ordinance, residents of Plumas County who wish to obtain cannabis legally for medicinal or recreational purposes will be forced to make their purchases outside of the County, thereby depriving the County of potential tax revenue and impeding those with a medical need for cannabis treatment.

This Ordinance ensures continued community growth and job expansion that will be managed in a way to preserve Plumas County's unique culture.

Chelsea Bunch
107 Moody Meadow Road, Chester, California, 96020

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118 Joy Way, Portola, California, 96122

FILED

FEB 28 2018

KATHLEEN WILLIAMS,
PLUMAS CO. CLERK-RECORDER
BY Marcy DeMarble DEPUTY

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Title 11. MEDICINAL AND ADULT USE OF CANNABIS ORDINANCE is hereby added as follows:

The people of the County of Plumas ordain as follows:

This Title shall be known as the MEDICINAL AND ADULT USE OF CANNABIS ORDINANCE ("Ordinance"), which provides for the regulation of commercial Cultivation, Manufacturing, Testing, Transportation, Storage, Delivery, Retail, Event Organization, On-Site Consumption, and Distribution of cannabis, as defined in this Ordinance, located in the County of Plumas.

Chapter 1. Background and Findings

Sec. 11-1.101.- In 1996, the voters of the State of California approved Proposition 215 (codified as California Health and Safety Code section 11362.5 and titled the "Compassionate Use Act of 1996").

Sec. 11-1.102.- The intent of Proposition 215 was to enable persons who were in need of cannabis for medicinal purposes to be able to obtain and use it without fear of criminal

prosecution or sanctions under limited, specified circumstances.

Sec. 11-1.103.- In 2004, Senate Bill 420 was enacted (codified as California Health and Safety Code section 11362.7 et seq. and titled the "Medical Marijuana Program Act") to clarify the scope of the Compassionate Use Act of 1996. The Medical Marijuana Program Act allowed counties to adopt and enforce rules and regulations consistent with its provisions.

Sec. 11-1.104.- In 2011, Assembly bill 2650 was enacted (codified as California Health and Safety Code section 11362.768). This law affirmed that counties can adopt ordinances that restrict the location and establishment of medicinal cannabis collectives and cooperatives.

Sec. 11-1.105.- On October 9, 2015 Governor Brown signed into law the Medical Cannabis Regulation and Safety Act (MCRSA). The MCRSA was a package of three separate bills (AB 243, AB 266, and SB 643), enacted by the legislature on September 11, 2015, which established a comprehensive regulatory framework for the cultivation, production, transportation, testing, sale and taxation of medicinal marijuana in California.

Sec. 11-1.106.- On June 1, 2016, the California State Assembly passed AB 2516 to refine the licensing structure established under the MCRSA. Recognizing that many cannabis farmers across California grow only a handful of plants on relatively small plots of land, this bill created a new license category, Type 1C, "specialty cottage". This license type allows for 2500 square feet or less of total canopy size for outdoor or mixed light cultivation, and 500 square feet or less of total canopy size for indoor cultivation.

Sec. 11-1.107.- In November 2016, a majority of voters of Plumas County voted to approve Proposition 64, the Adult Use of Marijuana Act (AUMA). Under Proposition 64, adults 21 years of age or older may legally grow, possess, and use cannabis for non-medicinal purposes, with certain restrictions. In addition, beginning on January 1, 2018, AUMA makes it legal to sell and distribute cannabis through a regulated business.

Sec. 11-1.108.- On June 27, 2017, Governor Brown signed into law Senate Bill 94, also known as The Trailer Bill. This bill effectively repealed MCRSA and included certain provisions of MCRSA in the licensing provisions of AUMA. These consolidated provisions shall be known as the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA). The MAUCRSA directs the California Department of Food and Agriculture to regulate cannabis as an agricultural product.

Sec. 11-1.109- On November 16, 2017,the Department of Consumer Affairs' Bureau of Cannabis Control, Department of Public Health's Manufactured Cannabis Safety Branch, and Department of Food and Agriculture's CalCannabis Cultivation Licensing Division issued their Emergency Medicinal and Adult Use Cannabis Regulations ("Emergency Regulations") for the purpose of implementing the MAUCRSA. Among other things, the Emergency Regulations

establish a regulatory framework for licensing cannabis activity within the State of California.

Sec. 11-1.110.- Pursuant to California Business and Professions Code section 19315(a), nothing in MAUCRSA shall be interpreted to supersede or limit existing local authority for law enforcement activity, enforcement of local zoning requirements or local ordinances, or enforcement of local permit or licensing requirements.

Sec. 11-1.111.- This Ordinance is enacted, consistent with the Compassionate Use Act of 1996, the Medical Marijuana Program Act, the Medical Cannabis Regulation and Safety Act, the Adult Use of Marijuana Act, the Medicinal and Adult-Use Cannabis Regulation and Safety Act, and the Emergency Regulations to protect the public health, safety, and welfare of Plumas County residents in relation to cultivation and sales of cannabis.

Sec. 11-1.112.- The Emergency Regulations mandate that no license for cannabis activity may be issued by the State unless the applicant demonstrates either local County approval of the licensed activity, or County acquiescence. The County of Plumas realizes that allowing a closely regulated cannabis industry in the County has the potential to benefit its economy and preserve its natural resources, as well as to provide its citizens access to the benefits of properly regulated cannabis products.

Sec. 11-1.113.- Nothing in this Ordinance shall be construed to allow any activity relating to the cultivation, distribution, or consumption of cannabis that is illegal under State law.

Sec. 11-1.114.-This Chapter will not be detrimental to the public health, safety and general welfare or adversely affect the orderly development of property, because the uses permitted under this Chapter will be subject to careful review, limited in scope, number, and location, and subject to strict operating requirements, avoiding or limiting potential negative effects.

Sec. 11-1.115.-The criteria, procedures, standards, requirements, regulations, and provisions set forth in this Chapter shall be interpreted and applied consistent with all applicable State laws and regulations. To the extent that any criteria, procedure, standard, requirement, regulation, or provision of this Chapter which conflicts with or contradicts any applicable State law or regulation, or establishes a criteria, procedure, standard, requirement, or regulation that does not meet the minimum standards of any applicable State law or regulation, the requirements of the applicable State law or regulation shall take precedence.

Chapter 2. Authority

Sec. 11-2.101.- California Elections Code §§9100, et seq., authorizes county ordinances to be enacted by the initiative of citizens through petition to the Board of Supervisors.

Chapter 3. Purpose and Intent

Sec. 11-3.101.- The purpose and intent of this Ordinance is to establish land use regulations concerning the cultivation, manufacture, testing, distribution, transportation, event organization, and storage of cannabis within the County of Plumas in order to limit and regulate such activities in coordination with the State of California in the implementation of the MAUCRSA.

Sec. 11-3.102.- The purpose and intent of this Ordinance is also to address the County of Plumas' prerogative to tax, license, permit, regulate, or allow commercial cultivation and commercial activities involving cannabis as set forth in the MAUCRSA in conjunction with state licensing requirements and local laws, in order to protect the public health, safety, and welfare of the residents of Plumas County, and to mitigate or eliminate any adverse environmental effects of existing cannabis cultivation or commercial activities involving cannabis in the County of Plumas, and to prevent adverse environmental effects of any new cannabis cultivation or commercial activities involving cannabis which may be permitted or allowed in the future in accordance with this chapter and State law.

Sec. 11-3.103.- The purpose and intent of this Ordinance is also to mitigate conditions that create public nuisances, by enacting regulations including restrictions as to location, type, and size of cannabis cultivation sites, the location, type, and size of commercial activities involving cannabis and the use of adequate screening, security, and other protective measures to effectively control the adverse impacts associated with cannabis cultivation and commercial activities related to cannabis.

Sec. 11-3.104.- The purpose and intent of this Ordinance is also to consider and respect the needs of, and provide safe access to, qualified medicinal cannabis patients and responsible adult users, while accounting for public necessity, health, safety, convenience, and general welfare within Plumas County. Nothing in this Ordinance shall be construed to authorize any use, possession, cultivation, manufacture, transportation, or distribution of cannabis or cannabis products that is in violation of State law.

Sec. 11-3.105.- It is the purpose and intent of this Ordinance to implement State law by providing a means for regulating the cultivation of cannabis that is consistent with state law and which balances the needs of medicinal patients and responsible adult users, and promotes the health, safety, and welfare of the residents and businesses within the unincorporated area of Plumas County.

Sec. 11-3.106.- It is the purpose and intent of this Ordinance to bring the existing residents who met the standards of the Compassionate Use Act of 1996 before September 1, 2016 into compliance with MAUCRSA and the Plumas County General Plan.

Sec. 11-3.107.- It is the purpose and intent of this Ordinance to manage and maintain reasonable economic and social growth in conjunction with the Plumas County General Plan.

Sec. 11-3.108.- It is the purpose and intent of this Ordinance to accommodate the needs of medically-ill persons in need of cannabis for medical purposes while imposing regulations on the use of land to protect County neighborhoods, residents, and businesses from negative impacts.

Sec. 11-3.109.- It is the purpose and intent of this Ordinance to allow Plumas County the ability to be on the forefront of groundbreaking research, science, innovation, and development of treatment for symptoms and cures in the field of medicinal cannabis, as scientific research, studies, and data has established that cannabis can help patients with a vast array of medical conditions.

Chapter 4. Scope

Sec. 11-4.101.- The provisions of this Title shall apply generally to all property throughout the unincorporated area of the County of Plumas.

Sec. 11-4.102.- The provisions of this Title supersede and replace any prior County ordinance, regulation, or law pertaining to commercial cannabis activity.

Sec. 11-4.103.- Nothing in this Title shall be construed as changing the agricultural status of any property used for cannabis cultivation for purposes of the application of the Williamson Act, and it is the intent of this Title to preserve said agricultural status under the Williams Act.

Chapter 5. Definitions

Except where the context otherwise requires, the following definitions shall govern the construction of this chapter:

Sec. 11-5.101.-"A-license" means a License issued for cannabis or cannabis products that are intended for recreational use by adults 21 years of age and over and who do not possess physician's recommendations.

Sec. 11-5.102.-"Accessory Structure" means a structure that is incidental and subordinate to the principal building on the property and is physically detached from the principal building. Accessory structures must be on the same property as the building or use to which they are accessory.

Sec. 11-5.103.-"Agricultural Commissioner" or "Agricultural Commissioner's Office" means the Plumas County Agricultural Commissioner's Office or the authorized representatives thereof.

Sec. 11-5.104.-"Allowed Use" means a use adopted and approved by Plumas County to implement the General Plan by providing a precise delineation of permitted land uses, precluding land use conflicts, and by establishing general site development standards. The

Plumas County General Plan has specified the uses of land in a manner which conveys full knowledge of potential uses.(§ 3, Ord. 84-593, eff. January 3, 1985)

Sec. 11-5.105.-"Applicant" means a Person or Persons who applies for a License under the terms of this Title and who is issued a receipt upon submission of an Application, described infra.

Sec. 11-5.106.-"Attorney General's Guidelines" means guidelines for the security and non-diversion of cannabis grown for medical use issued by the Attorney General in August 2008

Sec. 11-5.107.- "Cannabis" means all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, or any other strain or varietal of the genus Cannabis that may hereafter be discovered or developed that has psychoactive or medicinal properties, whether growing or not, including the seeds thereof. "Cannabis" also means marijuana as defined by Section 11018 of the Health and Safety Code as enacted by Chapter 1407 of the Statutes of 1972. For the purposes of this chapter, "cannabis" does not mean "industrial hemp" as defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the Health and Safety Code, as those sections may be amended.

Sec. 11-5.108.- "Cannabis plant" means any mature or immature cannabis plant including the stalks of the plant, or any cannabis seedling, that is capable of producing cannabis.

Sec. 11-5.109.- "Canopy" means the designated area(s) at a licensed premise that will contain mature plants at any point in time.

Sec. 11-5.110.- "Caregiver" or "primary caregiver" has the same meaning as that term is defined in Section 11362.7 Health and Safety Code, as may be amended.

Sec. 11-5.111.- "Code" means the Plumas County Code.

Sec. 11-5.112.- "Code Enforcement Officer" means any person employed by the County of Plumas and appointed to the position of code enforcement officer.

Sec. 11-5.113.- "Commercial cannabis activity" means either:

Sec. 11-5.113.1.- Any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis for medicinal or recreational use, including nurseries, that is intended to be transported, processed, manufactured, distributed, dispensed, delivered, or sold in accordance with MAUCRSA; or

Sec. 11-5.113.2.- Any cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, cannabis event organization, distribution, or sale of commercial

cannabis or a commercial cannabis product in accordance with MAUCRSA.

Sec. 11-5.114- "Costs of Enforcement" or "Enforcement Costs" means all costs, direct or indirect, actual or incurred related to the performance of various administrative acts required pursuant to the enforcement of this Title, which include but are not limited to: administrative overhead, salaries and expenses incurred by County Officers, site inspections, investigations, notices, telephone contacts and correspondence, conducting hearings, as well as time expended by County staff in calculating the above expenses. The costs also include the cost of time and expenses associated with bringing the matter to hearing, the costs associated with any appeals from any decision rendered by any hearing body, the costs of judicially abating a violation, and all costs associated with removing, correcting or otherwise abating any violation, including administrative penalties of this chapter.

Sec. 11-5.115.- "County" means the County of Plumas.

Sec. 11-5.116.- "Cultivation site" means a location where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a location where any combination of those activities occurs.

Sec. 11-5.117.- "Day care center" has the same meaning as in Section 1596.76 of the Health and Safety Code, as may be amended.

Sec. 11-5.118.- "Delivery" has the same meaning as in Business and Professions Code §26001(p), as may be amended.

Sec. 11-5.119. "Disaster" means fire, flood, storm, tidal wave, earthquake, or similar public calamity, whether or not resulting from natural causes.

Sec. 11-5.120.- "Dispensary" means a fixed brick-and-mortar storefront location that sells cannabis to qualified individuals.

Sec. 11-5.121.- "Distribution" has the same meaning as in Business and Professions Code §26001(r), as may be amended.

Sec. 11-5.122.- "Distributor" means a Person who is licensed for Distribution.

Sec. 11-5.123.- "Dwelling", for purposes of this chapter, means a building intended for human habitation that has been legally established, permitted and certified as a single-family or multi-family dwelling.

Sec. 11-5.124.- "Enforcement Official" means a County Code Enforcement Officer, the County Agricultural Commissioner, the Public Works Officer, the Planning Commissioner, or the County Sheriff, or the authorized deputies or designees of any of these officials, each of whom is independently authorized to enforce this Ordinance.

Sec. 11-5.125.- "Entity" has the same definition as "Person" except that it does not mean an individual.

Sec. 11-5.126.- A "financial interest" means an investment into a commercial cannabis business, a loan provided to a commercial cannabis business, or any other equity interest in a commercial cannabis business.

Sec. 11-5.126.1.- Notwithstanding the foregoing, the following interests are not "financial interests" for the purposes of this title:

Sec. 11-5.126.1.1.- A bank or financial institution whose interest constitutes a loan;

Sec. 11-5.126.1.2.- Persons whose only interest in the commercial cannabis business is through an interest in a diversified mutual fund, blind trust, or similar instrument;

Sec. 11-5.126.1.3.- Persons whose only interest is a security interest, lien, or encumbrance on property that will be used by the commercial cannabis business; and

Sec. 11-5.126.1.4.- Persons who hold a share of stock that is less than 5 percent of the total shares in a publicly traded company.

Sec. 11-5.127.- "Greenhouse" means a completely enclosed structure whose structural members are made of pre-formed, rigid construction materials. The walls, roof, and ends are typically covered using a transparent material that is fixed in place, which allows solar radiation to penetrate the surface and affect the growing environment of the plants inside.

Sec. 11-5.128.- "Identification card" shall have the same meaning as "Identification card" as defined in the California Health and Safety Code, commencing with Section 11362.7(g).

Sec. 11-5.129.- "Indoors" means within a fully enclosed and secure structure that complies with the California Building Code (CBC), as adopted by the County of Plumas, that has a complete roof enclosure supported by connecting walls extending from the ground to the roof, and a foundation, slab, or equivalent base to which the floor is securely attached.

Sec. 11-5.130.- "License", "License Classification", or "License Type" means a license for commercial cannabis activity issued by the County pursuant to this Title, and the classes and types of licenses issued in accordance therewith. Where context demands, it may also refer to State-issued licenses as described in Business and Professions Code §26050, as that section may be amended.

Sec. 11-5.131.- "Licensee" means a Person holding a License, and where context demands it may als have the same meaning as in Business and Professions Code §26001(z)), as may be

amended.

Sec. 11-5.132.- "M-licensee" means any person holding a License for commercial cannabis activity involving medicinal cannabis.

Sec. 11-5.133.- "Mature Cannabis" means any Cannabis plant that is in the flower stage of its lifespan.

Sec. 11-5.134.- "Manufacture " has the same meaning as in Business and Professions Code §26001(ag), as may be amended.

Sec. 11-5.135.- "Manufacturer" has the same meaning as in Business and Professions Code §26001(ah), as may be amended.

Sec. 11-5.136.- "Medicinal cannabis", "medicinal cannabis product" has the same meaning as in Business and Professions Code §26001(ai), as may be amended.

Sec. 11-5.137.- "Mixed Light" means the use of both natural and artificial or supplemental lighting sources during the growing cycle to cultivate cannabis for medical or recreational use.

Sec. 11-5.138.- "Mobile delivery" means a non-storefront Retailer subject to the regulations set forth in §5315 of California Code of Regulations Title 16, Division 42, the Bureau of Cannabis Control.

Sec. 11-5.139.- "Non-Residents" are defined for purposes of this Ordinance as any person, persons or entities which do not meet the standards of Resident and have not made Plumas County their primary place of domicile for at least two-years.

Sec. 11-5.140.- "Non-Storefront Retailer" means a Licensee authorized to conduct retail cannabis sales exclusively by Delivery.

Sec. 11-5.141.- "Nonvolatile solvent" means any solvent used in the extraction process that is not a volatile solvent. Nonvolatile solvents include carbon dioxide and ethanol.

Sec. 11-5.142.- "Nursery" has the same meaning as in Business and Professions Code §26001(aj), as may be amended.

Sec. 11-5.143.- "Outdoor" means any cultivation site that uses no artificial or supplemental lighting to cultivate cannabis for medicinal or adult use. Use of supplemental lighting to maintain vegetative starts or immature plants prior to transplanting outdoors shall be considered consistent with this definition.

Sec. 11-5.144.- "Owner" means any of the following:

Sec. 11-5.144.1.- A person with an aggregate ownership interest of 20 percent or more in the person applying for a license or a licensee, unless the interest is solely a security, lien, or encumbrance; or
Sec. 11-5.144.2.- The chief executive officer of a nonprofit or other entity; or
Sec. 11-5.144.3- A member of the board of directors of a nonprofit; or
Sec. 11-5.144.4- An individual who will be participating in the direction, control, or management of the person applying for a License.

Sec. 11-5.145.- "Parcel" means any parcel of real property that may be separately sold in compliance with the Subdivision Map Act (commencing with Section 66410 of the Government Code) and also means any parcel that is described, recorded and kept in official County records specifically including documents and maps used by the County Assessor's Office, the County Tax Collector's Office and the County Recorder's Office.

Sec. 11-5.146.- "Person" has the same meaning as "Person" in Business and Professions Code §26001(an), as may be amended.

Sec. 11-5.147.- "Person with an identification card" shall have the same meaning as "Person with an identification card" as defined in the California Health and Safety Code, commencing with Section 11362.7(c), as may be amended.

Sec. 11-5.148.- "Personal Cultivator" a person who cultivates and possesses cannabis exclusively for his or her personal recreational use of six (6) cannabis plants, but who does not sell or distribute cannabis to any other person or entity.

Sec. 11-5.149.- "Premises" means land and buildings together considered as a property.

Sec. 11-5.150.- "Primary Caregiver" shall have the same meaning as "primary caregiver" as defined in the California Health and Safety Code, commencing with Section 11362.7(d), as may be amended.

Sec. 11-5.151.- "Prior Cultivator" means any person who operated, on a scale greater than a Personal Cultivator and was a medicinal cannabis cultivation in Plumas County in compliance with the Compassionate Use Act of 1996 and its implementing laws before September 1, 2016. Prior Cultivator is a temporary status and shall expire on December 30,2019.

Sec. 11-5.152.- "Priority Resident" means an individual who can provide proof of prior cannabis activity in compliance with the Compassionate Use Act on a scale greater than personal use, prior to September 1, 2016, and who qualifies as a Resident in the County of Plumas for a license under this Ordinance. Priority Resident is a temporary status that shall expire on December 30, 2019.

Sec. 11-5.153.- "Public View" shall mean as viewed at street level, without the use of a ladder or similar device, from any place the general public has a lawful right to be.

Sec. 11-5.154.- "Qualified Patient" shall have the same meaning as "qualified patient" as defined in the California Health and Safety Code, commencing with Section 11362.7(f), as may be amended.

Sec. 11-5.155.- "Resident" shall mean a person who has made Plumas County their primary place of domicile for at least two years. A Resident may also be a Priority Resident if the Resident has provided proof of Prior Cannabis Cultivation and/or other Cannabis Activity in compliance with the Compassionate Use Act on a scale greater than personal prior to September 1, 2016.

Sec. 11-5.156.- "Residence" shall have the same meaning as "Dwelling" for purposes of this chapter.

Sec. 11-5.157.- "Sanction" shall mean a penalty for disobeying a law or rule whether financial or administrative, that may be imposed for violating a provision of this Ordinance.

Sec. 11-5.158.- "School" shall mean any public or private school providing instruction in kindergarten or grades 1 to 12, inclusive, but does not include any private school in which education is primarily conducted in private homes (Health and Safety Code 11362).

Sec. 11-5.159.- "Sheriff" or "Sheriff's Office" means the Plumas County Sheriff's Office or the authorized representatives thereof.

Sec. 11-5.160.- "Testing laboratory" has the same meaning as in Business and Professions Code §26001(at), as may be amended.

Sec. 11-5.161.- "Total canopy size" means the total gross area in square feet designated at a licensed premise that will contain mature plants at any point in time.

Sec. 11-5.162.- "Transport" or "transportation" shall mean conveyance of Cannabis between Licensees or between a Licensee and a customer.

Sec. 11-5.163.- "Transporter" shall mean a person licensed as a Distributor.

Sec. 11-5.163.- "Volatile solvent" means any solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures.

Chapter 6. Unrecognized License Types

Sec. 11-6.101.- Plumas County will NOT recognize A or M Type 5 Licenses, as identified in Business & Professions Code §26050(a)(12), for large outdoor cultivation of Adult Use or Medicinal Cannabis that uses no artificial lighting and covers greater than one acre, inclusive, of total canopy size on one premises.

Sec. 11-6.102.- Plumas County will NOT recognize A or M Type 5A Licenses, as identified in Business & Professions Code §26050(a)(13), for large indoor cultivation of Adult Use or Medicinal Cannabis that uses exclusively artificial lighting and covers greater than 22,000 square feet, inclusive, of total canopy size on one premises.

Sec. 11-6.103.- Plumas County will NOT recognize A or M Type 5B Licenses, as identified in Business & Professions Code §26050(a)(14), for large "mixed-light" cultivation of Adult Use or Medicinal Cannabis using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, greater than 22,000 square feet, inclusive, of total canopy size on one premises.

Sec. 11-6.104.- Plumas County will NOT recognize A or M Type 3A Licenses, as identified in Business & Professions Code §26050(a)(9), for indoor cultivation of Adult Use or Medicinal Cannabis using exclusively artificial lighting and covering between 10,001 and 22,000 square feet, inclusive, of total canopy size on one premises.

Sec. 11-6.105.- Plumas County will NOT recognize A or M Type 7 Licenses, as identified in Business & Professions Code §26050(a)(16),Manufacturing #2, for sites that manufacture Adult Use or Medicinal Cannabis products using volatile solvents.

CHAPTER 7 . Permitted Commercial Cannabis License Types

Sec. 11-7.101.- Following is a list of commercial cannabis licenses that shall be available through Plumas County, through the Application process. License types are equally available for Adult Use and Medicinal licenses.

Sec. 11-7.102.- Should the State adopt additional licensing categories not included herein, the Board of Supervisors shall determine whether to include said additional license categories in this Chapter.

Sec. 11-7.103.- "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 non-contiguous plots.

Sec. 11-7.104.- "Type 1A, or "specialty indoor," for indoor cultivation using exclusively artificial lighting of between 501 and 5,000 square feet of total canopy size on one premises.

Sec. 11-7.105.- "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 between 2,501 and 5,000 square feet of total canopy size on one premises.

Sec. 11-7.106.- "Type 1C, or "specialty cottage," for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, of 2,500 square feet or less of total canopy size for mixed-light cultivation, up to 25 mature plants for outdoor cultivation, or 500 square feet or less of total canopy size for indoor cultivation, on one premises.

Sec. 11-7.107.- "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.

Sec. 11-7.108.- "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.

Sec. 11-7.109.- "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.

Sec. 11-7.110.- "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.

Sec. 11-7.111.- "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.

Sec. 11-7.112.- "Type 4, or "nursery" for cultivation of cannabis solely as a nursery. The nursery product may take the form of vegetative and non-flowering starts or may be in the form of seeds. For purposes of this Title, a Type 4 License may encompass both wholesale and retail sales.

Sec. 11-7.113.- "Type 6," (Manufacturer Level 1) for extractions using mechanical methods or nonvolatile solvents as defined by Section 40100. A Type 6 licensee may also conduct infusion operations and packaging and labeling of cannabis products on the licensed premises.

Sec. 11-7.114.- "Type N," (Manufacturer Level 1) for manufacturers that produce edible products or topical products using infusion processes, or other types of cannabis products other than extracts or concentrates, but that do not conduct extractions. A Type N licensee may also package and label cannabis products on the licensed premises.

Sec. 11-7.115.- "Type P," for manufacturers that only package or repackage cannabis products or label or relabel the cannabis product container. Manufacturers that engage in packaging or labeling of cannabis products as part of the manufacturing operation do not need to hold a separate Type P license

Sec. 11-7.116.- "Type 8" (Testing) for testing Adult Use and Medicinal Cannabis and Cannabis products.

Sec. 11-7.117.- "Type 9" (Non-Storefront Retailer) shall be authorized to conduct retail cannabis sales exclusively by delivery.

Sec. 11-7.118.- "Type 10" (Retailer/Dispensary) for the on-site retail sale of cannabis or cannabis products.

Sec. 11-7.119.- "Type 11" (Distributor) for the distribution of cannabis and cannabis product.

Sec. 11-7.120.- "Type 11" (Distributor Transport Only) for the distribution of cannabis and cannabis product.

Sec. 11-7.121.- "Type 11"(Self Distribution) Transports only cannabis goods that the applicant has cultivated or manufactured. Self Distribution will meet the standards of transport only Distribution.

Sec. 11-7.122.- "Type 12" (Microbusiness) the cultivation of cannabis on an area less than 10,000 square feet and to act as a licensed cannabis distributor, Level 1 manufacturer, and retailer under this division, provided such licensee complies with all requirements imposed by this division on licensed cultivators, distributors, Level 1 manufacturers, and retailers to the extent the licensee engages in such activities.

Sec. 11-7.123.- Event Organizer. To obtain a cannabis event license, the event organizer must first apply for and obtain a cannabis event organizer license.

Chapter 8 Medicinal Cannabis Collectives,
Cooperatives, and Non-Profit Entities Authorization

Article 1- Statement of Existing Law

Sec. 11-8.1.101.- Medicinal Cannabis Collectives currently operate to produce medicinal

cannabis for seriously ill Californians under an array of State law and guidelines established for that purpose, including Proposition 215 and Senate Bill 420 (2004). Under the provisions of MAUCRSA, the current collective/cooperative model for the production and dispensing of medical cannabis remains in effect until the moment an entity obtains the required State license issued under MAUCRSA for that activity. From that point forward, the State regulations developed in response to MAUCRSA will define the operational model for any entity conducting activities related to commercial medical cannabis cultivation.

Sec. 11-8.1.102.- Health and Safety Code section 11362.775 (d) mandates that the current collective cooperative model in California, as detailed above, will be repealed one (1) year from the date that the Department of Consumer Affairs posts on its public internet webpage a notice stating that State licenses are being issued for activities covered under MAUCRSA, at which point Health and Safety Code Section 11362.775 (a) will sunset.

Sec. 11-8.1.103. Additionally, Business & Professions Code section 26070.5 contemplates future State authorization of nonprofit entities to provide cannabis at below-market rates to persons in need of access to the cannabis market, as well as for other charitable purposes.

Article 2- Notification Requirements

Sec. 11-8.2.101.- All Medicinal nonprofit entities engaged in Cannabis operations in Plumas County must submit a Notice of Continuing Operations to the County of Plumas or are subject to abatement by the County.

Sec. 11-8.2.102.- Said notification shall confirm that the Nonprofit entities shall adhere to all applicable licensing, residency, and zoning restrictions and exemptions in this Ordinance.

Article 3- Approval of Medicinal Cannabis Nonprofits

Sec. 11-8.3.101.- All Medicinal Cannabis nonprofit entities complying with applicable State and local law will be allowed to operate in Plumas County until such time as the State revokes the legal authority for such nonprofit entities to continue to engage in Cannabis activity.

Sec. 11-8.3.102.- All Medicinal Cannabis Nonprofits shall be required to pay all fees associated with the Plumas County Application process.

Chapter 9- Limits on License Applications

Article 1 Limits on Number of Licenses

Sec. 11-9.1.101.- The County shall limit the number of Licenses available for Commercial Cannabis activities in the unincorporated areas of Plumas County. At no time shall Plumas County's total Commercial Cannabis Licenses exceed these limits without a unanimous vote by

the Board of Supervisors. At no time shall the limit be reduced without a public vote. The following limitations shall apply to the inclusive combination of Adult Use and Medicinal Licenses:

Sec. 11-9.1.102.- All Cultivation Speciality Cottage, Cultivation Type 1, Cultivation Type 2, or Cultivation Type 3 Licenses shall be limited to a total of fifty (50). This limitation will apply to all Applications for Commercial Cannabis cultivation regardless of "A" or "M" designation. Type 3 Licenses will be limited to one (1) "A" or "M" License per person, persons, or entity.

Sec. 11-9.1.103.- Dispensaries Type 10 Licenses shall be limited to a total of three (3) Adult Use and three (3) Medicinal Use and shall not be issued to at a rate greater than one (1) per district. One (1) physical location may hold both an "A" and "M" designation.

Sec. 11-9.1.104.- Nursery Type 4 Licenses shall be limited to a total of three (3) Adult Use and three (3) Medicinal Use and shall not be issued at a rate greater than one (1) per district. One (1) physical location may hold both an "A" and "M" designation.

Sec. 11-9.1.104.1.- Limitation on number of licenses issued applies to all retail and non-retail Nursery licenses.

Sec. 11-9.1.105.- Testing Type 8 Licenses shall be limited to a total of two (2) and shall not be issued at a rate greater than one (1) per district. Testing is not segregated by Adult Use or Medicinal Use.

Sec. 11-9.1.106.- All combinations of cannabis activity approved for Microbusiness Type 12 Licenses shall be limited to a total of ten (10) Adult Use and ten (10) Medicinal Use and shall not be issued in a concentration greater than two (2) Adult Use and two (2) Medicinal Use per district. One (1) physical location may hold both an "A" and "M" designation.

Sec. 11-9.1.107.- Distributor Type 11 Licenses shall be limited to a total of two (2) Adult Use and two (2) Medicinal Use and shall not be issued at a rate greater than one (1) per district. One (1) physical location may hold both an "A" and "M" designation.

Sec. 11-9.1.108.- Self-Distributor Type 11 Licenses shall not be limited as they are approved only as an accessory to limitations.

Sec. 11-9.1.109.- Distribution Transport Only Type 11 Licenses shall be limited to a total of two (2) Adult Use and two (2) Medicinal Use and shall not be issued at a rate greater than one (1) per district. One (1) physical location may hold both an "A" and "M" designation.

Sec. 11-9.1.110.- Manufacturing Type 6 Licenses shall be limited to a total of five (5) Adult Use and five (5) Medicinal Use and shall not be issued at a rate greater than one (1) per district. One

(1) physical location may hold both an "A" and "M" designation.

Sec. 11-9.1.111.- Manufacturing Type N Licenses shall be limited to a total of five (5) Adult Use and five (5) Medicinal Use and shall not be issued at a rate greater than one (1) per district. One (1) physical location may hold both an "A" and "M" designation.

Sec. 11-9.1.112.- Processing Type P Licenses shall be limited to a total of five (5) Adult Use and five (5) Medicinal Use and shall not be issued at a rate greater than one (1) per district. One (1) physical location may hold both an "A" and "M" designation.

Sec. 11-9.1.113.- Event Organizer Licenses shall have no limitations as they are not approved to cultivate, manufacture, distribute, transport, store, test, or sell any Commercial Cannabis products.

Article 2- Limits per License Holder

Sec. 11-9.2.101.- Licenses per person, persons, or entity: No more than four (4) commercial cannabis activity Licenses of any type may be issued to a single person or entity in Plumas County, as defined herein, regardless if activities take place at different locations.

Sec. 11-9.2.101.1- For purposes of this limitation, any person who owns or controls any interest, directly or indirectly, of more than twenty percent (20%), in a firm, partnership, joint venture, association, cooperative, collective, corporation, limited liability company, estate trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, shall be collectively considered a single person with those entities.

Sec. 11-9.2.102.- The County may allow an applicant to have the same licensed premises for two separate commercial cannabis licenses if all of the following criteria are met:

Sec. 11-9.2.102.1.- The applicant holds both an A-license and an M-license for the identical type of commercial cannabis activity;

Sec. 11-9.3.102.2.- The applicant who holds both licenses is identical in name, business formation, and ownership;

Sec. 11-9.2.102.3.- The applicant only conducts one type of commercial cannabis activity on the premises.

Sec. 11-9.2.102.4.- All cannabis and cannabis products are clearly marked with an "A" or "M"; and

Sec. 11-9.2.102.5.- Records are kept separately for each license and clearly indicate that the records are related to the A-license or the M-license.

Sec. 11-9.2.103.- The restriction of one license type per parcel shall be lifted upon determination by the state that it is no longer valid, at which point license type limits per parcel shall be four (4).

Chapter 10 Priority Applications

Article 1: Statement of Residency Priority

Sec. 11-10.1.101.- In order to limit potentially deleterious population growth that may follow approval of commercial cannabis activity in the County, and in order to avoid the strain on limited County resources that such a spike in population growth may cause, the County will place a temporary limit on the number of Licenses issued to Non-Residents. Until December 30, 2019, Licenses issued to Non-Residents shall be limited to ten percent (10%) of the total Licenses issued. The remaining ninety percent (90%) of Licenses during this period will be issued to both Residents and Priority Residents.

Sec. 11-10.1.102.- Any person or entity comprised of more than twenty (20) percent Non-Resident ownership shall be considered a Non-Resident.

Sec. 11-10.1.103.- Licenses shall be limited to one (1) Non-Resident License for every nine (9) Resident License, which shall include Priority Residents, until December 30, 2019 at which time the limitation shall expire and Priority Resident status shall expire.

Sec. 11-10.1.104.- An Application shall not be submitted by, and Licenses shall not be issued to, any person (hereafter, "Prohibited Personnel") holding office in, or employed by, any agency of the State of California or any of its political subdivisions when the duties of such person have to do with the enforcement of the Act or any other penal provisions of law of the State prohibiting or regulating the sale, use, possession, transportation, distribution, testing, manufacturing, or cultivation of Cannabis goods.

Sec. 11-10.1.105.- "Prohibited Personnel" includes, but is not limited to, any persons employed in the State of California Department of Justice as a peace officer, in any district attorney's office, in any city attorney's office, in any sheriff's office, in any local police department.

Sec. 11-10.1.106.- All persons listed in Sec. 11-10.1.105. may not have any ownership interest, directly or indirectly, in any business to be operated or conducted under a Cannabis License.

Sec. 11-10.1.107.- This section does not apply to any Person who holds a License in the capacity of executor, administrator, or guardian.

Sec. 11-10.1.108.- The County of Plumas does not require a Limited Waiver of Sovereign Immunity, however, a waiver will be required of any applicant or licensee to the State of California that may fall within the scope of sovereign immunity that may be asserted by a federally recognized tribe or other sovereign entity and must waive any sovereign immunity defense that the licensee may have, may be asserted on its behalf, or may otherwise be asserted in any state administrative or state judicial enforcement actions against the licensee, regardless of the form of relief sought, whether monetary or otherwise, under the state laws and regulations governing commercial cannabis activity.

Article 2- Priority Applicants

Sec. 11-10.2.101.- The County of Plumas shall identify and give priority in issuing Cannabis Licenses to any commercial Cannabis Applicants who can demonstrate that the Applicant is a Priority Resident.

Sec. 11-10.2.102.- Plumas County shall give priority in issuing Licenses under this Title to Applicants that can demonstrate to the County's satisfaction that the Applicant operated in compliance with the Compassionate Use Act of 1996 (Section 11362.5 of the Health and Safety Code) on a level greater than personal use and its implementing laws before September 1, 2016.

Sec. 11-10.2.103.- Plumas County shall identify for the State licensing authorities any potential Applicants for priority licensure based on the Applicant's prior operation in the local jurisdiction in compliance with state law, including the Compassionate Use Act of 1996 (Section 11362.5 of the Health and Safety Code) and its implementing laws. Each Approved Priority Resident License from the County shall state, "The above named party is currently conducting commercial cannabis activity in this jurisdiction and has been operating in compliance with the Compassionate Use Act of 1996 before September 1, 2016."

Sec. 11-10.2.104.- This Chapter shall cease to be operative on December 31,2019, unless otherwise provided by law.

Chapter 11. License Application Process

Article- 1 Process

Sec. 11-11.1.101.- The County Clerk is hereby directed to:

a. Create Application forms consistent with the terms of this Ordinance;

b. Approve or deny Applications in accordance with the terms of this Ordinance;

c. Issue and revoke Licenses; and

d. Coordinate as needed with other officials in the County to ensure that Licensees comply with all aspects of this Ordinance.

Sec. 11-11.1.102.- Any person, persons, or entity wishing to become licensed by the State of California for commercial Cannabis activities in the unincorporated areas of Plumas County shall first submit an Application pursuant to this Chapter. Prior to any application to the State for cannabis activity within unincorporated Plumas County, an Applicant must submit an Application to the County and receive a License.

Sec. 11.11.1.103.- A separate Application must be submitted for each License Type the Applicant will be applying to obtain. To the extent that the same documents or certifications fulfill Application requirements for multiple Applications by a single Applicant, they may be shared between each Application submitted by an Applicant. No more than four (4) Applications shall be submitted by any Priority Resident or Resident Applicant at any one time and no more than one (1) Application shall be submitted at any one time by Non-Resident Applicants.

Sec. 11-11.1.104.- Each Application shall designate whether the Applicant is a Priority Resident, Resident, or Non-Resident.

Sec. 11-11.1.105.- Any Person or Entity who wishes to engage in commercial cannabis activity for Medicinal or Adult Use in the County shall submit an Application to the County of Plumas and receive a License. Applications for Commercial Cannabis activity shall be made upon such forms and accompanied by such plans and documents as may be prescribed by this Chapter so as to assure the fullest practical presentation of facts for the review of the Application. Any Person, Persons, or Entity who wishes to engage in commercial Cannabis activity for Medicinal or Adult Use shall pay all applicable costs involved with preparation, processing or filing of the Application, and such fees will be non-refundable.

Sec. 11-11.1.106.- Applicants for a Commercial Cannabis Activity License shall provide the following information with their Application:

Sec. 11-11.1.106.1.- A Title Page indicating Applicant status as "Resident", "Priority Resident", or "Non-Resident".

Sec. 11-11.1.106.2.- If Applicant qualifies for a Priority License, Applicant shall use the Title "Priority Resident" and this shall be printed on the Title Page.

Sec. 11-11.1.106.3.- If Applicant does not qualify for a Priority License, Applicant shall attach all necessary documentation demonstrating that the Special Use Permit process, if applicable, has been completed and approved.

Sec. 11-11.1.106.4.- The name, business and residential address, and phone numbers(s) of the Applicant.

Sec. 11-11.1.106.5.- Attached documentation proof of residency.

Sec. 11-11.1.106.6.- The type of License being applied for and whether the License will be Adult Use or Medicinal.

Sec. 11-11.1.106.7.- Attached documentation of zoning compliance, including a Special Use Permit if required, and, if applicable, total acreage of parcel/parcels where Cannabis cultivation is to take place.

Sec. 11-11.1.106.8.- Attached copy of proposed plans if construction is occurring or is planned to occur upon the property.

Sec. 11-11.1.106.9.- Attached copy of a State of California Driver's License or Identification Card for each Person applying for the License.

Sec. 11-11.1.106.10.- If the Applicant is organized as a corporation, limited liability company, or other fictitious entity authorized by the State to apply for a State License, the Applicant shall set forth the name of the corporation, company, etc., exactly as shown in its Articles of Incorporation or Articles of Organization, and the names and residence addresses of each of the officers and/or directors. If the Applicant is organized as a partnership, the application shall set forth the name and residence address of each of the partners, including the general partner and any limited partners. Copies of the Articles of Incorporation, Articles of Organization, or Partnership Agreement shall be attached to the application.

Sec. 11-11.1.106.11.- In connection with the State program to expedite applications from former members of the military, if any Applicant intends to apply under said State program, the Application shall be labeled with the title "Military" preceding the residency identifier.

Sec. 11-11.1.107.- The County of Plumas is hereby authorized to verify all documentation included in the Application and any other information reasonably related to the Application including, but not limited to, any information necessary to discover the truth of the matters set forth in the Application. In the event an Application is found to be fraudulent or incomplete, the County may take action including but not limited to requesting further information or denying the Application if a response is not obtained within fourteen (14) days of request.

Sec. 11.11.1.108.- Upon the satisfaction of the requirements for Applicants set forth in this Chapter and compliance with applicable rules and regulations set forth in this Title, and upon the payment of any applicable fees, and to the extent that the limitations for number of available Licenses per category, site, or Applicant will not be exceeded, the Clerk shall issue a License in a form to be determined stating that the Application has been "Approved." Said approval shall

be sufficient to establish an Applicant's satisfaction of the local authorization requirement for the application of a related State license.

Sec. 11-11.1.109.- Any decision regarding the revocation or denial of an Application may be appealed to the Board of Supervisors within sixty (60) days.

Article 2: Application Requirements and Documentation

Sec. 11-11.2.101.- Each Application must include evidence to verify all of the following in this Article has been completed, as applicable, and include a statement agreeing to all other terms not verifiable.

Sec. 11-11.2.102- Each Application must comply with and demonstrate compliance with CEQA (California Environmental Quality Act) as applicable to this Title.

Sec. 11-11.2.103- Each Application in Plumas County for cultivation-related Licenses must comply with applicable standards developed by the Department of Pesticide Regulation, in consultation with the Department of Food and Agriculture.

Sec. 11-11.2.104- Each Application in Plumas County for cultivation-related licenses must identify water source. If the source of water is a well, a copy of the County well permit or other documentation from the Plumas County Department of Environmental Health shall be provided, if available.

Sec. 11-11.2.105.- If any on-site or off-site component of the cultivation facility, including access roads, water supply, grading or terracing impacts the bed or bank of any stream or other watercourse, each Application must show proof the Applicant has notified the California Department of Fish and Wildlife (CDFW) pursuant to §1602 of the Fish and Game Code and provide a copy of the Streambed Alteration Permit obtained from the Department of Fish & Wildlife as applicable.

Sec. 11-11.2.106.- Each Application must include a statement describing the proposed security measures for the facility that ensures the safety of members and employees and protects the premises from theft in accordance with State law.

Sec. 11-11.2.107- Each Application shall address discharges of waste resulting from Medicinal or Adult Use commercial Cannabis activity in accordance with the Regional Water Quality Board and State Water Resource Control Board.

Sec. 11-11.2.108- Each Application shall represent that specific provisions concerning building standards relating to fire and panic safety and regulations of the State Fire Marshal are met.

Sec. 11-11.2.109- Each Application must provide evidence of the legal right to occupy and use the proposed location and provide a statement from the landowner of real property or that landowner's agent where the commercial Cannabis activity will occur, as proof to demonstrate the landowner has acknowledged and consented to permit commercial Cannabis activities to be conducted on the property by the tenant Applicant.

Sec. 11-11.2.110- Each Application must provide written evidence that each Person applying for the License and any other Person who will be engaged in the cultivation site or Cannabis commercial activity shall be at least twenty-one (21) years of age.

Sec. 11-11.2.111- Each Application in Plumas County must, for an Applicant with 20 or more employees, provide a statement that the Applicant will enter into, or demonstrate that it has already entered into, and abide by the terms of a labor peace agreement.

Sec. 11-11.2.111.1- For the purposes of this section, "employee" does not include a supervisor.

Sec. 11-11.2.111.2- For the purposes of this section, "supervisor" means an individual having authority, in the interest of the applicant, to hire, transfer, suspend, layoff, recall, promote, discharge, assign, reward, or discipline other employees, or responsibility to direct them or to adjust their grievances, or effectively to recommend such action, if, in connection with the foregoing, the exercise of that authority is not of a merely routine or clerical nature, but requires the use of independent judgment.

Sec. 11-11.2.112.- Each Application must show proof that each Owner of the Applicant electronically submitted to the Department of Justice fingerprint images and related information to the extent required by the Department of Justice for the purpose of obtaining information as to the existence and content of a record of state or federal convictions and arrests, and information as to the existence and content of a record of state or federal convictions and arrests for which the Department of Justice establishes that the person is free on bail or on his or her own recognizance, pending trial or appeal.

Sec. 11-11.2.113.- Where an Applicant or Owner of Applicant has a prior conviction, each such Application must provide a Statement of Rehabilitation for all impacted owners, for each conviction. The Statement of Rehabilitation is to be written by the Owner and may contain evidence that the Owner would like the County to consider that demonstrates the Owner's fitness for acceptance. 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.

Sec. 11-11.2.114.- Each Application must provide a complete list of every person with a financial interest of five (5) percent or more in the Person, Persons, or Entity applying for the

License as required by the State.

Sec. 11-11.2.114.1.- A financial interest means an investment into a commercial cannabis business, a loan provided to a commercial cannabis business, or any other equity interest in a commercial cannabis business.

Sec. 11-11.2.114.2.- Notwithstanding the foregoing, the following individuals are not required to be listed on a Application:

Sec. 11-11.2.114.3.-A bank or financial institution whose interest constitutes a loan.

Sec. 11-11.2.114.4.- Individuals whose only financial interest in the commercial cannabis business is through an interest in a diversified mutual fund, blind trust, or similar instrument.

Sec. 11-11.2.114.5.- Individuals whose only financial interest is a security interest, lien, or encumbrance on property that will be used by the commercial cannabis business; and

Sec. 11-11.2.114.6.- Individuals who hold a share of stock that is less than 5 percent of the total shares in a publicly traded company.

Sec. 11-11.2.115.- The Application shall include the name, birthdate, and government issued identification type and number for all individuals that have a financial interest in a commercial cannabis business but are not owners as defined in Business and Professions Code section 26001 (al), however they shall not be required to submit the information required of owners.

Sec. 11-11.2.116- All Applicants for any authorized commercial Cannabis Activity shall agree to use good-faith efforts to employ resident workers and to report the residential composition of their workforce to the County on an annual basis if ultimately licensed.

Sec. 11-11.2.117- Each Application in Plumas County must provide an attestation stating, "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."

Sec. 11-11.2.118.- As a condition of accepting a License from Plumas County, the Applicant/Licensee shall indemnify and hold harmless the County of Plumas and its agents, officers, elected officials, and employees for any claims, damages, or injuries brought by affected property owners or other third parties due to the commercial cultivation of cannabis or commercial operation in regards to commercial cannabis for Medicinal or Adult Use and for any claims brought by any person for problems, injuries, damages, or liabilities of any kind that may arise out of the commercial cultivation of cannabis or commercial operation in regards to

commercial cannabis for Medicinal or Adult Use.

Article 3- Application specific site requirements

Sec. 11-11.3.101.- Each Applicant for a License related to cultivation shall submit a site plan, drawn to standard scale, showing the entire legal parcel, including easements, streams, springs, ponds and other surface water features, and the location and area for cultivation on the legal parcel, with dimensions of the area for cultivation and setbacks from property lines. The site plan shall also include all areas of ground disturbance or surface water disturbance associated with cultivation activities, including: access roads, water diversions, culverts, ponds, dams, graded flats, and other related features. The site plan shall include dimensions showing the distance from any facility providing instruction to minors that is in existence at the time the license is issued, to the nearest property line of cannabis cultivation or operation site is at least six hundred (600) feet or one thousand (1,000) feet from Cannabis Cultivation or Cannabis Operation Activity.

Sec. 11-11.3.102.- Each Applicant shall agree to submit to an on-site inspection, if requested by the County.

Sec. 11-11.3.103- Each Applicant shall agree to facilitate an annual on-site compliance inspection, and additional inspections if deemed necessary, to be conducted by the Agricultural Commissioner where appropriate.

Sec. 11-11.3.104.- Each Application shall include documentation showing the results of or appointment for inspection with Agricultural Commissioner, if applicable.

Sec. 11-11.3.105.- If the Application applies to a site appearing on results of a "Cortese List" database search for sites known to be contaminated with hazardous materials, the Application shall include sufficient information to demonstrate that cultivation is in compliance with any cleanup and/or abatement order that is established for the site.

Sec. 11-11.3.106.- If the Application would include the conversion of timberland as defined under California Public Resources Code section 4526, a copy of a less-than-3-acre conversion exemption or timberland conversion permit, approved by the California Department of Forestry and Fire Protection ("CalFire"). Alternately, for existing operations occupying sites created through prior unauthorized conversion of timberland, the applicant must provide evidence that environmental impacts have been mitigated, to the extent feasible, as required by the resource protection agencies including CalFire, the CVRWQCB and the CDFW.

Sec. 11-11.3.107.- For activities that involve construction and other work in Waters of the United States, that are not otherwise exempt or excluded, include a copy of a federal Clean Water Act (CWA) Section 404 permit obtained from the Army Corps of Engineers and a CWA Section 401

water quality certification from the CVRWQCB.

Sec. 11-11.3.108.- All Applicants for a cultivation-related license shall submit a copy of the statement of water diversion, or other permit, license or registration filed with California Water Resources Control Board, Division of Water Rights, if applicable.

Sec. 11-11.3.109.- All Applicants for a commercial cannabis license shall have at a minimum one individual that meets the definition of "owner" under Business and Professions Code section 26001(al) and who will submit the information required of owners.

Sec. 11-11.3.110.- Each Application for cultivation must include a good faith agreement with County not to use any pesticide banned for use in California for Cannabis cultivation acknowledging the penalties for violation of the agreement shall be ten thousand (10,000) dollars first offense, twenty thousand (20,000) dollars second offense, and permanent revocation of license for third offense.

Article 4- Application Inspection and Cultivation Verification

Sec. 11-11.4.101.- The Agricultural Commissioner's Office shall issue a Cultivation Verification pursuant to this Chapter only after the Agricultural Commissioner's Office, and other County and State agency staff, as appropriate, have performed a site inspection to confirm adherence to the requirements established in this Chapter.

Sec. 11-11.4.102.- Any inspectors shall take all necessary precautions to minimize cross contamination between cultivations sites and shall adhere to the safety standards applied at each individual cultivation site.

Sec. 11-11.4.103.- As a condition of approval for any Cultivation Verification, the parcel Owner or Applicant shall indemnify and hold harmless the County of Plumas and its agents, officers, elected officials, and employees for any claims, damages, or injuries brought by affected property owners or other third parties due to the commercial cultivation of cannabis for Medicinal or Adult Use and for any claims brought by any person for problems, injuries, damages, or liabilities of any kind that may arise out of the commercial cultivation of cannabis for Medicinal or Adult Use.

Sec. 11-11.4.104.- If, during the site inspection, violations of any building or other health, safety or other state or county statute, ordinance, or regulation are discovered, the Applicant shall be required to submit a written plan to remediate, abate, or cure the violations at the earliest feasible date, but in no event more than one (1) year after the date of issuance of the Cultivation Verification; said plan shall be signed by the Applicant, approved by the relevant enforcement agency or agencies, and compliance with said plan shall be a condition of the Cultivation verification.

Sec. 11-11.4.105.- Cultivation Verifications shall remain valid for one (1) year from the date of issuance, subject to any enforcement action or other action that may result in earlier suspension or revocation. The operator must apply for Cultivation Verification renewal prior to the expiration date of the limited term permit.

Article 5: Applicant Certification

Sec. 11-11.5.101.- Priority Resident Certification as a "Prior Cultivator" or "Priority Resident" shall be administered by self certification. Prior Cultivators or Priority Residents will be required to meet any applicable standards of the State for priority licenses. Any one or more of the following may be used as evidence for a "Prior Cultivator" or "Priority Resident" determination by the County of Plumas:

Sec. 11-11.5.101.1.- Affidavit from Plumas County Sheriff acknowledging that cannabis has been cultivated on applicant's property prior to Sept. 1, 2016. (i.e. viewed from ground or air, or compliance check and/or investigation has been performed in the past by a deputy).

Sec. 11-11.5.101.2.- Collective agreements from qualified medicinal patients in Plumas County prior to Sept.1, 2016 that their cannabis was cultivated in Plumas County by the Applicant (Accompanied by signed medical information release form).

Sec. 111-11.5.101.3.- Date stamped photographic evidence of the Applicant's cannabis cultivation site prior to Sept. 1, 2016.

Sec. 11-11.5.101.4.- Date stamped receipts for equipment and supplies in types and quantities commensurate with greater than personal cannabis cultivation prior to September 1, 2016.

Sec. 11-11.5.101.5.- A signed contract with a medicinal cannabis dispensary, distributor, or other medicinal cannabis business located in California which contains evidence that it was executed before September 1, 2016, and which contains evidence linking the applicant to a parcel of land in Plumas County.

Sec. 111-11.5.101.6.- Documents of incorporation with the California Secretary of State.

Sec. 111-11.5.101.7.- Documents of Seller's Permit with the California State Board of Equalization.

Sec. 11-11.5.101.8.- Any similar reliable documentary evidence satisfactory to Plumas County which establishes that cannabis was cultivated on a parcel of land in Plumas County by the applicant prior to September 1, 2016.

Sec. 11-11.5.102.- The following shall be conclusive evidence establishing a "Prior Cultivator" status: Board of Equalization Seller's Permit, Plumas County Fictitious Business Name Filing, or

Articles of Incorporation

Sec. 11-11.5.103.- The following shall be conclusive evidence establishing a "Prior Resident" status: Plumas County voter registration, utility bills, or property taxes.

Sec. 11-11.5.104.- Any falsification or misrepresentation of documents shall result in the revocation of Plumas County Licenses for no less than two (2) years.

Article 6- Application Fees

Sec. 11-11.6.101.- The following Article is a list of fees that will be paid to the County for submission of the Application.

Sec. 11-11.6.102.- Any Application for Commercial Cannabis Cultivation equaling less than five thousand (5,000) square feet shall pay a non refundable fee of one thousand (1,000) dollars.

Sec. 11-11.6.103.- Any Application for Commercial Cannabis Cultivation equaling less than ten thousand (10,000) square feet, but more than five thousand (5,000) square feet shall pay a non refundable fee of two thousand five hundred (2,500) dollars.

Sec. 11-11.6.104.- Any Application for Commercial Cannabis Cultivation equaling more than ten thousand (10,000) square feet shall pay a non refundable fee of five thousand (5,000) dollars.

Sec. 11-11.6.105.- Any Application for Commercial Cannabis activities operating as retail storefront shall pay a non refundable fee of six thousand (6,000) dollars. This fee shall apply to Type 4 Nursery licenses should the applicant chose to provide public retail sales.

Sec. 11-11.6.106.- Any Application for a non-storefront retail shall pay a non refundable fee of four thousand (4,000) dollars.

Sec. 11-11.6.107.- Any Application for Cannabis Testing shall pay a non refundable fee of ten thousand (10,000) dollars.

Sec. 11-11.6.108.- Any Application for Cannabis Event Organizer shall pay a non refundable fee of one thousand (1,000) dollars.

Sec. 11-11.6.109.- Any Application for commercial Cannabis manufacturing shall pay a non refundable fee of five thousand (5,000) dollars.

Sec. 11-11.6.110.- Any Application for Commercial Cannabis Infusion Only Manufacturing shall pay a non refundable fee of four thousand (4,000) dollars.

Sec. 11-11.6.111.- Any Application for a Commercial Cannabis Microbusiness shall pay a non refundable fee of eight thousand (8,000) dollars.

Sec. 11-11.6.112.- Any Application for Commercial Cannabis Self-Distribution shall pay a non refundable fee of three thousand (3,000) dollars.

Sec. 11-11.6.113.- Any Application for Commercial Cannabis transport only Distribution shall pay a non refundable fee of four thousand (4,000) dollars.

Sec. 11-11.6.114.- Any Application for Commercial Cannabis Distribution shall pay a non refundable fee of five thousand (5,000) dollars.

Sec. 11-11.6.115.- Any Application for Commercial Cannabis Nursery, non-retail, shall pay a non refundable fee of five thousand (5,000) dollars.

Sec. 11-11.6.116.- Any Application for Commercial Cannabis Nursery, retail, shall pay a non refundable fee of six thousand (6,000) dollars.

Sec. 11-11.6.117.- Any Application that is not listed above shall pay a non refundable fee of three thousand (3,000) dollars.

Sec. 11-11.6.118.- Licenses shall be renewed annually. Renewal fees shall be the same as Application fees listed above.

Chapter 12. Event Permits and On-Site Consumption

Sec. 11-12.101.- An Applicant must obtain a Event Permit in conjunction with Title 5 of the Plumas County General Plan Sec.5-6.01.2 through Sec.5-6.11, in regards to Outdoor Festivals.

Sec. 11-12.102.- Event License Permits may only be issued to Person, Persons, or Entities that have an Event Organizer License and shall be valid for no longer than 4 (four) consecutive days.

Sec. 11-12.103.- An event License Permit does not confer to the Licensee authority or license to cultivate, distribute, manufacture, or sell Cannabis or Cannabis products unless said Licensee obtains the appropriate licenses or authorizations to engage in such commercial Cannabis activities.

Sec. 11-12.104.- Public Works shall develop an on-site consumption permit for activities under 24 hours including permit fees, and health and safety requirements

Chapter 13- Zoning Restrictions

Article 1- Transitional License Zoning

Sec. 11-13.1.101.- In order to preserve County governmental resources, and because Priority Residents have a demonstrated history of responsible Cannabis activity in the County,and are currently a part of the Plumas County environmental baseline, the County finds that during the initial two-year transitional period for the implementation of licensed commercial Cannabis activity in the County it is an appropriate exercise of its police power to designate certain zoning areas as "Allowed Use" for commercial Cannabis Activity for Priority Residents only. During this transition period, Applicants who are not Priority Residents may still be granted Licenses for commercial Cannabis activity in certain designated zones, but only after applying for and receiving a Special Use Permit in accordance with applicable existing County procedures.

Article 2- Commercial Cannabis Cultivation Zoning

Licensed Commercial Cannabis cultivation activity shall be permitted in the following zones:

Sec. 111-13.2.101- Outdoor Cultivation: zones that are Allowed Use for Priority Resident Licensees: S-1, S-3, R-10, R-20, AP, GA, GF, M.

Sec. 11-13.2.101.1.- Zones that are available to a New Licensee with a Special Use Permit: R-10, R-20, AP, GA.

Sec. 11-13.2.102.- Mixed Light Cultivation, zones that are Allowed Use for Priority Resident Licensees: S-1, S-3, R-10, R-20, AP, GA, GF, M.

Sec. 11-13.2.102.1.- Zones that are available to a New Licensee with a Special Use Permit: R-10, R-20, AP, GA.

Sec. 11-13.2.103.- Indoor Cultivation, zones that are Allowed Use for Priority Resident Licensees: S-1, S-3, R-10, R-20, AP, GA, GF, M.

Sec. 11-13.2.103.1.- Zones that are available to New Licensee with a Special Use Permit: R-10, R-20, AP, GA.

Sec. 11-13.2.104.- Nurseries, Type 4 use or permits shall be issued to qualifying applicants for A-licenses or M-licenses within a structure or structures or outdoor.

Sec. 11-13.2.104.1.- If the permittee is approved as a nursery, the permittee shall have the option of retail or non retail licensing.

Sec. 11-13.2.104.2.- Non retail Nursery Type 4 zones that are Allowed Use for Priority Resident Licensees: S-1, S-3, R-10, R-20, AP, GA, GF, M.

Sec. 11-113.2.104.3.- Non retail Nursery Type 4 zones that are for New Licensee with a Special Use Permit: R-10, R-20, AP, GA.

Sec. 11-13.2.104.4.- Retail Nursery Type 4 zone that is Allowed Use for Priority Resident Licensees: AP, GA.

Sec. 11-13.2.104.5.- Retail Nursery Type 4 zones that are for New Licensees with a Special Use Permit: AP, GA.

Sec. 11-13.2.105.- Microbusiness, Type 12 use or permits shall be issued to qualifying applicants for cannabis designated A licenses or M licenses, to act as a licensed distributor, cultivator, level one manufacturer, and/or retailer. At least three (3) of the four (4) available uses must be applied.

Sec. 11-13.2.105.1.- If the permittee is approved as a Microbusiness, the permittee shall have the option of retail or non retail licensing and cultivation or non-cultivation licensing.

Sec. 11-13.2.105.2.- Where a Microbusiness Licensee includes cultivation, the legal parcel where cultivation is occurring must have the following zoning designations for Priority Licensees: S-1, S-3, R-10, R-20, AP, GF, GA.

Sec. 11-13.2.105.3.- Where a Microbusiness Licensee includes cultivation, the legal parcel where cultivation is occurring must have the following zoning designations for New Licensees with a Special Use Permit: AP, GA.

Sec. 11-13.2.105.4.- Where a Microbusiness Licensee includes retail, the legal parcel where the business is occurring must have the following zoning designations for Priority Residents: C-2, C-3, I-1, I-2, AP, GA, RC.

Sec. 11-13.2.105.5.- Where a Microbusiness Licensee includes retail, the legal parcel where the business is occurring must have the following zoning designations for New Licensees with a Special Use Permit: C-2, C-3, I-1, I-2, AP, GA, RC.

Article 3- Authorized Commercial Non-Cultivation Cannabis Activity Zones

Sec. 11-13.3.101.- The following are zoning requirements for both A and M designated Non-Cultivation Licenses.

Sec. 11-13.3.102.- "Type 6" (Manufacturer Level 1) sites that manufacture cannabis products using nonvolatile solvents, or no solvents.

Sec. 11-13.3.102.1.- The legal parcel where manufacturing is occurring must have the following zoning designations:

Sec. 11-13.3.102.2.- Zones that are Allowed Use for Priority Resident Licensees: S-1, S-3, R-10, R-20, C-2, C-3, GA, R-C, GF, I-1, I-2.

Sec. 11-13.3.102.3.- Zones that are available to New Licensee with a Special Use Permit: R-10, R-20, C-2, C-3, GA, R-C, I-1, I-2

Sec. 11-13.3.103.- "Type N" (Manufacturer Level 1) sites that manufacture cannabis products using infusion only processes.

Sec. 11-13.3.103.1.- The legal parcel where manufacturing is occurring must have the following zoning designations:

Sec. 11-13.3.103.2.- Zones that are Allowed Use for Priority Resident Licensees: S-1, S-3, R-10, R-20, C-2, C-3, GA, R-C, GF, I-1, I-2.

Sec. 11-13.3.103.3.- Zones that are available to New Licensee with a Special Use Permit: R-10, R-20, C-2, C-3, GA, R-C, I-1, I-2.

Sec. 11-13.3.104.- "Type 8" (Testing) for testing cannabis and cannabis products. The State of California has placed extremely strict regulations and restrictions upon testing facilities. Plumas County recognizes those standards to be adequate for the County and shall not request further regulation be met.

Sec. 11-13.3.104.1.- The legal parcel where testing is occurring must have the following zoning designations:

Sec. 11-13.3.104.2.- Zones that are Allowed Use for Priority Resident Licensees: C-2, C-3, I-1, I-2

Sec. 11-13.3.104.3.- Zones that are available to New Licensee with a Special Use Permit: I-1, I-2, C-2, C-3

Sec. 11-13.3.105.- "Type 9" (Delivery) Non-Storefront Retailer licensee shall be authorized to conduct retail cannabis sales exclusively by delivery.

Sec. 11-13.3.105.1.- The legal parcel where delivery is initiating must have the following zoning designations:

Sec. 11-13.3.105.2.- Zones that are Allowed Use under Priority/Existing Licensing: C-2, C-3, I-1, I-2, R-C.

Sec. 11-13.3.105.3.- Zones that are a Special Use Permit as a new License: C-2, C-3, I-1, I-2, R-C.

Sec. 11-13.3.106.-"Type 10" (Retailer/Dispensary) for the retail sale of cannabis or cannabis products. This license shall allow for delivery from a permitted Dispensary.

Sec. 11-13.3.106.1.- The legal parcel where retailing is occurring, or delivery is initiating must have the following zoning designations:

Sec. 11-13.3.106.2.- Zones that are Allowed Use for Priority Resident Licensees: C-2, C-3, R-C, I-1, I-2.

Sec. 11-13.3.106.3.- Zones that are available to New Licensee with a Special Use Permit: C-2, C-3, I-1, I-2, R-C

Sec. 11-13.3.107.- "Type 11" (Distributor) or "Type 11" (Transport Only Distribution) for the distribution of cannabis and cannabis product as a commercial cannabis activity.

Sec. 11-13.3.107.1.- The legal parcel where retailing is occurring, or delivery is initiating, must have the following zoning designations, unless associated, such as with "Type 11" (self-distribution), an appurtenant use license, at which time appurtenant use zoning will apply:

Sec. 11-13.3.107.2.- Zones that are Allowed Use for Priority Resident Licensees: C-2, C-3, I-1, I-2.

Sec. 11-13.3.107.3.- Zones that are available to New Licensee with a Special Use Permit: C-2, C-3, I-1, I-2.

Sec. 11-13.3.108.- "Type P" for the packaging, repackaging, labeling, or relabelling of commercial cannabis and commercial cannabis product as an independent commercial cannabis activity.

Sec. 11-13.3.108.1.- Zones that are Allowed Use for Priority Resident Licensees: S-1, S-3, C-2, C-3, I-1, I-2.

Sec. 11-13.3.108.2.- Zones that are available to New Licensee with a Special Use Permit: C-2, C-3, I-1, I-2.

Sec. 11-13.3.109.- "Type 12" (Microbusiness) the cultivation of cannabis on an area less than 10,000 square feet and to act as a licensed distributor, Level 1 manufacturer, and retailer under

this division, provided such licensee complies with all requirements imposed by this division on licensed cultivators, distributors, Level 1 manufacturers, and retailers to the extent the licensee engages in.

Sec. 11-13.3.110.- The legal parcel where noncultivation, distribution, manufacturing and retailing is occurring must have the following zoning designations:

Sec. 11-13.3.110.1 - Zones that are Allowed Use for Priority Resident Licensees: C-2, C-3, I-1, I-2, AP, GA, RC.

Sec. 11-13.3.110.2.- Zones that are available to New Licensee with a Special Use Permit: C-2, C-3, I-1, I-2, AP, GA, RC.

Chapter 14- Specific License Requirements

Article 1- Commercial Cultivation Specific Requirements

Sec. 11-14.1.101.- This Chapter contains specific requirements that apply to each of the cultivation License types. Additional requirements may apply for each of the License types, which may vary.

Sec. 11-14.1.102.- The standards contained in this Chapter are for the A or M licensed cultivation of flowering commercial cannabis plants and non-flowering commercial cannabis for nursery use.

Sec. 11-14.1.103.- A Licensee producing flowering commercial Cannabis plants may maintain a clone room or area where they may propagate their own starts from existing stock on hand. Clones produced in this manner shall be for the exclusive use of the Licensee only and the sale of such clones is expressly prohibited unless the Licensee is a Nursery.

Sec. 11-14.1.104.- A Licensee producing flowering commercial cannabis plants may maintain a seed propagation area where they may produce seeds from existing stock on hand. Seeds produced in this manner shall be for the exclusive use of the Licensee only and the sale of such seeds is expressly prohibited unless the Licensee is a Nursery.

Sec. 11-14.1.105.- The square footage of cultivation area dedicated to a vegetative start (clone) production area will NOT be included in measuring the cumulative total canopy size allowed under a given License.

Sec. 11-14.1.106.- The square footage of cultivation area dedicated to seed production, requiring Cannabis plants be mature, shall be included in measuring the cumulative total canopy size allowed under a given License.

Sec. 11-14.1.107.- Cultivation area may not exceed ten percent (10%) of total parcel acreage and in no circumstance exceed four (4) acres of total Canopy size.

Article 2- Setbacks

Sec. 11-14.2.101.- Acreage of adjoining parcels under common ownership or control may be combined for purposes of calculating total acreage and setbacks. Acreage on both sides of a public roadway under common ownership or control may be combined for purposes of calculating total acreage.

Sec. 11-14.2.102.- An A or M designated Commercial cannabis cultivation site and/or commercial Cannabis operation site shall be setback at least twenty five (25) feet from the property line.

Sec. 11-14.2.103.- An A or M designated Commercial cannabis cultivation site and/or commercial Cannabis operation site shall be at least fifty (50) feet from the edge of pavement of a public roadway, or from a road marker if roadway is unpaved..

Sec. 11-14.2.104.- The distance from any school providing educational instruction to minors, or any grades 1 through 12, preschool day care center, or youth center that is in existence at the time the Application is received to the nearest property line of Cannabis cultivation or operation site is at least 600 (six hundred) feet or 1000(One thousand) feet from Cannabis Cultivation or Cannabis Operation Activity.

Sec. 11-14.2.105.- In the event a License is issued next to a parcel without a commercial cannabis compatible zone, the setbacks will be doubled from incompatible property line.

Sec. 11-14.2.106.- In order to limit the construction of new buildings and to make use of existing buildings, setback exemptions will be made for buildings that were in existence prior to the adoption of this Ordinance. Notwithstanding the foregoing, exemptions shall not be made for any setbacks subject to Section 11-14.2.104.

Article 3- Cultivation Performance Standard

All Cultivation Verifications issued by the Agricultural Commissioner's Office shall obligate the applicant to comply with the following performance standards:

Sec. 11-14.3.101.- Cultivation shall be located as shown on the approved application site plan and in compliance with all provisions of this Title and any verification issued pursuant to this Title.

Sec. 11-14.3.102.- All Licensees shall possess a current, valid license, or licenses, issued by any agency of the State of California in accordance with the MAUCRSA, and regulations

promulgated thereunder covering a similar cannabis activity, once said licenses become available. A copy of this license shall be provided by the Licensee to Plumas County.

Sec. 11-14.3.103.- All Licensees shall comply with all statutes, regulations and requirements of the California State Water Resources Control Board, Division of Water Rights, including obtaining and complying with any applicable and approved permit, license, verification or registration or the annual filing of a statement of diversion and use of surface water from a stream, river, underground stream, or other watercourse required by Water Code Section 5 101. A copy of this license shall be provided by the Licensee to County.

Sec. 11-14.3.104.- Before using a generator as a main power source, all Licensees shall make every reasonable effort to use an alternative power source. If a generator is used, it must have sufficient muffling to minimize noise pollution to neighboring parcels. The combined decibel level for all noise sources measured at the property line shall not exceed the ambient noise levels as specified in the Plumas County General Plan. The use of temporary emergency generators during power outages shall be exempt from this standard.

Sec. 11-14.3.105.- All Licensees shall establish and maintain enrollment in Tier 1, 2 or 3 with the Central Valley Regional Water Quality Control Board (CVRWQB).

Sec. 11-14.3.106.-All Licensees shall maintain the applicable "Defensible Space" protocols and distances, as established by the California Department of Forestry and Fire Protection around structures located on the legal parcel.

Sec. 11-14.3.107.- All Licensees shall comply with the terms of any applicable Streambed Alteration Permit obtained from the California Department of Fish & Wildlife.

Sec. 11-14.3.108.- All weighing and measuring devices shall be of a type approved by California Department of Food and Agriculture, Division of Measurement Standards and issued either a California Type Evaluation Program (CTEP) Certificate of Approval (COA) or a National Type Evaluation Program (NTEP) Certificate of Conformance (CC) before commercial use. All weighing and measuring devices used for commercial purposes shall be registered by the County Sealer of Weights and Measures as per Plumas County Code.

Sec. 11-14.3.109.- All Licensees shall submit to an annual on-site compliance inspection by the Agricultural Commissioner's office.

Sec. 11-14.3.110.- Any use of pesticide products shall be consistent with State law and regulations enforced by the California Department of Pesticide Regulation and the Agricultural Commissioner. Before any pesticides are purchased or applied, an operator identification number must be obtained from the Agricultural Commissioner and pesticide use reports must be submitted to that office.

Sec. 11-14.3.111.- Code of Regulations, Title 3, Section 6147: All product labelling and any products on the site shall be placed, used, and stored in a manner that ensures that they will not enter or be released into surface or ground waters. All agricultural use pesticides and concentrated fertilizers, amendments, and similar materials shall be stored in a locked, hard-faced enclosure to prevent unauthorized entry by humans and to exclude large animals that may be attracted by odors.

Sec. 11-14.3.112.- Fuel shall be stored and handled in compliance with applicable state and local laws and regulations and in such a way that no spillage occurs.

Sec. 11-14.3.113.- All Licensees shall pay all applicable fees for application, consultations, and inspections.

Sec. 11-14.3.114.- All Licensees shall comply with any conditions that may apply as a result of allowed use or special use permit.

Sec. 11-14.3.115.- All indoor, and mixed light cultivation operations and any drying, aging, trimming and packaging facilities shall be equipped with odor control filtration and ventilation system(s) to control odors, humidity, and mold. All cultivation sites shall utilize dust control measures on access roads and all ground disturbing activities.

Sec. 11-14.3.116.- Cultivators shall comply with all applicable federal, state, and local laws and regulations governing California Agricultural Employers, which may include: federal and state wage and hour laws, CAL/OSHA and California Agricultural Labor Relations Act.

Sec. 11-14.3.117.- All Licensees shall shall show that Commercial Cannabis Cultivation Activity shall not exceed 10% of total property dedicated to licensed cannabis activities.

Sec. 11-14.3.118.- All Licensees shall maintain a seven (7) foot tall fence if cultivation is in any public view or if neighboring parcel can view cultivation site from street level. It must be constructed of a material and strength that reasonably prevents against access by trespassers and adequate screening to prevent the cannabis plants from being viewed.

Sec. 11-14.3.119.- All Licensees shall agree that a main or supplemental water source may not be hauled in from other properties. If it is discovered that a Licensee is hauling water from off property for cultivation activities, the License may be revoked and/or a fine issued.

Sec. 11-14.3.119.1.- Temporary water delivery may be made in the event of an emergency.

Sec. 11-14.3.120.- If the Licensee uses a greenhouse using lights, all lights shall be shielded and downcast or otherwise positioned in a manner that will not shine light or allow light glare to exceed the boundaries of the legal parcel upon which they are placed between 30 minutes after

sunset and 30 minutes before sunrise.

Article 4- Dispensaries/Retail limitations:

Sec.11-14.4.101.- Dispensaries, Retailers will serve qualified medicinal patients and/or recreational users in accordance with applicant's specific license and all California State Law.

Sec. 11-14.4.102.- The dispensary and/or delivery shall provide adequate security on the premises, including lighting, alarms, and 24 hour video surveillance to insure the safety of persons and to protect the premises from theft. The Licensee shall submit a security plan for review and approval. The Security Plan shall remain confidential.

Sec. 11-14.4.103.- Licensees shall ensure that any person on the licensed premises, except for employees and contractors of the Licensee, are escorted at all times by the Licensee or at least one employee of the Licensee when in the limited-access areas.

Chapter 15- General License Restrictions

Article 1: Relations Among Licensees

Sec. 11-15.1.101.- All commercial Cannabis activity shall be conducted between Licensees. Retail Licensees may conduct commercial Cannabis activity with customers.

Sec. 11-15.1.102.- A-Licensees shall only conduct business with A-Licensees and M- Licensees shall only conduct business with M-Licensees, except for testing laboratories.

Article 2: Transferability

Sec. 11-15.2.101.- Licenses are not transferable. If a majority of the Owners of a single License changes, a new license application and fee shall be submitted to the County within 10 business days of the effective date of the ownership change.

Sec. 11-15.2.102.- A change in ownership occurs when a Person who is not already an Owner meets the definition of Owner. A change in ownership does not occur when one or more Owners leave the business by transferring their ownership interest to the other existing owner(s).

Sec. 11-15.2.102.1- In cases where one or more Owners leaves the business by transferring their ownership interest to the other existing owner(s), the Owner or Owners that are transferring their interest shall provide a signed statement to the County confirming that they have transferred their interest.

Sec. 11-15.103.- Once an Licensee no longer has legal ownership or legal possession of the commercial cannabis cultivation site or commercial cannabis operation, the License shall be deemed automatically terminated without further notice and no further Commercial Cannabis cultivation or operation shall be allowed at the site until a new License is obtained.

Sec. 11-15.2.104.- A Commercial Cannabis Cultivation License shall be personal to the Licensee and shall confer no entitlement and no permanent or irrevocable approval to cultivate commercial Cannabis on the subject property. The uses and permits shall be non-assignable and shall not run with the land other than through inheritance.

Sec. 11-15.2.105.- In the event of the death, incapacity, receivership, assignment for the benefit of creditors of a Licensee, or other event rendering Licensee incapable of performing the duties associated with the License, the Licensee's successor in interest (e.g., appointed guardian, executor, administrator, receiver, trustee, or assignee) shall notify the County in writing, within 10 business days. Said notification shall include the following:

Sec. 11-15.2.105.1.- The name of the successor in interest.

Sec. 11-15.2.105.2.- The name of the Licensee to which the successor in interest is succeeding and the License number.

Sec. 11-15.2.105.3.- The phone number, mailing address, and email address of the successor in interest.

Sec. 11-15.2.105.4.- Documentation demonstrating that the Licensee is incapable of performing the duties associated with the License such as a death certificate or a court order finding the Licensee lacks capacity, and documentation demonstrating that the individual making the request is the Licensee's successor in interest such as a court order appointing guardianship or will or trust agreement.

Sec. 11-15.2.105.5. -A statement whether the successor in interest intends to surrender the License or continue operating under the License.

Sec. 11-15.2.106- The County may give the successor in interest written approval to continue operations on the licensed business premises for a period of time specified by the County if:

Sec. 11-15.2.106.1- The successor in interest or another person has applied for a License from the County for the licensed premises and that application is under review; or

Sec. 11-15.2.106.2.- The successor in interest needs additional time to destroy or sell cannabis goods; or

Sec. 11-15.2.106.3- At the discretion of the County.

Sec. 11-15.2.106.4.- The Licensee's successor in interest shall be held subject to all terms and conditions under which a county commercial Cannabis License is held.

Sec. 11-15.2.106.5.- The temporary approval under this Section creates no vested right to the issuance of a permanent County License.

Article 3- Security

Sec. 11-15.3.101.- All Licensees shall meet state standards for securing premises for their respective license types.

Sec. 11-15.3.102.- Upon request, a Licensee shall make available to the County all information related to the alarm system, monitoring, and alarm activity.

Article 4- Disaster Relief

Sec. 11-15.4.101.- If a Licensee is unable to comply with any licensing requirements due to a disaster, the Licensee may notify the County of this inability to comply and request relief from the specific licensing requirement.

Sec. 11-15.4.102.- The County may exercise its discretion to provide temporary relief from specific licensing requirements for Licensees whose operations have been impacted by a disaster.

Sec. 11-15.4.103.- Temporary relief from specific licensing requirements shall be issued for a reasonable amount of time in order to allow the Licensee to recover from the disaster.

Sec. 11-15.4.104.- The County may require that certain conditions be followed in order for a Licensee to receive temporary relief from specific licensing requirements.

Sec. 11-15.4.105.- A Licensee shall not be subject to an enforcement action for a violation of a licensing requirement for which the Licensee has received temporary relief.

Sec. 11-15.4.106.- For the purposes of this section, "disaster" means fire, flood, storm, tidal wave, earthquake, or similar public calamity, whether or not resulting from natural causes.

Sec. 11-15.4.107.- A Licensee's premises that has been vacated by a Licensee due to a disaster shall not be deemed to have been surrendered, abandoned, or quit the License.

Sec. 11-15.4.108.- In the event that a Licensee needs to move Cannabis goods stored on the premises to another location immediately to prevent loss, theft, or degradation of the Cannabis

goods from the disaster, the Licensee may move the Cannabis goods without obtaining prior approval from the County if the following conditions are met:

Sec. 11-15.4.108.1.- The Cannabis goods are moved to a secure location where access to the Cannabis goods can be restricted to the Licensee, its employees, and contractors;

Sec. 11-15.4.108.2.- The Licensee notifies the County in writing that the Cannabis goods have been moved and that the Licensee is requesting relief from complying with specific licensing requirements within 24 hours of moving the cannabis goods or as soon thereafter as may be practical;

Sec. 11-15.4.108.3.- The Licensee agrees to grant the County access to the location where the Cannabis goods have been moved for inspection; and

Sec. 11-15.4.108.4.- The Licensee submits in writing to the County within 10 business days of moving the Cannabis goods a request for temporary relief that clearly indicates what statutory and regulatory sections relief is requested from, the time period for which the relief is requested, and the reasons relief is needed for the specified amount of time.

Article 5: Signage

Sec. 11-15.5.101.- .-Signage for all Cannabis Facilities that is visible from public areas and public right-of- ways shall be limited to name and contact information of the business only. It shall contain no advertising of any companies, brands, products, goods, or services. Signage shall not include any cannabis related symbols however the standard green cross symbol that is commonly used to identify a Medical Cannabis business is expressly allowed. Any signage as required by law is not included in this limitation.

Chapter 16. Taxes

Sec. 11-16.101.- The County of Plumas shall enact a General Tax on the net profits (defined as gross sales minus operating costs and other taxes and fees) of all Commercial Cannabis Activity within the unincorporated areas of Plumas County.

Sec. 11-16.102.-The General Tax shall be set at two percent (2%) of net profits. The Board of Supervisors may increase the General Tax by no more than one percent (1%) in any given year, and the Board of Supervisors may increase the General Tax no more than four (4) times

Sec. 11-16.103. -The General Tax does not apply to persons cultivating Cannabis for their personal adult use or personal medicinal use

Sec. 11-16.104.-Proceeds from the General Tax shall be deposited into the County's general fund..

Sec. 11-16.105.-The tax proceeds will be subject to the same independent annual audit requirements as other general fund revenue. The audit report will be a matter of public record.

CHAPTER 17. Commercial Cannabis Notices, Violations, and Enforcement

Article 1- Notice of Non-Compliance

Sec. 11-17.1.101.- If the Agricultural Commissioner's office determines that a Licensed cultivation site does not comply with the requirements established by this Title, the inspector shall serve a "Notice of Non-Compliance" to the Licensee with a written statement identifying the items not in compliance. The Notice of Non-Compliance may suggest action(s) that the Licensee may take to cure the noncompliance(s).

Sec. 11-17.1.102.- If the Agricultural Commissioner's office, Code Enforcement, or Sheriff's Department determines that a Licensed non-cultivation site does not comply with the requirements established by this Title, Code Enforcement or the Sheriff's Department shall serve a "Notice of Non-Compliance" to the Licensee with a written statement identifying the items not in compliance. The Notice of Non-Compliance may suggest action(s) that the Licensee may take to cure the noncompliance(s).

Sec. 11-17.1.103.- The Notice of Non-Compliance shall be served by personal delivery or by sending the Notice via regular mail to the mailing address listed on the License, but if served via regular mail, the time for the Licensee to take any action shall be extended by three business days. The time allowed for the Licensee to take appropriate actions to cure the noncompliance shall be the shortest reasonable time frame as determined by the inspector. Any officiating County Department may amend the time frame if deemed inappropriate.

Article 2- Re-inspection

Sec. 11-17.2.101.- In order to confirm that the Licensee has taken the curative measures required by the Notice of Non-Compliance, a re-inspection by the county appointed inspector will be required to confirm and document the curative measure(s). It is the responsibility of the Licensee to facilitate the above mentioned re-inspection within the allowed timeframe.

Sec. 11-17.2.102.- Failure to request re-inspection or to cure any items set forth in the Non-Compliance Notice within the time set forth in the Notice shall result in an unscheduled compliance inspection from the Department of Agriculture. Inspection fees shall be charged to the Licensee for any additional compliance inspections required beyond those regularly scheduled. All additional inspection fees shall consist of the hourly rate for an inspector from the Department of Agriculture for the travel and inspection time along with the standard IRS mileage rate for travel distance.

Sec. 11-17.2.103.- If the re-inspection confirms that the non-compliance has not been cured, the Department of Agriculture shall notify other public agencies or County departments, including the Public Works Department, of these findings. The cultivation License issued pursuant to this Title shall be suspended pending a final compliance re-inspection from the Department of Agriculture within seven (7) business days. This final re-inspection will be to determine whether or not the Licensee has cured all issues of noncompliance.

Article 3- Notice to Terminate

Sec. 11-17.3.101.- Failure to request and facilitate this final re-inspection, or to cure any items of non-compliance shall terminate the cultivation License through the issuance of a "Notice to Terminate License. The License shall be terminated immediately upon the expiration of any appeal period or, if an appeal to this determination and action is filed, upon the disposition of said appeal.

Sec. 11-17.3.102.- The County shall additionally notify any state license authority, as defined by the MAUCSRA, whenever a County cultivation License has been suspended or terminated, as appropriate.

Sec. 11-17.3.103.- If a "Notice to Terminate License" is issued to a Licensee by the Agricultural Commissioner's office, the Licensee may appeal said notice within ten (10) days after delivery. Personal delivery or mailing the written statement to the mailing address listed on the License by regular mail, plus three (3) business days after date of mailing, shall constitute delivery. The appeal shall be made in writing, on a form provided by the appropriate County Office.

Article 4- Fines

Sec. 11-17.4.101.- Violations and noncompliance may be fined at the rate of up to five hundred (500) dollars per day.

Sec. 11-17.4.102.- Fines may be appealed to, and amended by, the Plumas County Board of Supervisors.

Article 5-. Attorney's Fees

Sec. 11-17.5.101.- Pursuant to Government Code Section 25845(c), in any action, administrative proceeding, or matter commenced by the County under this Title to abate a nuisance, or to collect the cost of abatement or any penalty or fee related thereto, the prevailing party shall recover its attorney's fees. The recovery of attorney's fees under this Section is limited to those actions, administrative proceedings, or matters in which the County chooses at the initiation of the action, administrative proceeding, or matter to seek the recovery of its own attorneys' fees. In no event shall an award of attorney's' fees under this Section exceed the

reasonable amount of attorney's' fees incurred by the County in the action or proceeding.

CHAPTER 18. Public Nuisance

Sec. 11-18.101.- All of the remedies provided for in this Title shall be cumulative and not exclusive for violations of this Title. Any violation of this Title, including, but not limited to failure to obtain and maintain in good standing any requirement of this Title, compliance with any required element on which a License or other permit was issued pursuant to this Title, or any violation of the provisions of this Title where a License or other permit is not required, shall be, and the same hereby is declared to be, a public nuisance and unlawful and shall be subject to injunction, abatement or any other administrative or civil remedy available to the County under the applicable state and county laws, including but not limited to those set forth in Plumas County Code, MCRSA, and AUMA.

Sec. 11-18.102.- The County may abate the violations of this Title in accordance with the provisions of County Code or by the prosecution of a civil action, including an action for injunctive relief. The remedy of injunctive relief may take the form of a court order, enforceable through civil contempt proceedings, prohibiting the maintenance of the violation of this Title or requiring compliance with other terms.

Sec. 11-18.103.- The County may also abate the violation of this Title through the abatement process established by Government Code Section 25845.

Chapter 19 CEQA EXEMPTION

Article 1- Specific Exemption

Sec. 11-19.1.101.- The exemption under this article will be available to Priority Resident Licenses. This exemption will temporarily apply to residents whom operated before September 1, 2016, and does not exempt any activity occurring after this date. This exemption will expire December 30, 2019.

Sec. 11-19.1.102.- Commercial Cannabis Cultivation or Operations that qualify for Priority Resident Licenses will be allowed to submit their applications to the State without a site specific CEQA review or Plumas County Special Use Permit, if all of the following conditions are met:

Sec. 11-19.1.102.1.- The property subject to a License application is the property that is currently used, and will continue to be used, for Commercial Cannabis Activity.

Sec. 11-19.1.102.3.- The property is zoned for an Allowed Use suited to the cannabis activities being engaged in on the property, according to Plumas County's General Plan.

Sec. 11-19.1.103.- In the event the State is unwilling to accept the submission of Plumas

County's General Plan CEQA review, each Licensee will be fully responsible for the creation and cost of a site specific CEQA review acceptable to the State.

Sec. 11-19.1.104.- The County of Plumas will not be held liable in any way for any Licensee's use of Plumas County's General Plan CEQA review or the outcome of such uses in the State's licensing process.

Article 2- General Statement of Exemption

Sec. 11-19.2.101- Pursuant to the following sections of the CEQA Guidelines, 14 Cal. Code of Regulations, Chapter 3:

Sec. 11-19.2.101.1.- The priority licensing section of this ordinance is exempt under Section 15061(b) (3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The ordinance permits commercial Cannabis businesses including cultivation, manufacturing, distribution, testing facilities, and transporter businesses to operate within the County which will have similar impacts to similar businesses that deal in non-cannabis products that are already authorized within the County. Furthermore, the ordinance contains requirements that prevent any potential impacts on the environment that may be unique to businesses involving Cannabis. For example, the ordinance establishes prohibitions on nuisance odors, glare, and establishes safety protections to prevent crime or deterioration of the business area into blight. Further, there is no possibility that this ordinance would create cumulative impacts that are significant because this ordinance only allows for limited Cannabis businesses in limited zones within the County, does not authorize construction or other related activities or any other activities that are not already permitted, except that the ordinance allows the same activities but with a different material (Cannabis) that is being sold for medicinal or adult use; there are no other significant impacts that could occur as a result of this ordinance, and there are no unusual circumstances that would cause any such significant impacts;

Sec. 11-19.2.101.2.- The ordinance is exempt under Section 15183 (projects consistent with a community plan, general plan, or zoning) since the type of business permitted by the ordinance is consistent with those contemplated by general plan and zoning, such as traditional manufacturing businesses, agriculture, distribution warehouses, and chemical testing facilities;

Sec. 11-19.2.101.3.- The ordinance is exempt under CEQA Guidelines Section 15301 (existing facilities) since the permitted cannabis businesses under the ordinance may locate in existing facilities, and any additions to structures would be expected to be also exempt under 15301.

Sec. 11-19.102.- The Ordinance is exempt considering California courts have consistently acknowledged their "solemn duty to jealously guard the precious initiative power, and to resolve any reasonable doubts in favor of its exercise." Legislature v. Eu (1991) 54 Cal.3d 492, 501. The California Supreme Court affirmed this principle when it confirmed that voter-initiatives

adopted outright by a governing body are not subject to CEQA. Tuolumne Jobs & Small Business Alliance v. Superior Court (2014) 59 Cal.4th 1029, 1035. California Courts have continued to adhere to this principle in upholding, for example, developer- sponsored initiatives, in whole or in part. See, e.g., Hernandez v. Town of Apple Valley (2017) 7 Cal.App.5th 194, 210 (review of initiative "strictly circumscribed by the long-established rule of according extraordinarily broad deference to the electorate's power to enact laws by initiative") (quoting Pala Band of Mission Indians v. Bd. of Supervisors [1997] 54 Cal.App.4th 565, 573- 74)."

CHAPTER 20. Personal Adult Use Cultivation Requirements

Sec. 11-20.101.- Any individual pursuing cultivation of Cannabis without a License and for his or her personal use must meet all standards required by California State Law.

Sec. 11-20.102.- Any violation of State law in regards to cultivation of Cannabis for personal use may result in abatement and fines up to one hundred (100) dollars for the first offense, two hundred and fifty dollars (250) for the second offense, and five hundred (500) for each additional offense.

Sec. 11-20.103.- A qualified patient, as defined in Section 11362.7 of the Health and Safety Code, who cultivates, possesses, stores, manufactures, or transports cannabis exclusively for his or her personal medicinal use but who does not provide, donate, sell, or distribute cannabis to any other person is not thereby engaged in commercial cannabis activity and is therefore exempt from the licensure requirements of this division.

Sec. 11-20.104.- A primary caregiver who cultivates, possesses, stores, manufactures, transports, donates, or provides cannabis exclusively for the personal medicinal purposes of no more than five specified qualified patients for whom he or she is the primary caregiver within the meaning of Section 11362.7 of the Health and Safety Code, but who does not receive remuneration for these activities except for compensation in full compliance with subdivision (c) of Section 11362.765 of the Health and Safety Code, is exempt from the licensure requirements of this division.

Sec. 11-20.105.- Any person found in violation of the Qualified Medicinal Cannabis Patient or Caregiver state law may result in abatement and fines up to one hundred (100) dollars for the first offense, two hundred and fifty (250) dollars for the second offense, and five hundred (500) dollars for each additional offense.

CHAPTER 21 Severability

Sec. 11-21.101.- If any provision of this Title, or the application thereof, is held invalid, that invalidity shall not affect any other provision or application of this Title that can be given effect without the invalid provisions or application; and to this end, the provisions or application of this

Title are severable.

APPENDIX B

Text of Election Code Section 9111

Elections Code§ 9111. Report by county agencies [Effective January 1, 2018]

(a) During the circulation of the petition or before taking either action described in subdivisions (a) and (b) of Section 9118, the board of supervisors may refer the proposed initiative measure to a county agency or agencies for a report on any or all of the following:

(1) Its fiscal impact.

(2) Its effect on the internal consistency of the county's general and specific plans, including the housing element, the consistency between planning and zoning, and the limitations on county actions under Section 65008 of the Government Code and Chapters 4.2 (commencing with Section 65913) and 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code.

(3) Its effect on the use of land, the impact on the availability and location of housing, and the ability of the county to meet its regional housing needs.

(4) Its impact on funding for infrastructure of all types, including, but not limited to, transportation, schools, parks, and open space. The report may also discuss whether the measure would be likely to result in increased infrastructure costs or savings, including the costs of infrastructure maintenance, to current residents and businesses.

(5) Its impact on the community's ability to attract and retain business and employment.

(6) Its impact on the uses of vacant parcels of land.

(7) Its impact on agricultural lands, open space, traffic congestion, existing business districts, and developed areas designated for revitalization.

(8) Any other matters the board of supervisors request to be in the report.

(b) The report shall be presented to the board of supervisors within the time prescribed by the board of supervisors, but no later than 30 days after the county elections official certifies to the board of supervisors the sufficiency of the petition.

Elections Code § 9118. Petition signatures equal to 10 percent of vote; adoption of ordinance; submission of ordinance to voters

If the initiative petition is signed by voters not less in number than 10 percent of the entire vote cast in the county for all candidates for Governor at the last gubernatorial election preceding the publication of the notice of intention to circulate an initiative petition, the board of supervisors shall do one of the following:

(a) Adopt the ordinance, without alteration, at the regular meeting at which the certification of the petition is presented, or within 10 days after it is presented.

(b) Submit the ordinance, without alteration, to the voters pursuant to Section 1405.

(c) Order a report pursuant to Section 9111 at the regular meeting at which the certification of the petition is presented. When the report is presented to the board of supervisors, the board shall either adopt the ordinance within 10 days or order an election pursuant to subdivision (b).

APPENDIX C

Initiative Summary of Initiative by R. Craig Settlemire, Plumas County Counsel

Initiative Measure to Enact Voter-Approved County Ordinance on Cannabis Activities

The purpose of this initiative is to adopt an ordinance that will supersede any outstanding ordinance pertaining to commercial cannabis activity in the unincorporated area of Plumas County, including the moratorium ordinance prohibiting commercial cannabis cultivation enacted by the Board of Supervisors on October 24, 2017.

Under the proposed ordinance:

Persons or entities engaging in medicinal or adult-use commercial cannabis activities must apply for an annual license that is subject to payment of an application fee each year, and annual inspections by the County Agricultural Commissioner. Application fees range from $1,000 to $10,000 depending on type.

The zones where cannabis activity is allowed, and the maximum number of licenses, are specified by license type.

A setback is required from schools (K-12), preschools, and youth centers existing at the time of application (600 feet from the property line and 1000 feet from the cannabis activity). General setbacks are required from property lines (25 feet) and public roads (50 feet), but such general setbacks do not apply to buildings existing at the adoption of this ordinance.

Indoor cannabis cultivation and processing facilities are required to control odor, humidity, and mold. Seven-foot fencing is required if cultivation is in the view of the public or a neighboring parcel. Greenhouse light cannot exceed parcel boundaries.

Until December 30, 2019, "Priority Residents" are treated differently from "Non-Residents." Compared to Non-Residents, Priority Residents can operate in more zones, apply for more licenses at one time, and are not subject to special use permit and CEQA processes. Also, licenses are limited to one Non-Resident for every nine Resident.

An initial 2% general tax is imposed on the net profits (defined as gross sales minus operating costs and other taxes and fees) of commercial cannabis activity. The Board of Supervisors may increase the tax rate by not more than 1% per year for no more than four years. The tax does not apply to persons cultivating cannabis for their personal adult use or personal medicinal use.

Fines up to $500 per day may be imposed for violations. A process is established for giving licensees notice of non-compliance, time for cure, re-inspections, license suspension, and appeal of a license termination or fine. Fines and license termination are non-exclusive: other remedies for non-compliance are available for enforcement, including abatement of a public nuisance.

A "qualified patient" and a "primary caregiver" for not more than five qualified patients (such terms defined in Health and Safety Code •11362.7) are exempt from county license requirements for cannabis activities in all zones.

The ordinance claims a "specific exemption" until December 30, 2019, for Priority Licensees from the requirements of the California Environmental Quality Act ("CEQA") for property previously used for commercial cannabis activity. It also claims exemption from CEQA requirements under specific provisions of state regulations. Referencing certain judicial decisions, it further states enactment of the ordinance by initiative is not subject to CEQA.

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R. Craig Settlemire, Plumas County Counsel

APPENDIX D

Comments by Plumas County Offices/Departments

Plumas County Clerk-Recorder's Office Comments

Plumas County Auditor-Controller's Office Comments

Plumas County Treasurer-Tax Collector's Office Comments

Plumas County Assessor's Office Comments

Plumas County Sheriff's Office Comments

Plumas County Office of the District Attorney's Office Comments

Plumas County Agricultural Commissioner's Office Comments

Plumas County Information Technology Department's Comments

Plumas County Environmental Health Department's Comments

Plumas County Building Department's Comments

Plumas County Department of Public Work's Comments

Plumas County Public Health Department's Comments

Plumas County Planning Department Comments

PLUMAS COUNTY CLERK~RECORDER
Recorder Division (530) 283-6218
Elections Division (530) 283-6256

520 Main Street, Room 102, Courthouse
Quincy, CA 95971 Fax: (530) 283-6155

Kathy Williams
Clerk – Recorder
Registrar of Voters
kathywilliams@countyofplumas.com

Melinda Rother
Assistant
melindarother@countyofplumas.com

DATE: May 8, 2018

TO: Honorable Board of Supervisors, Plumas County

FROM: Kathy Williams, Plumas County Clerk-Recorder

SUBJECT: Summary of Cannabis Ordinance Effects

This is a summary of potential impacts to the County Clerk-Recorder department pertaining to the proposed Medicinal and Adult Use of Cannabis Ordinance submitted by Chelsea Bunch and Kimberly Anne Scales-Scott on February 28, 2018.

There are 21 Chapters of Title 11 stated in the Ordinance. We are addressing various sections pertaining to the function of the County Clerk-Recorder and the possible effects on the department implementing the Ordinance.

CHAPTER 5. "Sec. 11-5.130.- "License", "License Classification", or "License Type" means a license for commercial cannabis activity issued by the County pursuant to this Title, and the classes and types of licenses issued in accordance therewith. Where context demands, it may also refer to State-issued licenses as described in Business and Professions Code §26050, as that section may be amended."

Discussion: The County Clerk-Recorder's department has never issued any type of license other than marriage licenses. Staff has no experience issuing the multitude of types of licenses required by the Ordinance.
"Sec. 11-5.139 - "Non-Residents" and Sec. 11-5.152 - "Priority Resident". As stated in the Ordinance.
CHAPTER 7. "Permitted Commercial Cannabis License Types":
"Type 1, or "specialty outdoor"
"Type 1A, or "specialty indoor"
"Type 18, or "specialty mixed-light"
"Type 1C, or "specialty cottage,"
"Type 2, or "small outdoor"
"Type 2A, or "small indoor"
"Type 28, or "small mixed-light"
"Type 3, or "outdoor"

"Type 38, or "mixed-light"
"Type 4, or "nursery"
"Type 6," (Manufacturer Level 1)
"Type N," (Manufacturer Level 1)
"Type P," for manufacturers that only package"
"Type 8" (Testing)"
"Type 9" (Non-Storefront Retailer)
"Type 1O" (Retailer/Dispensary)
"Type 11" (Distributor)
"Type 11"(Self Distribution)
"Type 12" (Microbusiness)
"Event Organizer"

CHAPTER 8
Sec. 11-8.3.102.- All Medicinal Cannabis Nonprofits shall be required to pay all fees associated with the Plumas County Application process.
Chapter 9- Limits on License Applications Article 1 Limits on Number of Licenses
Sec. 11-9.1.101. "The County shall limit the number of Licenses available for Commercial Cannabis activities in the unincorporated areas of Plumas County. At no time shall Plumas County's total Commercial Cannabis Licenses exceed these limits without a unanimous vote by the Board of Supervisors. At no time shall the limit be reduced without a public vote."

Discussion: There are multiple types of licenses available through the application and fee process that would require staff to approve, verify, issue, revoke and monitor the status of each. There are no procedures in place, no experience within the department to perform the duties necessary to complete the process and additional personnel would be required to either have experience in permit management or receive training to accomplish the task.
Chapter 11. License Application Process
Article- 1 Process
Sec. 11-11.1.101.- The County Clerk is hereby directed to:

a. Create Application forms consistent with the terms of this Ordinance;
b. Approve or deny Applications in accordance with the terms of this Ordinance;
c. Issue and revoke Licenses; and
d. Coordinate as needed with other officials in the County to ensure that Licensees comply with all aspects of this Ordinance.

Discussion: Staff in the County Clerk-Recorder's department have no experience in creating application forms; approving or denying applications; issuing or revoking licenses or coordinating compliance with the terms of the Ordinance.
Sec. 11-11.1.105.- Any Person or Entity who wishes to engage in commercial cannabis activity for Medicinal or Adult Use in the County shall submit an Application to the County of Plumas and receive a License. Applications for Commercial Cannabis activity shall be made upon such forms and accompanied by such plans and documents as may be prescribed by this Chapter so as to assure the fullest practical presentation of facts for the review of the Application. Any Person, Persons, or Entity who wishes to engage in commercial Cannabis activity for Medicinal or Adult Use shall pay

all applicable costs involved with preparation, processing or filing of the Application, and such fees will be non-refundable.
Sec. 11-11.1.106.3.- If Applicant does not qualify for a Priority License, Applicant shall attach all necessary documentation demonstrating that the Special Use Permit process, if applicable, has been completed and approved.

Discussion: The staff in the County Clerk-Recorder's department have no experience with Special Use Permits or the process to obtain one.
Sec. 11-11.1.107.- The County of Plumas is hereby authorized to verify all documentation included in the Application and any other information reasonably related to the Application including, but not limited to, any information necessary to discover the truth of the matters set forth in the Application. In the event an Application is found to be fraudulent or incomplete, the County may take action including but not limited to requesting further information or denying the Application if a response is not obtained within fourteen (14) days of request.

Discussion: The staff in the County Clerk-Recorder's department have no experience with verification of documentation required to be presented with the application and no method to determine if the information provided is fraudulent. Staff have never performed background checks for any process handled in the department.
Article 2: Application Requirements and Documentation
Sec. 11-11.2.101.- Each Application must include *evidence to verify* all of the following in this Article has been completed, as applicable, and include a statement agreeing to all other terms not verifiable.
Sec. 11-11.2.102- Each Application must comply with and demonstrate compliance *with CEQA (California Environmental Quality Act)* as applicable to this Title.
Sec. 11-11.2.103- Each Application in Plumas County for cultivation-related Licenses must comply with applicable *standards developed by the Department of Pesticide Regulation, in consultation with the Department of Food and Agriculture.*
Sec. 11-11.2.104- Each Application in Plumas County for cultivation-related licenses must *identify water source*. If the source of water is a well, a copy of the County well permit or other documentation from the Plumas County Department of Environmental Health shall be provided, if available.
Sec. 11-11.2.105.- If any on-site or off-site component of the cultivation facility, including access roads, water supply, grading or terracing impacts the bed or bank of any stream or other watercourse, each Application must show *proof the Applicant has notified the California Department of Fish and Wildlife (CDFW) pursuant to §1602 of the Fish and Game Code and provide a copy of the Streambed Alteration Permit obtained from the Department of Fish & Wildlife as applicable.*
Sec. 11-11.2.106.- Each Application must include a statement describing the *proposed security measures for the facility that ensures the safety of members and employees and protects the premises from theft in accordance with State law.*
Sec. 11-11.2.107- Each Application shall address *discharges of waste resulting from Medicinal or Adult Use commercial Cannabis activity in accordance with the Regional Water Quality Board and State Water Resource Control Board.*
Sec. 11-11.2.108- Each Application shall represent that specific *provisions concerning building standards relating to fire and panic safety and regulations of the State Fire Marshal are met.*

Sec. 11-11.2.109- Each Application must *provide evidence of the legal right to occupy and use the proposed location and provide a statement from the landowner of real property* or that landowner's agent where the commercial Cannabis activity will occur, as proof to demonstrate the landowner has acknowledged and consented to permit commercial Cannabis activities to be conducted on the property by the tenant Applicant.

Sec. 11-11.2.110- Each Application must provide written evidence that each Person applying for the License and any other Person who will be engaged in the cultivation site or Cannabis commercial activity shall be at least twenty-one (21) years of age.

Sec. 11-11.2.111- Each Application in Plumas County must, for an Applicant with 20 or more employees, *provide a statement that the Applicant will enter into, or demonstrate that it has already entered into, and abide by the terms of a labor peace agreement.*

Sec. 11-11.2.112.- Each Application must show *proof that each Owner of the Applicant electronically submitted to the Department of Justice fingerprint images and related information to the extent required by the Department of Justice for the purpose of obtaining information as to the existence and content of a record of state or federal convictions and arrests, and information as to the existence and content of a record of state or federal convictions and arrests for which the Department of Justice establishes that the person is free on bail or on his or her own recognizance, pending trial or appeal.*

Sec. 11-11.2.113.- Where an Applicant or Owner of Applicant has *a prior conviction, each such Application must provide a Statement of Rehabilitation for all impacted owners, for each conviction. The Statement of Rehabilitation is to be written by the Owner and may contain evidence that the Owner would like the County to consider that demonstrates the Owner's fitness for acceptance. 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.*

Sec. 11-11.2.114.- Each Application must *provide a complete list of every person with a financial interest of five (5) percent or more in the Person, Persons, or Entity applying for the License as required by the State.*

Sec. 11-11.3.101.- Each Applicant for a License related to *cultivation shall submit a site plan, drawn to standard scale, showing the entire legal parcel, including easements, streams, springs, ponds and other surface water features, and the location and area for cultivation on the legal parcel, with dimensions of the area for cultivation and setbacks from property lines. The site plan shall also include all areas of ground disturbance or surface water disturbance associated with cultivation activities, including: access roads, water diversions, culverts, ponds, dams, graded flats, and other related features. The site plan shall include dimensions showing the distance from any facility providing instruction to minors that is in existence at the time the license is issued, to the nearest property line of cannabis cultivation or operation site is at least six hundred (600) feet or one thousand (1,000) feet from Cannabis Cultivation or Cannabis Operation Activity.*

Sec. 11-11.3.104.- Each Application shall include documentation showing the results of or appointment for inspection with Agricultural Commissioner, if applicable.

Sec. 11-11.3.106.- If the Application would include the *conversion of timberland* as defined under California Public Resources Code section 4526, a copy of a less-than-3-acre conversion exemption or timberland conversion permit, approved by the California Department of Forestry and Fire Protection ("CalFire"). Alternately, for existing operations occupying sites created through prior unauthorized conversion of timberland, the applicant must *provide evidence that environmental*

impacts have been mitigated, to the extent feasible, as required by the resource protection agencies including CalFire, the CVRWQCB and the CDFW.
Sec. 11-11.3.107.- For activities that involve construction and other work in Waters of the United States, that are not otherwise exempt or excluded, *include a copy of a federal Clean Water Act (CWA) Section 404 permit obtained from the Army Corps of Engineers and a CWA Section 401 water quality certification from the CVRWQCB.*
Sec. 11-11.3.109.- All Applicants for a commercial cannabis license shall have at a minimum one individual that meets the definition of "owner" under Business and Professions Code section 26001(al) and who will submit the information required of owners.
Sec. 11-11.3.110.- Each Application for cultivation must *include a good faith agreement with County not to use any pesticide banned for use in California for Cannabis cultivation acknowledging the penalties for violation of the agreement shall be ten thousand (10,000) dollars first offense, twenty thousand (20,000) dollars second offense, and permanent revocation of license for third offense.*
Sec. 11-11.4.105.- *Cultivation Verifications* shall remain valid for one (1) year from the date of issuance, subject to any enforcement action or other action that may result in earlier suspension or revocation. *The operator must apply for Cultivation Verification renewal prior to the expiration date of the limited term permit.*

Discussion: The County Clerk-Recorder department has no knowledge of specified requirements concerning the sections listed:
"CEQA (California Environmental Quality Act)"
"standards developed by the Department of Pesticide Regulation, in consultation with the Department of Food and Agriculture"
"identify water source"
"proof the Applicant has notified the California Department of Fish and Wildlife (CDFW) pursuant to §1602 of the Fish and Game Code and provide a copy of the Streambed Alteration Permit obtained from the Department of Fish & Wildlife as applicable."
"proposed security measures for the facility that ensures the safety of members and employees and protects the premises from theft in accordance with State law."
"discharges of waste resulting from Medicinal or Adult Use commercial Cannabis activity in accordance with the Regional Water Quality Board and State Water Resource Control Board."
"provisions concerning building standards relating to fire and panic safety and regulations of the State Fire Marshal are met"
"provide evidence of the legal right to occupy and use the proposed location and provide a statement from the landowner of real property"
"provide a statement that the Applicant will enter into, or demonstrate that it has already entered into, and abide by the terms of a labor peace agreement."
"proof that each Owner of the Applicant electronically submitted to the Department of Justice fingerprint images and related information to the extent required by the Department of Justice for the purpose of obtaining information as to the existence and content of a record of state or federal convictions and arrests, and information as to the existence and content of a record of state or federal convictions and arrests for which the Department of Justice establishes that the person is free on bail or on his or her own recognizance, pending trial or appeal."
"a prior conviction, each such Application must provide a Statement of Rehabilitation for all impacted owners, for each conviction. The Statement of Rehabilitation is to be written by the

Owner and may contain evidence that the Owner would like the County to consider that demonstrates the Owner's fitness for acceptance. 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."

"shall submit a site plan, drawn to standard scale, showing the entire legal parcel, including easements, streams, springs, ponds and other surface water features, and the location and area for cultivation on the legal parcel, with dimensions of the area for cultivation and setbacks from property lines. The site plan shall also include all areas of ground disturbance or surface water disturbance associated with cultivation activities, including: access roads, water diversions, culverts, ponds, dams, graded flats, and other related features. The site plan shall include dimensions showing the distance from any facility providing instruction to minors that is in existence at the time the license is issued, to the nearest property line of cannabis cultivation or operation site is at least six hundred (600) feet or one thousand (1,000) feet from Cannabis Cultivation or Cannabis Operation Activity."

"conversion of timberland"

"provide evidence that environmental impacts have been mitigated, to the extent feasible, as required by the resource protection agencies including CalFire, the CVRWQCB and the CDFW."

"include a copy of a federal Clean Water Act (CWA) Section 404 permit obtained from the Army Corps of Engineers and a CWA Section 401 water quality certification from the CVRWQCB."

"include a good faith agreement with County not to use any pesticide banned for use in California for Cannabis cultivation acknowledging the penalties for violation of the agreement shall be ten thousand (10,000) dollars first offense, twenty thousand (20,000) dollars second offense, and permanent revocation of license for third offense."

The operator must apply for Cultivation Verification renewal prior to the expiration date of the limited term permit.

Discussion: The County Clerk-Recorder department does not have sufficient staffing or experience to re-verify each application annually.

Article 6- Application Fees

Sec. 11-11.6.102.- Any Application for Commercial Cannabis Cultivation equaling less than five thousand (5,000) square feet shall pay a non refundable fee of one thousand (1,000) dollars.

Sec. 11-11.6.103.- Any Application for Commercial Cannabis Cultivation equaling less than ten thousand (10,000) square feet, but more than five thousand (5,000) square feet shall pay a non refundable fee of two thousand five hundred (2,500) dollars.

Sec. 11-11.6.104.- Any Application for Commercial Cannabis Cultivation equaling more than ten thousand (10,000) square feet shall pay a non refundable fee of five thousand (5,000) dollars.

Sec. 11-11.6.105.- Any Application for Commercial Cannabis activities operating as retail storefront shall pay a non refundable fee of six thousand (6,000) dollars. This fee shall apply to Type 4 Nursery licenses should the applicant chose to provide public retail sales.

Sec. 11-11.6.106.- Any Application for a non-storefront retail shall pay a non refundable fee of four thousand (4,000) dollars.

Sec. 11-11.6.107.- Any Application for Cannabis Testing shall pay a non refundable fee of ten thousand (10,000) dollars.

Sec. 11-11.6.108.- Any Application for Cannabis Event Organizer shall pay a non refundable fee of one thousand (1,000) dollars.
Sec. 11-11.6.109.-Any Application for commercial Cannabis manufacturing shall pay a non refundable fee of five thousand (5,000) dollars.
Sec. 11-11.6.110.- Any Application for Commercial Cannabis Infusion Only Manufacturing shall pay a non refundable fee of four thousand (4,000) dollars.
Sec. 11-11.6.111.- Any Application for a Commercial Cannabis Microbusiness shall pay a non refundable fee of eight thousand (8,000) dollars.
Sec. 11-11.6.112.-Any Application for Commercial Cannabis Self-Distribution shall pay a non refundable fee of three thousand (3,000) dollars.
Sec. 11-11.6.113.-Any Application for Commercial Cannabis transport only Distribution shall pay a non refundable fee of four thousand (4,000) dollars.
Sec. 11-11.6.114.-Any Application for Commercial Cannabis Distribution shall pay a non refundable fee of five thousand (5,000) dollars.
Sec. 11-11.6.115.- Any Application for Commercial Cannabis Nursery, non-retail, shall pay a non refundable fee of five thousand (5,000) dollars.
Sec. 11-11.6.116.- Any Application for Commercial Cannabis Nursery, retail, shall pay a non refundable fee of six thousand (6,000) dollars.
Sec. 11-11.6.117.- Any Application that is not listed above shall pay a non refundable fee of three thousand (3,000) dollars.
Sec. 11-11.6.118.- Licenses shall be renewed annually. Renewal fees shall be the same as Application fees listed above.

Conclusion:
In 2017, the Department of Consumer Affairs' Bureau of Cannabis Control, Department of Public Health's Manufactured Cannabis Safety Branch, and Department of Food and Agriculture's CalCannabis Cultivation Licensing Division Issued their Emergency Medicinal and Adult Use Cannabis Regulations for the purpose of implementing the Medicinal and Adult Use Cannabis Regulation and Safety Act implemented by Governor Jerry Brown. This established a regulatory framework for licensing cannabis activity within the State of California.
Pursuant to Article 1 - Process, Section 11-11.1.101, the proposed Ordinance would place the local establishment of the licensing process with the County Clerk department, directing the creation of Application Forms consistent with the terms of the Ordinance, placing the responsibility of the County Clerk to approve or deny Applications in accordance with the terms of the Ordinance and to issue and revoke Licenses.

These requirements are all functions that are not consistent with the historic and current duties of the staff and elected department head. Current duties include conducting all elections, candidate filings, issuing marriage licenses, performing marriages, recording land title transactions and filing fictitious business name statements.
The department is not experienced in the duties required by the Ordinance which include; verifying compliance with CEQA, knowledge of the standards of Pesticide Regulation, identifying water sources, verifying CDFW's Streambed Alteration Permits, verifying proposed security measures for facilities, verifying the discharges of waste resulting from processing Cannabis, verifying building use standards relating to fire and panic safety along with regulations of the State Fire Marshall, verifying evidence of the legal right to occupy and use facilities for Cannabis activity, verifying that

for operations with 20 or more employees that the applicant has entered into a labor peace agreement, verify the submission of fingerprint images to the Department of Justice for information regarding a record of convictions and arrests or whether or not the applicant is free on bail or has prior convictions and statements of rehabilitation.
Staff have no experience in items required in Article 3 - regarding specific site requirements such as; verifying a site plan drawn to scale showing the entire legal parcel with easements, streams, springs, ponds, etc., the location for cultivation, the distance from instruction to minors facilities, documents showing inspections by the Agricultural Commissioner, verifying compliance with the "Cortese List" for sites known to be contaminated with hazardous materials, knowledge of timberland conversion, knowledge of the Federal Clean Water Act, water diversion and knowledge of pesticides banned for use in California. In addition, if an applicant is found in violation of any requirement, a written plan to remediate the violation must be received reviewed and approved.
The County Clerk-Recorder department is currently working with reduced staff and no fiscal officer. There are no permitting managers, no permitting technicians, and no accounting program for permitting transactions, no vault and no method to securely transport large amounts of cash to the Treasurer-Tax Collector department. There is insufficient office space needed to accommodate a Cannabis Permit Licensing program in the space currently occupied by the Clerk-Recorder department.

At a minimum, the County Clerk-Recorder department would require a full-time fiscal officer, a permit manager and a permit technician; an accounting system capable of monitoring and flagging specific actions required by the ordinance in the development of a Cannabis Permit Licensing Program; the transfer of the department to an office space near the Treasurer-Tax Collector that can accommodate a private office space for a licensing division; additional filing and storage systems for record keeping; a secure locking safe capable of storing large sums of cash and checks and a public access monitoring system that provides security to the entrance and exit an office.
The County does not currently have an approved job description with a salary amount for a Cannabis Permit Licensing Program Manager or Technician that would facilitate the license application and revocation process, verify submitted materials, correspond with applicants and collect and deposit related fees associated with the program. Currently, there is an approved Collections Officer II and a Permit Manager both rated in the $3,572 - $4,347 monthly salary range level 2061; with benefits such as health insurance and retirement adding approximately $4,900 - $5,600 to each monthly. Actual compensation would require a thorough evaluation of the job duties and description once developed and approved by the Operating Engineers Union.
The current office space for the County Clerk-Recorder is substantially undersized for the current needs of the department. Relocating and exchanging office space currently occupied by the County Auditor may provide the necessary space for implementing a Cannabis Permit Licensing Program. It would meet the need for requiring close proximity to the office of the Treasurer-Tax Collector for the deposit of funds into the treasury and provide sufficient floor space for additional staffing and permit functions. There would be costs associated with obtaining a moving company to accomplish relocating both departments. The task may take up to a week or longer and would require RFP's for the relocation of each department. The total cost is unknown, but estimated at between $4,000 and $5,000.

A separate budget with operational line items for expenses would also need to be developed. Time studies would need to be done to determine the cost of processing each application by type. Equipment such as office furniture, a computer, and accounting and permitting software would also be required. A budgetary line item for specialized training in the permitting field along with travel expenses would also be required.

Service and Supplies:	Annual Budget
Phone line	$ 300
Postage	$1,000
Paper/Envelopes	$1,000
Office Expense	$ 500
Professional Services	$5,000
Travel/Training	$2,500
Salaries & Wages	
Fiscal Officer	$72,400
Cannabis Permit Licensing Program Manager	$72,400
Cannabis Permit Licensing Program Technician	$69,200
	$264,300

There will be additional start-up costs that will include relocation of Clerk-Recorder office, equipment and historic records. The purchase of a safe, additional office equipment, a computer, file cabinets and scanner.

Identifying costs for implementing a Cannabis Permit Licensing Program are estimates and not within the scope of the current duties provided by the Clerk-Recorder department. The amount of time and expertise required to process applications, verify data submitted, outsource and secure data from partnering departments, monitor, notify and correspond with existing license holders has not been determined based on lack of experience with the process. The actual cost to prepare an application, review and verify data, process the application, distribute the application to partnering departments for review for compliance, file the application, cashier the appropriate fee, and enter the applicant's information into a database has yet to be determined. A time and motion study would be required before costs could be determined.

PLUMAS COUNTY AUDITOR / CONTROLLER

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ROBERTA M. ALLEN, CPA • AUDITOR / CONTROLLER
BIANCA HARRISON, CMA • ASSISTANT AUDITOR / CONTROLLER

May 11, 2018

Board of Supervisors
Plumas County, California

Re: Initiative Measure to Enact Voter-Approved County Ordinance on Cannabis Activities

The Plumas County Board of Supervisors requested that county departments submit an assessment of the probable impact on the budgets of each department if the Cannabis Initiative were to pass with the June election. The projection attached is in response to that request.

The following projection is based on the assumption that 100% of the 151 permits possible per the ordinance (as suggested by Randy Wilson, Planning Director) will submit permits, obtain approval, and pay the fees. This projection only addresses the increased costs and does not incorporate possible revenue generated by the cannabis permits and fees. This revenue will be shared with all county departments, so the costs for the Auditor Department as shown in this projection will need to be added to the costs of all other departments, and then the revenue allocated to each department based on relative cost ratios.

The costs listed are based on: 1) estimated staff time to process the deposits from cannabis permits and fees, 2) necessary increase in frequency of cash monitoring, 3) increased cost of internal audits of annual income and expense records, 4) the cost of hiring an independent auditing firm to perform on-site audits of cannabis sites to verify the accuracy of income and expenses claimed as part of the 2% fee calculation on net proceeds. The rate of onsite audits is assumed to be 5% of total permit holders, where of the 151 permit-holders there would be 8 growers visited each year (151 x 5% = 7.55). The cost of the onsite audits also includes the cost of one armed sheriff deputy to accompany the independent auditor to the audit location. The County Auditor has neither the staff nor the expertise to perform onsite audits of cannabis activity, and would need to undergo peer review if such audits were to be performed by the County Auditor Department. An independent audit firm that is knowledgeable in the field of cannabis would be more suitable and less costly for the county than hiring staff and ramping up the County Auditor Department to be able to perform audits of this nature.

Because banks are federally insured, and cannabis activity is illegal at the federal level, banks cannot accept deposits of revenue generated from cannabis-related activities. What this means for the County is that the Treasurer will be receiving what could be a substantial amount of cash that cannot be deposited into the banks. Consequently, there could be large sums of cash in the possession of the County Treasurer. This will pose a significant risk both for loss due to theft and safety of County staff. For purposes of this report, only the cost of increased monitoring (weekly physical counting the cash

and reconciling it to the activity) has been included. Increased cost of security for the location where the cash is stored should be included in the Sheriff's projections.

Unlike income tax code that defines how and when to recognize revenue, and which expense items are allowed as deductions, this initiative does not provide guidance for the calculation of net revenue less expenses. This will create confusion and lack of consistency in how revenues and expenses are measured and reported to the County for payment of the 2% fee on net income. It is the opinion of the County Auditor/Controller that the income from the 2% fee would be negligible, and therefore will not provide the County a substantial source of revenue to cover the increased costs of the cannabis-related activity.

Thank you,

Roberta M. Allen
Plumas County Auditor/Controller

Plumas County Auditor/Controller
Estimate of Impact of Cannabis Ordinace
On Auditor/Controller Budget
May 11, 2018

Cost Item	Calculations	Additional Annual Hours	Total Costs
Additional activities / staff time:			
Processing deposits from Cannabis permits and fees	151 permits x 40 minutes/permit = 6040 minutes		
	Convert to hours: 6040 minutes / 60 mins per hour	101	
Weekly cash counts (due to high volume of cash)	1.5 hours per week x 52 weeks	78	
Reconciliation of cash count to Revenue/Expense activity	3 hours per week x 52 weeks	156	
Audit Annual Revenue and Expense Reports	151 permit holder reports x 5 hours per report	755	
Total Additional Annual Hours		1090	
Cost of Additional Staff Time		**Additional Staff Cost**	
Accountant/Auditor I $21.38 base hourly rate	Wages $21.38 per hour x 1090 hours	$23,304	
	FICA/MC $23,304 x 7.65%	1,783	
	Calpers $23,304 x 22%	5,127	
	Workers Comp Insur $23,304 x 14%	3,263	
Total Additional Annual Staff Costs	Health Insurance ($300 / mo Est. for no dependents)	3,600	$37,076
On-Site Audits			
Contract with Independent Audit Firm	151 Net Revenue-Expense Reports x 5% = 8 Audits per year	$80,000	
	8 Audits per estimated fee of $10,000 per audit		
	**County audit = $57,000, Districts lowest = $5,000 - assumed lowest cost of district audit x 2 for estimate.		
	Will need auditor with specialized knowledge and willingness to travel and go to sometimes remote locations		
	Law Enforcement to accompany independent auditor to on-site audits:		
	Hourly wage $35.00 x 8hours per audit x 8 audits	$2,240	
	FICA/MC 7.65%	171	
	CalPers 42%	941	
	Workers Comp Insur 23%	515	
	Health Insurance ($600/mo x 12=7200 7200/2080 x 64hours = 221_	222	
Cost of Law Enforcement to accompany independent auditor		$4,089	
Total Additional Cost of On-Site Independent Audits			$84,089
Total Annual Costs due to Cannabis Initiative			$121,165

W:\CANNABIS\Aud Dept. Est. of Impact of Cannabis Initiative.xlsx11

Julie A. White
PLUMAS COUNTY TREASURER - TAX COLLECTOR - COLLECTIONS ADMINISTRATION

P.O. Box 176 • Quincy, CA 95971-0176 •
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(530) 283 -6260

Kelsey Hostetter, Assistant Treasurer-Tax Collector
(530) 283 - 6259

DATE: May 14, 2018

TO: The Honorable Board of Supervisors

FROM: Julie A. White, Plumas County Treasurer-Tax Collector

SUBJECT: Cannabis Ordinance Report

The Plumas County Treasurer-Tax Collector's office per Title 11 Medicinal and Adult Use of Cannabis Ordinance Chapter 16 is to collect a general tax based upon the net profits of licensed cannabis growers in Plumas County. In order for this office to collect these funds there will have to be new bank contracts negotiated, new collection software and staff to follow this collection.

Cannabis is currently a Schedule 1 drug as classified by the Drug Enforcement Administration. It is illegal for banks to knowingly do business with Schedule 1 drug clients. The U.S. Department of Treasury has attempted to provide guidelines for banks and credit unions to follow if they wish to collect these funds. However, if they do not follow them appropriately then the bank charter can be withdrawn. Currently, Plumas County has contracts with Plumas Bank and MUFG Union Bank and neither of these financial institutions will accept these funds. The Treasurer's office will have to start an RFP process to those few banks that do collect Schedule 1 funds. The RFP process in itself will be time consuming but on a continued daily process, the funds will have to be kept separate from other County and Special District funds within the treasury pool. The accounting of these funds will require additions to our accounting system, the investment pool as well as how the treasury is balance daily. The County will incur additional bank costs with the contract as well as staff time for the process of these deposits. These costs are undetermined at this time.

The Tax Collector's office currently has software for the property taxes and Transient Occupancy Tax but does not have a software system to track cannabis collections. There are different programs that are used by other tax collector's in the state such as HDL, Progressive Solutions Inc. and Excel. The Plumas County I.T. department reached out to Progressive Solutions Inc. and an estimate of $20,000 was provided for software. The Transient Occupancy Tax system is an in-house written software system. It has not been discussed if it can be manipulated into a cannabis

collection program but that would be a considerable expense to the I.T. department in staff time. The ordinance did not address the penalties and interest that is accrued on delinquencies and the process that those are to be collected. In addition to the software system there will have to be staff to manage the collection and accounting of the general tax.

The onset of the program would have to be managed by senior staff until the process is running smooth. There is the collection aspect with creating a tax registration form, tax return form and a method of collection through software system. The tracking of the licenses, registered taxpayers, auditing the tax return submitted, collection, delinquency letters and collection of delinquencies will all take significant staff time. As I mentioned, the banking and investing of Schedule 1 drug funds will have to be separate from the daily cash accepted by the Treasurer's office. An additional accounting system will have to be created to track these funds for audit purposes. It is expected that a full time staff person will need to be added to the Treasurer-Tax Collector's staff to manage the cannabis general tax. An estimate of the increase in wages could be $60,000.

A concern also is the general tax is 2% of net income, most other California counties collect the tax based on gross income. The revenue generated from the net sales may not be enough to cover the expense to the county departments that are to manage this ordinance. There isn't information available to estimate the potential revenue stream. Auditing the tax returns would be extremely difficult based upon a primarily cash business.

These are concerns for the Treasurer-Tax Collector's office for the cultivation of commercial cannabis in our County. The tax can be collected but there will be added financial and staff expenses to complete the collection adequately.

Thank you.

PLUMAS COUNTY ASSESSOR

1 Crescent Street, • Quincy, CA 95971 • (530) 283-6380 • Fax (530) 283-6195

CHARLES W. LEONHARDT
ASSESSOR

Date: 5/11/2018

To: The Honorable Board of Supervisors

From: Charles W. Leonhardt

Subject: Implementation Issues Related Cannabis Initiative

While the proposed Cannabis Initiative does not appear to mention the Assessor within its text, the Initiative would have impacts on the Assessor's Office.

The Assessor is charged with assessing all tangible property that is not otherwise exempt. While the cannabis is not assessable if harvested annually, the land, tangible structures and equipment are assessable.

Discovery

Hopefully as commercial growing permits are processed by the County Clerk, referrals will be made to the Assessor's office in a similar fashion to what is done with Fictitious Business Name Statements. In my conversations with Calaveras County, it was suggested that permitted operations may only represent a fraction of the overall commercial cannabis production found in the county. Their estimate was that that only about 50% of the growers obtained permits. Locating unpermitted commercial operations would be difficult unless flyovers were done each year. Products such as Pictometry could provide for year to year comparisons to assist the discovery process. At a recent demonstration, the vendor for Pictometry estimated the cost to fly Plumas County would be about $145,000. In addition there would be staff time to review the data, make the necessary assessments and provide the associated taxpayer service. It is unclear how much this would cost. It is conceivable that the Sheriff, Public Works, Planning, Building, Environmental Health, Ag Commissioner and other departments might also benefit from the flyover data. Recognizing that the County only receives about 20% of the tax dollar, I suspect that the flyovers would not be cost effective, unless other departments got significant value for the data.

Absent flyovers, the Assessor's Office does not have the personnel resources to do a complete field canvas annually. Assessments will be made as discovery occurs. Employee safety issues are a concern.

Business Property Statement Filing & Processing

Business property statement filing would be similar to any other business. Plumas County would work with the State Board of Equalization and California Assessor's Association to determine equipment classifications and economic lives. If the maximum number of permits were issued, it is possible that

the Assessor's Office may need to request an additional clerk to assist with processing. These accounts would also increase our business property audits to a small degree.

Real Property Assessments

I don't anticipate that this initiative would generate enough additional real property assessments to have a significant impact on the real property section of the office. There might be some increase in new construction for greenhouses and processing facilities.

Assessment Appeals

There is the potential that this ordinance might increase the assessment appeals work load. While the initiative is specific about what zoning designations cultivation and processing can occur in and establishes setback requirements, Cannabis does produce an odor. Conflicting land uses could result in assessment appeals on the basis of noxious odors and a claim of adverse effects on the value of surrounding properties. These appeals would affect the Assessor's Office, County Council, Clerk of the Board and Board of Supervisors sitting as the Board of Equalization. Other assessment appeals may result, but are considered to be part of the typical workload.

Economics

It is difficult to determine what the economic impacts to County government of this initiative are. While the initiative includes a tax, the tax is levied on net income. Net income is going to be the product of market price and operating expenses. As noted below, there are a number of factors which create uncertainty about the future of the market price for cannabis.

It has been reported that the cannabis price structure in Colorado dropped by 50% after legal grows were permitted. Furthermore, it is reported in the news that large tobacco and drug companies may be waiting for the California regulatory environment to stabilize before investing in large scale operations. This type of large scale industrial production may further reduce consumer prices and make it very difficult for small growers to compete. This would have a direct effect on the tax revenue contemplated by the initiative.

The County would need to perform cyclical audits to determine that appropriate tax revenues are being collected on net income. These costs would likely be paid from the General Fund. This would likely be additional work for the Auditor.

A series of fees are articulated in the initiative, but it is unclear if these fees accurately cover the cost to provide the required services.

In order to provide the necessary services to implement the initiative, the County will need to make significant capital investments with no clear method of reimbursement.

Federal Regulations prohibit banks from accepting deposits from drug related activity. Cannabis is currently classified as a drug at the federal level. As a result, growers are often forced to do business on a cash basis. Neither of the two banks that Plumas County does business with will accept money associated with Cannabis. As a result, the county might find itself with large cash payments and no place to deposit them. This creates a number of security, custody and control as well as audit problems. The California Department of Tax and Fee Administration is having a similar problem and is investing significant resources into resolve these issues. The economy of scale for a small county may make these solutions cost prohibitive.

PLUMAS COUNTY DEPARTMENT OF PUBLIC WORKS

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Robert A. Perreault Jr., P.E., Director John Mannle, P.E., Asst. Director Joe Blackwell, Deputy Director

MEMORANDUM

Date: May 14, 2018

To: Randy Wilson, Planning Director

From: Robert Perreault, Director of Public Works

Subject: Impact of passage of Medicinal and Adult Use of Cannabis Ordinance on the Department of Public Works

The Department of Public Works routinely provides comments and recommendations to the Planning Department on various discretionary development applications, such as Special Use Permits and Site Development Permits. These comments and recommendations address impacts associated with traffic, circulation, grading and drainage, and are provided to mitigate impacts to adjoining properties, traffic, safety, roadways and related infrastructure.

Pursuant to Article 2 of Chapter 13, a Special Use Permit is only required for "New Licensees". "Priority Residents" are not required to apply for and receive a Special Use Permit before operating their cannabis operation(s).

Public Works is concerned that without this discretionary oversight of all applications, traffic, circulation, grading and drainage impacts could occur. Unmitigated impacts to public facilities (i.e. roadways and drainage facilities) and identified safety related impacts would need to be addressed by the Department of Public Works at the expense of the County. The exact financial impact is difficult to ascertain due to the wide range of potential scenarios.

Pursuant to Section 11-12.104 the Department of Public Works is responsible for developing an On-site Consumption Permit, including permit fees, and health and safety requirements. The impact to the Public Works Department would include staff time associated with the drafting of this permit, and the processing and enforcement of subsequent applications.

The drafting of the On-site Consumption Permit could take up to 40 hours with the processing and enforcement of individual applications consuming up to 16 hours of staff time per application. Assuming 12 applications per year, this would have an impact of 192 hours of Public Works staff time per year. While the application fee would cover the cost of processing the applications, the impacts on public works staff workload could create delays in the other public works responsibilities.

SHERIFF'S OFFICE: Responses to Cannabis Initiative
(Responses (italics) correspond to the addressed Initiative section)

Sec. 11-1.112.- The Emergency Regulations mandate that no license for cannabis activity may be issued by the State unless the applicant demonstrates either local County approval of the licensed activity, or County acquiescence. The County of Plumas realizes that allowing a closely regulated cannabis industry in the County has the potential to benefit its economy and preserve its natural resources, as well as to provide its citizens access to the benefits of properly regulated cannabis products.

The Sheriff's Office, per federal law, does not concur. Further, evidence from other jurisdictions (rapid rise in crime, home invasions related to such activity) supports the opposite.

Sec. 11-1.114.-This Chapter will not be detrimental to the public health, safety and general welfare or adversely affect the orderly development of property, because the uses permitted under this Chapter will be subject to careful review, limited in scope, number, and location, and subject to strict operating requirements, avoiding or limiting potential negative effects.

The Sheriff's Office, per federal law, does not concur. Further, evidence from other jurisdictions (rapid rise in crime, home invasions related to such activity) supports the opposite.

Chapter 3. Purpose and Intent

All stated purpose and intent declarations are misleading. Such cannabis activity benefits primarily the growers financially and a minimal number of end users as the majority of the county population does not consume cannabis.

Sec. 11-10.1.104.- An Application shall not be submitted by, and Licenses shall not be issued to, any person (hereafter, "Prohibited Personnel") holding office in, or employed by, any agency of the State of California or any of its political subdivisions when the duties of such person have to do with the enforcement of the Act or any other penal provisions of law of the State prohibiting or regulating the sale, use, possession, transportation, distribution, testing, manufacturing, or cultivation of Cannabis goods.

Regardless of whether such personnel are involved in enforcement or not, the law, county policy, and departmental policy would prohibit all personnel from engaging in this activity.

Sec. 11-10.1.105.- "Prohibited Personnel" includes, but is not limited to, any persons employed in the State of California Department of Justice as a peace officer, in any district attorney's office, in any city attorney's office, in any sheriffs office, in any local police department.

Regardless of whether such personnel are involved in enforcement or not, the law, county policy, and departmental policy would prohibit all personnel from engaging in this activity. Further, federal grant funding to those county departments allowing personnel to be involved in cannabis business would be forfeited.

Sec. 11-11.2.106.- Each Application must include a statement describing the proposed security measures for the facility that ensures the safety of members and employees and protects the premises from theft in accordance with State law.

Such security measures should also be regulated to meet heightened risk standards associated with such activities.

Sec. 11-114.104.- If, during the site inspection, violations of any building or other health, safety or other state or county statute, ordinance, or regulation are discovered, the Applicant shall be required to submit a written plan to remediate, abate, or cure the violations at the earliest feasible date, but in no event more than one (1) year after the date of issuance of the Cultivation Verification; said plan shall be signed by the Applicant, approved by the relevant enforcement agency or agencies, and compliance with said plan shall be a condition of the Cultivation verification.

Time frame should be identical to the proposed cannabis enforcement ordinance. Allowing a year for the violator to address the violation allows multiple harvests with no recourse by the county. The violator can easily delay fixing the violation and reap benefits for a year.

Article 4- Dispensaries

The Sheriff's Office, per federal law, does not concur. Further, evidence from other jurisdictions (dispensaries cause rapid rise in crime in neighborhoods, especially dispensary robberies) support the opposite.

Chapter 12. Event Permits and On-Site Consumption

Law enforcement must provide security at such events for obvious reasons. The cost for providing law enforcement security services will require extensive overtime costs which the event organizers should be responsible for.

CHAPTER 17. Commercial Cannabis Notices, Violations, and Enforcement

Assuming the Cannabis Enforcement ordinance becomes effective, it is reasonably foreseeable that the Sheriff's Office will also be tasked with the enforcement of the Initiative

ordinance as a result of an already established and funded investigative and enforcement process which will be easily adaptable for Initiative enforcement. This will drastically reduce the financial costs to those other departments which would otherwise be required to provide enforcement services.

CHAPTER 18. Public Nuisance

Nothing in the proposed ordinance will prevent law enforcement from taking any enforcement action authorized by the California Penal Code. Regardless of the initiative, if the grow is deemed a nuisance, the grower can be prosecuted.

OFFICE OF THE DISTRICT ATTORNEY

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DAVID HOLLISTER
DISTRICT ATTORNEY &
PUBLIC ADMINISTRATOR

7 May 2018

Plumas County Board of Supervisors
520 Main Street, 3rd floor
Quincy, California 95971

Re: District Attorney Comment
Medicinal and Adult Use of Cannabis Ordinance

Dear Honorable Members of the Plumas County Board of Supervisors:

The Clerk of the Board of Supervisors, on May 2, 2018, forwarded your request for comment as to how county departments would be impacted by the proposed Medicinal and Adult Use of Cannabis Ordinance if adopted by Initiative. Please accept the following as my response pursuant to Section 9111(a)(8) of the Elections Code.

There are two areas of the Medicinal and Adult Use of Cannabis Ordinance that, if passed, would impact the office of the District Attorney. First, the Ordinance creates a cash business model where participants could logically be expected to collect and maintain large sums of cash. Such an approach has been demonstrated, historically, to cause an increase in crime with regard to the taking of cash, whether by theft or violence. Second, inspection and monitoring provisions of the Ordinance, to the extent law enforcement is excluded, impact the ability to investigate crimes committed in the cultivation of cannabis. For example, the use of minors to cultivate or the commission of certain environmental crimes while cultivating would make an otherwise lawful act a felony. If such were to occur, an investigation being conducted by a non-law enforcement entity may compromise the investigation and prosecution.

Thank you for this opportunity to comment on the proposed Ordinance. Please do not hesitate to contact me if I may be of further assistance.

Respectfully yours,

David Hollister
District Attorney

Plumas-Sierra Counties
Department of Agriculture

Agricultural Commissioner
Sealer of Weights and Measures

Tim W. Gibson
Agricultural Commissioner
Sealer of Weights and Measures
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Honorable Plumas County Board of Supervisors

This is an estimate of county cost for the Agriculture Department should the proposed Plumas County ordinance allowing commercial Cannabis cultivation and dispensaries become implemented. The total numbers are based on our best guess as to what numbers of licenses may be issued as per the proposed ordinance.

The approximate number of hours involved for site inspections round out to 426 hours. Staff conducting the inspections would need to be a licensed Agricultural and Standards Inspector. Using this department's current net county cost for our Agricultural and Standards inspector results in a total of $15,391.

If new staff is not hired for the increased work load, a significant amount of Agricultural Department state mandated program inspections will not be performed. This will result in a reduction of revenues from California Department of Food and Agriculture (CDFA) to Plumas County. Estimated reduction of $1,850 in State revenues and reduced enforcement of laws and regulations protecting consumers from weights and measures violations would result.

Cannabis is not a program this department can bill Sierra County for as Sierra County currently does not allow commercial Cannabis cultivation. Any Cannabis ordinance inspections would result in a loss of billable hours with Sierra County. Estimated loss of $3,078

A Plumas County Cannabis inspection program will need separate tracking of hours for all financial statements to CDFA and Sierra County, and a new

category of tracking will need to be conducted by the Department's Administrative Assistant. This results I an estimated 10 hours/month for a county cost of $3,700.

To prevent loss of non-Cannabis program enforcement hours I recommend hiring another inspector to help the Department conduct its Cannabis inspections. The department could easily absorb any surplus time not spent in Cannabis inspections in other Agricultural and Weights and Measures programs.

Vehicle cost:
Assuming a possible two inspections per day of site inspections, estimated mileage: 44 trips X average mileage of 82 miles round trip X $.54/ mile = $2,081.

The department has a 1997 Ford Ranger, with over 180,000 miles on the odometer, available for staff to use for Cannabis inspections. This truck is approaching the end of its service life and will need replacement in the near future.

Other equipment and supplies needed include a new set of small scale test weights, and miscellaneous supplies such as paper coveralls. $3,150

Possible Revenues:
CDFA's Cal Cannabis is likely to offer county Agricultural Departments contracts to conduct trace and track inspections. Currently, Humboldt and two other counties are conducting a trial contract with CDFA. About half of Humboldt County's licensed Cannabis cultivation sites are subject to a track and trace contract with Cal Cannabis. The county receives about $200 per inspected site. The track and trace contracts can be conducted simultaneously with Humboldt County's own licensing inspections. If a similar contract opportunity is extended to all counties growing commercial cannabis, Plumas County possibly could receive $8,800 in the form of a state contract with Cal Cannabis.

Tim Gibson
Agricultural Commissioner
Sealer of Weights and Measures

Agriculture Department estimated cost of Cannabis enforcement

Expense	amount
Agricultural Inspector cost	$15,391
Unclaimed gas tax lost revenue	1,850
Revenue lost due to unbillable hours for Sierra County	3,078
Administrative Assistant Accounting hours	3,700
Vehicle cost	2081
Equipment and supplies	3150
Total expenses	$29,250

Initiative Report Assumption-Number of Permits

Section	License type	Total Possible Licenses	Cultivation	Scales	Weighmaster	Approx. hours per site	Approx. total hours
§11-9.1.102	Specialty Cottage Cultivation Type 1 Cultivation Type2 Cultivation Type 3	50	x	x	x	5.0-7.0	250-350
§11-9.1.103	Dispensaries Type 10	5		x	x	2.0	10.0
§11-9.1.104	Nursery Type 4	5	x			3.0	15.0
§11-9.1.105	Testing Type 8	2		x	x	3.0	6.0
§11-9.1.106	Microbusiness Tye 12	10	x	x	x	5.0	50.0
§11-9.1.110	Manufacturing Type 6	5		x	x	3.0	15.0
§11-9.1.111	Manufacturing Type N	5		x	x	3.0	15.0
§11-9.1.112	Processing Type P	5		x	x	3	15
	Total Hours						376-476

Plumas County Department of Information Technology

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David M. Preston
Information Systems Manager

DATE: May 9, 2018
TO: Honorable Board of Supervisors
FROM: Dave Preston, Information Systems Manager

SUBJECT: **Departmental impact of Ordinance on Cannabis Activities.**

The effect of this ordinance on Information Technology would be in the automation requirements for a functional permitting system. This system would need to generate the permits, to manage the collection of fees and fines and allow for central access to permit information for all involved departments. The County Clerk and the Tax Collector would be the primary users of this system, but because of the involvement of other departments including the Sheriff and Public Works this system needs to be in a multiuser environment.

The cost of the implementation of this required system will include hardware for a central server and software purchase cost, plus the cost of associated hardware like printers for permits etc. Also there will be ongoing software maintenance fees for the continued use of the system.

I have reached out to Progressive Solutions Software for a quote of their business license permitting software as this system looks like it would be applicable for this use. This is the software used by Humbolt County for their cannabis permitting.

Below is an estimate of costs:

LicenseTrack permit software	$20,000.00
HP Dedicated Computer Server	$5,000.00
MS Server & Database Software	$1,200.00
Dedicated Workstations	$2,000.00 (1 for Clerk & 1 for Tax Collector)
Dedicated Printers	$2,000.00 (1 for Clerk & 1 for Tax Collector)
Total implementation (1 time) cost	$30,200.00
Ongoing cost (Software support)	$ 4,000.00 annually

Plumas County Environmental Health

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DATE: May 11, 2018

TO: Honorable Board of Supervisors

CC: Randy Wilson, Planning Director
Craig Settlemire, County Counsel

FROM: Jerry Sipe, Environmental Health Director

RE: Report to the Plumas County Board of Supervisors:
Impacts to Environmental Health Regarding the
Proposed Medicinal and Adult Use of Cannabis Ordinance

Introduction and Background

As requested, this report addresses the potential and reasonably foreseeable impacts to Environmental Health should the proposed Medicinal and Adult Use of Cannabis Ordinance (Ordinance) be approved in Plumas County. This report is prepared according to Election Code Section 9111(a)(1)-(8) as requested by the Board during their May 1, 2018 regularly scheduled meeting.

While the Ordinance only briefly mentions the Environmental Health Department (Department), passage of the Ordinance is anticipated to have a number of direct and indirect impacts to the Department's activities, staffing and budget. Cannabis businesses are likely to engage in various activities which are already regulated by the Department under existing state law. Examples include permitting water supplies and hazardous materials management and oversight, to name just a few. Other impacts may be specific to new cannabis activities, such as ensuring the safety of cannabis edibles and the proper regulation and control of disposal, composting, or otherwise discarding cannabis-containing wastes. In order to identify the possible impacts, the sections of the Ordinance in which the Department may have roles or responsibilities are identified below.

Ordinance Sections Relating to Environmental Health Roles and Responsibilities

The following sections of the Ordinance have direct or indirect roles for Environmental Health.

Sec 11-5.124 "Enforcement Official" is defined but does not specifically include Environmental Health. As discussed below, this Department has roles and responsibilities in food safety, hazardous materials management, water supply determinations, festival reviews and other activities, all of which may have an review, inspection, and enforcement components.

Sec 11-7.113 "Type 6" (Manufacturing Level 1) businesses typically produce cannabis concentrates or cannabis extracts that are more potent than standard cannabis buds. This Department, in coordination with the California Department of Public Health, may have an

oversight role in monitoring the dose, concentration, testing, packaging, labeling, quality assurance and other aspects of cannabis manufacturing.

Sec 11-7.114 "Type N" (Manufacturing Level 1) businesses typically produce edible products or topical infusions. This Department will have an oversight role in regulating edible products at the retail level.

Sec 11-7.122 "Type 12" (Microbusiness) includes small scale cultivation with distribution, Level 1 manufacturing and retailing. This Department will have an oversight role in at least some of these activities including regulating edible products at the retail level.

Sec 11-7.123 Event Organizer. Cannabis events will present some of the same challenges that music festivals do regarding assembling a large number of people in remote areas that do not have permanent infrastructure for such gatherings. Water supply, wastewater disposal, temporary food service, solid waste removal and other environmental health concerns must be included in local cannabis events planning and permits.

Sec 11-11.1.101 directs the County Clerk to coordinate as needed with other officials in the County to ensure Licensees comply with all aspects of this Ordinance. Coordination between the County Clerk, Environmental Health and all other county agencies would be important.

Sec 11-11.2.104 requires each applicant for a cultivation-related license to identify its water source and obtain well permits or other documentation from this Department. Water source verification often entails records reviews and site visits to ensure compliance with County Code and state law.

Sec 11-11.2.107 requires applicants to address discharges of waste from commercial cannabis activities. The Regional Water Quality Control Board and State Water Resources Control Board are mentioned, but this Department locally administers some small waste discharge programs under authority of the Regional Board including the onsite wastewater disposal.

Sec 11-11.3.101 pertains to the site plan preparation for cannabis cultivation and mentions many elements under this Department's purview including surface water features and ground disturbance areas associated with cannabis cultivation. This Department may have a role in reviewing and approving these site plans.

Sec 11-11.3.103 gives the Ag Commissioner authority to conduct annual inspections. This Department would likely need to participate in joint field inspections to ensure cannabis businesses maintain compliance with state and local regulations pertaining to hazardous materials handling and storage; hazardous waste generation and handling; water supply; edibles manufacturing; and other related activities as appropriate. (See also Sec 11-11.4.101)

Sec 11-11.3.105 requires applicants comply with hazardous waste-related conditions, restrictions, cleanup and abatement orders for properties on the "Cortese List". These include sites known to be contaminated with hazardous materials and this Department would likely administer and enforce this section.

Sec 11-11.4.101 identifies the Ag Commissioner's Office as performing site inspections along with "other County and State agency staff, as appropriate" to determine compliance with this Ordinance.

This Department would likely be one of those other county agencies providing staff for this inspection and compliance assessment.

Sec 11-11.4.104 discusses the process for applicants to correct violations of any building, health, safety, or other local or state statute, ordinance or regulation pertaining to cannabis activities. This Department would have an enforcement role in many cannabis activities as specified.

Sec 11-12.101 requires cannabis festival organizers to obtain an event permit in conjunction with the County's festival permit process. This Department plays a key role in ensure the health and safety of festival participants through review, permit and inspection of water supply, wastewater disposal, solid waste management and temporary food facilities serving these events. (See Sec 11-7.123)

Sec 11-14.3.111 requires special handling of ag use pesticides, fertilizers, amendments, and similar materials. This Department administers a variety of state laws and regulations that would also apply to cultivators if they exceed certain storage and handling thresholds.

Sec 11-14.3.112 requires fuel to be stored and handled in compliance with applicable state and local laws and regulations. This Department administers these laws and regulations countywide.

Sec 11-14.3.113 states that all Licensees shall pay all applicable fees for application, consultations, and inspections. This Department would need to perform time studies upon which to base our fees and provide recommended changes to the Master Fee Resolution for the Board of Supervisors to consider.

Sec 11-14.3.119 states that a main or supplemental water source may not be hauled in from other properties. As the administering agency for current County Code regarding approved water supplies, this Department may be involved with enforcement of this section.

Sec 11-17.1.101 describes the Ag Commissioner's process for enforcement for licensed cultivation sites. This Department may also be involved in such cases since we administer various public health and safety provisions that apply to cultivators.

Sec 11-17.1.102 describes the process for enforcement by the Ag Commissioner's Office, Code Enforcement, or the Sheriff's Department for licensed non-cultivation sites. This Department may also be involved in enforcement cases, especially those licensed for manufacturing edibles or holding festivals.

Sec 11-17.2.101 outlines the enforcement process for re-inspection which may involve this Department.

Likely Roles for Environmental Health in Cannabis Regulation

As touched on above, this Department may play a number of roles in local cannabis regulation should this Ordinance be adopted. Plan review, permit, field inspection, enforcement and coordination with other county departments are standard work flows for this Department. Whether these processes are applied to an auto repair shop handling hazardous materials or whether applied to a cannabis cultivator handling hazardous pesticides, the systems and processes are similar. This Department can assimilate these cannabis workflows into our day-to-day operations and would not need to create new processes to complete this work.

Some of the skills and abilities needed for field staff to oversee cannabis activities are similar to those needed to oversee existing commercial activities and businesses. The infrastructure needs for cannabis festivals, for instance, would be similar to the needs of music festivals regarding potable water supply and waste disposal. This Department could incorporate this work into our standard operations. Similarly, verifying water supplies for a cannabis edible manufacturer is similar to verifying water supplies for a retail food facility. Similar comparisons can be made for fuel and hazardous materials handling and storage and waste discharge management. Staff training and program development needs in these areas would be minimal.

However, some of the skills needed by Department staff are outside their current scope and practice. Regulation of cannabis manufacturing businesses presents a number of questions, issues and challenges. California statutes and regulations provide guidance on cannabis activities such as cultivation and manufacturing, but numerous cannabis bills are currently being considered by the legislature. At this time, it is not clear what roles and responsibilities state agencies may have and what may be delegated to local agencies. Using the existing retail-wholesale food safety oversight system as a comparison, state agencies provide oversight at the wholesale level and establish retail standards, but enforcement of those retail standards is the responsibility of local agencies. A similar model can be expected for cannabis regulation.

Accordingly, this Department will likely be responsible for cannabis edibles safety and foodborne or other illness prevention. Roles may include preventing contaminants such as mold or pesticide residues from reaching consumers; ensuring consistent dose and/or concentration of cannabinoid by product or serving; confirming appropriate labeling and packaging standards for takeout sales; ensuring proper temperature control and processing for potentially hazardous foods (those foods that are able to support harmful bacteria growth); enforcing employee standards such as excluding sick employees from handling or preparing cannabis products; and confirming recordkeeping and the ability to trace back cannabis additives in case of recalls or outbreaks. For any of these new local roles and responsibilities, none of this Department's staff are trained or ready to administer these responsibilities.

Another likely role for this Department will be responding to complaints. As with any regulatory program, those businesses that comply with the regulations expect their competitors to do the same. If they pay the fees, submit applications, subject themselves to inspections and other oversight, they have a right to expect and often demand that the regulatory agencies hold everyone to the same standard. A level playing field is maintained by responding to, investigating, and correcting complaints of non-compliance. In a start-up industry that has not previously been regulated, the number of complaints could be substantial. This Department anticipates coordinating with other local agencies on this responsibility, but for the purposes of this report, it is assumed that these duties will be primarily the responsibility of a Code Enforcement Officer or some other local agency.

Fiscal Impacts

In order to assess the fiscal impacts to this Department, it is necessary to take the roles and responsibilities identified above and make some assumptions on the level of business interest this Ordinance might generate if enacted. One key assumption is regarding the number of cannabis-related permits or activities that may be requested. While the Ordinance caps the number of permits allowed based on activity type (cultivation, dispensary, nursery, etc.) and by 'district' (which is not defined in the Ordinance), there is no way to know how many applications for each

activity may be requested. For the purposes of this report, the total number of possible cannabis permits is taken from the Planning Department's review and analysis of the Ordinance and this total is 151 permits.

Given this total, this Department would likely have oversight roles and responsibilities with most of these, including: 50 Cultivation Permits; 5 Dispensary Permits; 2 Testing Permits; 10 Microbusiness Permits (which can include cultivation, distribution, manufacturing and retailing); 5 Manufacturing Type 6 (cannabis extraction) Permits; and 5 Manufacturing Type N (cannabis edible or infusion) Permits. It should be noted that there is no limit on the number of cannabis festival permits in the Ordinance.

Even when assimilating the new cannabis workload into existing processes and workflows where feasible, the demand on this Department's staff time to process and administer this number of permits could be significant. This Department currently regulates approximately 200 hazardous materials businesses, and this requires one full time equivalent (1.0 FTE) field staff to administer. Since those hazardous materials requirements would be similar for cultivation businesses, the staff requirements should be comparable. The total number of permissible cultivator permits under this Ordinance is 60 (50 cultivators and 10 microbusinesses which are also authorized to cultivate), which would be a 30% increase in workload or 0.3 FTE.

Similarly, the 20 total manufacturing permits (10 microbusinesses, 5 Type 6 and 5 Type N) present complexities outside this Department's normal work, but are similar to retail food regulation. 20 new manufacturing permits could represent an increase of approximately 10% in the food facility work load or 0.1 FTE. Conservative estimates for the other cannabis work including water supply verification, waste discharge oversight, and cannabis waste composting and disposal would add an additional 0.1 FTE. At the journey-level field inspector salary, this equals approximately $45,000.

In addition to ongoing salary costs, program startup and staff training cost should also be anticipated. Furthermore, a budget for travel for field inspections, office supplies for inspection forms, electronic data base management costs and other program support services should be included. These costs are estimated at approximately $5,000 annually.

Summary

I estimate that this Department will need one additional half-time field staff to implement the Ordinance as written. This estimate assumes existing administrative staff can assimilate cannabis work into existing processes, and certain economy of scale benefits can be realized by integrating cannabis activities such as plan review, permitting and inspection into existing Department workflows.

This estimate accounts for only limited enforcement activities. Primary enforcement would be the responsibility of a Code Enforcement Officer. This estimate also does not account for cannabis festival activities, which are not limited by the Ordinance, so could prove to require additional time and resources to permit and inspect.

Accordingly, the total cost to this Department to implement the Ordinance if adopted is estimated to be $50,000.

PLUMAS COUNTY BUILDING DEPARTMENT

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REPORT ON THE IMPACT FROM THE MEDICINAL AND ADULT CANNABIS USE BALLOT INITIATIVE ON BUILDING DEPARTMENT OPERATIONS

SEC. 11-3.103 The purpose and intent of this Ordinance is also to mitigate conditions that create public nuisances, by enacting regulations including restrictions as to location, type and size of cannabis cultivation sites, the location, type and size of commercial activities involving cannabis and the use of adequate screening, security and other protective measures to effectively control the adverse impacts associated with cannabis cultivation and commercial activities related to cannabis.

Assumption: By acknowledging that one of the intents of the initiative is to mitigate nuisances it also acknowledges that nuisances can be created by commercial cannabis activities thereby creating an increased workload on the Code Enforcement Officer. This could cost the Department additional hours dealing with nuisances generated by commercial cannabis activities. Depending on the work load it could become necessary for the Current Officer to work over time or hire an additional Officer adding more demand on the budget.

õEC. 11-5.102 "Accessory Structure" means a structure that is incidental and subordinate to the principal building on the property and is physically detached from the principal building. Accessory structures must be on the same property as the building or use to which they are accessory.

Assumption: Accessory structure is only defined in the 2016 California Residential Code it is not defined in either the 2016 California Building code used for commercial or in County Ordinance other than Title 8 Chapter 1 Section 8-1.02. - Amendment of Section 105 of the California Building Code: Permits Required. The Building Official may issue a special "no fee permit" for the following: (1) one-story detached accessory buildings used as tool and storage sheds, playhouses, and similar uses, when the floor area exceeds 120 square feet but does not exceed 200 square feet. This initiative is for commercial cannabis activity not residential so the 2016 CBC would apply and accessory structures to a commercial use would not be permitted. Each structure used for cannabis growth, processing, product manufacture or sales or incidental to any commercial use would be required to have a building permit with a defined use in accordance with 2016 CBC Chapter 3 "use and occupancy classification" and comply with all applicable sections of the California State codes as adopted by the County of Plumas.

SEC. 11-5.124 "Dwelling" for the purposes of this chapter, means a building intended for human habitation that has been legally established, permitted and certified as a single family or multi family dwelling.

Assumption: For commercial cannabis allowed in zones also allowing single or multi family dwelling this initiative section could require that any existing dwelling unit on the property be "certified" by means of doing a permit search through the County permit archives. The time involved to do this is on average thirty (30) minutes. It would add additional work load on staff without any fee defined in this initiative to pay for that time. If a dwelling unit was found to not be legally established, more staff time could be involved through Code Enforcement, permitting, plan review, and inspections.

SEC. 11-5.127 "Greenhouse" means a completely enclosed structure whose structural members are made of preformed ridged construction materials. The walls roof and ends are typically covered using a translucent material that is fixed in place, which allows solar radiation to penetrate the surface and affect the growing of the plants inside.

SEC. 11-5.129 "Indoors" means within a fully enclosed and secure structure that complies with the California Building Code (CBC), as adopted by the County of Plumas, that has a complete roof enclosure supported by connecting walls extending from the ground to the roof, and a foundation, slab or equivalent base to which a floor is securely attached.

Assumption: There is no definition for structure in the initiative sections 11-5.127 or 11-5.129 so the definition for structure would be the definition used by both the 2016 CBC and the California Health and Safety Code 18908. Under the CBC and HSC a building is the result of which has been built or constructed as a "structure" and therefore would require permits for both the building and any other elements required to occupy the building in accordance with the use and occupancy classification as determined by 2016 CBC Chapter 3. This would require that all buildings to include greenhouses would require building permits from the County of Plumas. This would create additional staff time but those costs are currently accounted for with the current building permit fees. The exception would be that the current County amended CBC section 105 allows for no fee permit for "agricultural buildings" (defined in Section 202-A) subject to Appendix C of the California Building Code, only if such a building is to be located on a parcel of land equal or exceeding 20 acres zoned to allow agriculture, animal husbandry, or horticulture. The amended section does not release the applicants proposed building from having to go through plan review or inspection for compliance with structural design criteria, building, fire, electrical, mechanical, or plumbing code compliance. If the building meets the criteria for a no fee permit there will be a loss of revenue due to the time lost in Admin, plan review and inspections. Since the amended section has no limit on the number of buildings under appendix C this could be a substantial loss of staff time in the review and processing of these no fee permits.

Health and Safety Code – HSC DIV 13, Part 2.5, Chapter 1, Article 2 Definitions - 18908.

(a) "Building" means any structure used for support or shelter of any use or occupancy. "Structure" means that which is built or constructed, an edifice or building of any kind or any piece of work artificially built or composed of parts joined together in some definite manner, except any mobile home as defined in Section 18008, manufactured home, as defined in Section 18007, special purpose commercial coach, as defined in Section 18012.5, and recreational vehicle, as defined in Section 18010.

(b) "Building" includes a structure wherein things may be grown, made, produced, kept, handled, stored, or disposed of.

(c) All appendages, accessories, apparatus, appliances, and equipment installed as a part of building or structure shall be deemed to be a part thereof.

(d) "Building" does not include machinery, equipment, or appliances installed for manufacture or process purposes only, any construction installations which are not a part of a building, or any tunnel, mine shaft, highway, or bridge. https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=18908.&lawCode=HSC

SEC. 11-5.142 "Nonvolatile solvent" means any solvent used in the extraction process that is not a volatile solvent. Nonvolatile solvents include carbon dioxide and ethanol.

Assumption: Both OSHA and the NFPA list carbon dioxide as a cryogenic. Carbon dioxide is a colorless and odorless gas. It can also be a solid (dry ice), which will undergo sublimation and turn back into carbon dioxide gas, or a cryogenic liquid. CO_2 is miscible with water and is not flammable or toxic but can be an asphyxiate gas and displace oxygen. It has a UN number of 2187 as a cryogenic and 1013 as a compressed gas. The NFPA 704 designation is Health-3, Flammability-0 and Reactivity-0. It is used primarily in carbonated beverages and fire extinguishing systems. When responding to fires involving liquefied gas tanks, firefighters often apply water to cool the tanks. Cryogenic liquids are already colder than

water at any temperature and water will act as a superheated material, causing the cryogenic to heat up and vaporize faster. This will cause pressure to build up inside the tank and the tank may fail violently. The 2016 CBC Chapter 3, Table 307.1 (1) does not limit the quantities of inert cryogenic gases or liquids or require a hazardous occupancy classification but both OSHA and the NFPA have requirements that must be complied with for storage and handling of cryogenic materials. https://www.ccohs.ca/oshanswers/chemicals/cryogenic/cryogen1.html

Ethanol is listed by OSHA and the NFPA as a Class 1B flammable liquid. Ethanol is a volatile, colorless liquid that has a slight odor. It burns with a smokeless blue flame that is not always visible in normal light. The physical properties of ethanol stem primarily from the presence of its hydroxyl group and the shortness of its carbon chain. Ethanol's hydroxyl group is able to participate in hydrogen bonding, rendering it more viscous and less volatile than less polar organic compounds of similar molecular weight, such as propane. The use and storage for Class 1B flammable liquids is regulated by both OSHA 1926.52 and NFPA 30. The 2016 CBC Chapter 3, Table 307.1 (1) has strict limits on the quantities of class 1B flammable liquids and if those quantities are in excess what Table 307.1 (1) allows that the occupancy classification must be either High Hazardous Class H-2 or H-3. With the an H-2 or H-3 the quantities of liquid can go over what is allowed in the table provided one of the applicable Table 307.1 (1) foot notes is also complied with. The NFPA 30, California Building Code, California Fire Code, California Electrical Code and California Mechanical Code all have higher restrictions on building construction, electrical and mechanical system requirements in relation to high hazard occupancies that must also be met. https://www.nfpa.org/codes-and-standards/all-codes-and-standards/list-of-codes-and-standards/detail?code=30

Though the initiative section 11-5.142 states that ethanol is a "nonvolatile solvent" County personnel are required to also enforce as-adopted State Building Code regulations with referenced National standards that are more restrictive than proposed initiative section 11-5.142. This could create a higher demand on County personnel to regulate and monitor hazardous materials. The cost of compliance for any new buildings would be paid for with the required Building permit fees, but the cost of compliance for any existing buildings currently would not unless an abatement order was granted so the costs of such action could be recuperated under Plumas County Code Title 8 Chapter 19, section 8-19.02.

SEC. 11-5.163 "Volatile solvent" means any solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures.

Assumption: Ethanol as referenced in imitative section 11.5.142 "Nonvolatile solvent" is classified by OSHA and the NFPA as a class 1B flammable liquid that can give off a low flash point explosive and ignitable vapor when present in the air in sufficient quantities. The OSHA, NFPA and California Building Codes, since more restrictive, and accurate to the chemical nature of a Class 1B flammable liquid should be enforce, therefore negating ethanol for use as a "nonvolatile solvent" per the proposed Ordinance's definition of a "Volatile solvent" This could also have an effect on proposed ordinance Sections 11-7.113, 11-13.3.102 "Type 6" (Manufacturer level 1), and Section 11-13.3.109 "Type 12" (Microbusiness) that is also to be a level 1 Manufacturer both allowing the use of a "Nonvolatile solvent"

SEC. 11-5.153 "Public View" shall mean as viewed at street level, without the use of a ladder or similar device, from any place the general public has a lawful place to be.

SEC. 11-14.3.118 All licensees shall maintain a seven (7) foot tall fence if cultivation is in any public view or if neighboring parcel can view cultivation site from street level. It must be constructed of a material and strength that reasonably prevents against access by trespassers and adequate screening to prevent the cannabis plants from being viewed.

Assumption: The current Plumas County Ordinance general requirement on fences is as follows:

Title 9, Chapter 2, Article 4, Section 9-2.407 Fences

(a) Fences not over six (6') feet in height may be built anywhere on a property.

(b) Fences within ten (10') feet of a front line shall be no more than four (4') feet high on parcels zoned 2-R, 3-R, 7-R, or M-R.

(c) Fences not over eight (8') feet in height may be built any-where on a property zoned industrial.

(d) Fences not over eight (8') feet in height not in an industrial zone may be built subject to the yard requirements.

There is nothing in the above zoning code that defines where the height of a fence is to be measured from. Only Sec. 9-6.02. in Chapter 6 (Open Ranges) of Title 9 mentions four (4') feet above the surface of the ground in relation to 3 wire barbed wire fences but does not define where ground surface is to be measured from. There was a Code Enforcement action taken a few years ago due to a complaint about a fence that was well over the six (6) feet height as measured from the adjacent grade. Eventually there was a planter built in front of the fence at a height that reduced the visible portion of the fence from the public way side of the fence but the planter didn't change the overall height of the fence. The current fence ordinance should be revised both for a clear definition where the height of a fence is to be measured from and what is allowable for fencing materials. Revising the Ordinance will require staff time but could greatly reduce future Code Enforcement issues due to fences.

SEC 11-6.102, 103, and 104 Uncategorized License Types

SEC 11-7.103, 104, 105, 106, 108, 109, and 111 Permitted Commercial Cannabis License Types

Assumption: All of the above initiative sections deal with cultivation license types that use either exclusively artificial lighting or a mixture of artificial and natural lighting. All lighting for commercial uses is required to comply with the 2016 California Energy Code Section 110.9. Any new construction for the purposes of cannabis cultivation will require permits and those costs for compliance will be recovered through permit fees. Any existing cultivation sites, if not contacting the Building Department for voluntary compliance and permitting, will require Code Enforcement action costing additional Code Enforcement and Building Department staff time that may or may not be recovered through citation, abatement action or permitting.

SEC 11-7.105 "Type 1B, or specialty mixed light" for cultivation using a combination of natural and supplemental artificial lighting at a minimum threshold to be determined by the licensing authority, of between 2,501 and 5,000 square feet of total canopy size on one premises.

SEC 11-7.111 "Type 3B, or mixed light" for cultivation using a combination of natural and supplemental artificial lighting at a minimum threshold to be determined by the licensing authority, of between 10,001 and 22,000 square feet inclusive, of total canopy size on one premises.

Assumption: Both type 1B and type 3B do not specify as to if they are "indoor" or "outdoor" as described in other initiative sections that define type of cultivation licenses. From a Code Enforcement stand point the Officer would need to know what was allowed on the premises to be able to properly enforce the Ordinance. There could be additional staff time and costs involved through obtaining a legal interpretation of these sections so that they could be properly enforced. There is also the word "inclusive" used for the type 3B license that is not included in the definitions section of the proposed Ordinance. **NOTE:** In reference to all square footage listed as canopy size. When buildings are used for any

of the cultivation license types, square footage will be determined by square foot area within a building foot print or fire area in accordance with the 2016 CBC. Canopy size will be irrelevant for purposes of Building Code analysis for building plan review and permitting.

SEC 11-11.1.1206.8 Attached copy of proposed plans if construction is occurring or is planned to occur upon the property

Assumption: The License applicants must be made clearly aware that by submitting plans for the purposes of licensing it does not absolve them from submitting application and plans to the Departments of Planning and Building Services for review and approval. If the Applicants are not submitting plans for new construction then the existing structure or structures that will be used for cannabis activities under the initiative must be inspected to verify that they are in compliance with all applicable California Building Codes that apply to their use and occupancy. Both the office of the County Clerk and the Building Department will have to use time and resources to determine a way to capture these existing structures so that they can be found to be either in compliance or the applicants are made aware that they must acquire the proper permits to bring the existing structures into compliance.

Article 3 Application specific site requirements

Assumption: There are no sections in Article 3 that mentions the necessity to obtain any building permits or submit to any inspections for any construction activity associated with cannabis cultivation or other use permitted under the initiative. SEC 11-11.3.102 states "inspection" and "county" but does not define what types of inspections or what County Department or Departments is to perform those inspections. SEC 11-11.3.103 states "compliance inspection", but compliance inspection for what? The section only mentions the Agricultural Commissioner as the person doing said inspection. Compliance is a broad spectrum that can be anything from Agricultural, to Building Code, to zoning, to Environmental Health Ordinance compliance. At this time I can only assume that licensees are not required to recognize the requirements of obtaining building permits according to article 3 of this proposed ordinance. There is potential for a great deal of time involved in Code Enforcement activities that could require overtime of the Code Enforcement Officer or possibly the need to hire an additional Officer so that enforcement cases other than those dealing with cannabis cultivation can also be dealt with in a timely manner.

SEC 11-11.4.104 If during the site inspection, violations of any building or health, safety or other state or county statute, ordinance or regulation are discovered, the Applicant shall be required to submit a written plan to remediate, abate, or cure the violations at the earliest feasible date, but in no event more than (1) one year after the date of issuance of the Cultivation Verification; said plan shall be signed by the Applicant, approved by the relevant enforcement agency or agencies and compliance with said plan shall be a condition of the Cultivation verification.

Assumption: The section states "violations of any building or health, safety or other state or county statute, ordinance or regulation" but it gives the "Applicant" the requirement "to submit a written plan to remediate, abate, or cure the violations at the earliest feasible date". Under the current County Ordinances, Code Enforcement policies, and procedures the violator, in this case the "Applicant" is not the one who determines the plan and time line for abatement of a Notice of Non-compliance. Code Enforcement will work together with violators on cases but does not allow them to solely identify the violations or regulate the timeline for reaching compliance as this initiative section states. Typically 30 days is given to abate the violations, more time can be given as things progress given the individual case. If there is little to no action being taken by the violator then Code Enforcement can move onto citations. Then, if citations are not paid, and compliance is still not remedied, the process moves onto abatement. The time frame to go from first Notice of Non-compliance to a court ordered abatement can take as little as 3 months with provisions. I would assume that since the County has more restrictive Ordinance in place for Code Enforcement than this initiative section gives that the County

Ordinance would be enforceable, but I would request an official determination to that effect from County Counsel before proceeding. Doing so would cost additional time for both the Code Enforcement Officer and County Counsel in addition to any possible litigation being brought against the County for enforcing existing County Abatement Ordinance over that of the initiative section.

SEC 11-14.3.115 All indoor, and mixed light cultivation operations and any drying, aging, trimming, and packaging facilities shall be equipped with odor control filtration and ventilation system (s) to control odors, humidity, and mold. All cultivation sites shall utilize dust control measures on access roads and all ground disturbing activities.

Assumption: Permits are required for all mechanical systems, and due to the nature, being both commercial and dealing with interior environmental controls any mechanical systems shall be required to be designed by a California State registered Mechanical Engineer. There shall also be a final air balance report required, certified by a California State registered Mechanical Engineer in compliance with the 2016 California Mechanical Code as adopted by the County of Plumas. The initiative definition section 11-5.129 states that "indoors' as referenced in section 11-14.3.115 is in short a fully contained "structure" that complies with the CBC that would also make it a "building" in accordance with the CBC and the HSC 18908. A "greenhouse" as referenced in initiative section 11-5.127 is also a fully enclosed structure and as such under both CBC and HSC definitions would be considered a building for purposes of enforcement. Both indoor and greenhouses will be required to comply with initiative section 11-14.3.115 for ventilation systems. There are references to codes in the initiative but, little on specific codes. Throughout the initiative I have not found any reference to obtaining any of the required permits for that work from the Building Department. I feel that more time will be spent through code enforcement action rather than building permit operations.

SEC 11-17.1.101 If the Agriculture Commissioner's office determines that a Licensed cultivation site does not comply with the requirements established by this Title, the inspector shall serve a "Notice of Non-Compliance to the Licensee with a written statement identifying the items not in compliance. The Notice of Non-Compliance may suggest actions(s) that the Licensee may take to cure the noncompliance(s).

SEC 11-17.1.102 If the Agriculture Commissioners office, Code Enforcement, or Sherriff's Department determines that a Licensed non-cultivation site does not comply with the requirements established by this Title, Code Enforcement or the Sherriff's Department shall serve a "Notice of Non-Compliance to the Licensee with a written statement identifying the items not in compliance. The Notice of Non-Compliance may suggest actions(s) that the Licensee may take to cure the noncompliance(s).

Assumption: According to initiative section 11.17.1.101 only the Agriculture commissioner will have the authority to conduct compliance enforcement requirements of the title on cultivation sites. Initiative section 11-17.1.102 only gives the enforcement agencies listed the ability to enforce the violations of the requirements of the title and those requirements on a "non-cultivation site" they are not permitted to conduct compliance operations on cultivation sites by initiative. Being that there have not been any references to acquiring any of the required permits associated with a commercial business found throughout the initiative title, there could a considerable amount of time lost in determining what authority the Code Compliance Officer has to enforce current County Ordinance over the initiative. Doing so would cost additional time for both the Code Enforcement Officer and County Counsel in addition to any litigation being brought against the County for enforcing existing County Abatement Ordinance over that of the initiative section.

SUMMARY

The cannabis cultivation initiative could create a great deal of time to be spent by both by the Building Department and Code Enforcement staff with little in the initiative detailing how those costs are to be recovered with reference to any existing County Ordinance dealing with Code Enforcement. I have found inconsistencies and contradictions between sections in this initiative that could also create a loss of time to correct or mitigate with no language built in to recover those costs for the County. In numerous sections, no mention was found that any permits will be required through the Building Department for the structures referenced throughout the initiative. That could require an increased amount of time on the Code Enforcement Officer and Building Department staff to investigate and enforce. I would assume that the existing County Ordinances in regards to Building and Compliance would still be enforceable, but also feel that given the wording of some these initiative sections that some Licensees may challenge that authority, in turn consuming more time from County Department staff to mitigate.

The closest estimates I could give for additional time for Code Enforcement would be an additional 10 hours minimum a week for just cannabis related activities at $42.48 per hour or $22,089 per budget, but could go as high as $ 88,681 per budget if the County needed to add an another Officer. Those costs do not include vehicle maintenance, fuel or other incidental office costs, and possibly an additional vehicle. Other office staff could also be impacted by Code Enforcement actions in the forms of the Director, Plans Examiner, or Building Inspectors providing Building Code inspection support, and code consultation. The Building Permit Technicians and the Fiscal Officer could be impacted in administration support roles to the Code Enforcement Officer and researching parcel history for building permits. Because of the higher demands placed on all Building Department staff providing support to Code Enforcement due to this initiative it could cause delays with other Department functions. A conservative estimate for the cost of additional Department staff time could be an additional impact of $30,000 per budget. If the Department had to add another Permit Technician to keep up with time demands that could be an additional $57,660 per budget.

Charles White

Director of Building Services

County of Plumas

Plumas County Public Health Agency

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Honorable Supervisors,

At the request of the Plumas County Board of Supervisors, and on behalf of the Plumas County Public Health Agency (PCPHA), I am providing you with a draft report regarding the potential effects of the passage or adoption of the Bunch-Scales-Scott Ordinance/cannabis initiative. I have made some assumptions which I will define below.

Assumptions: The adoption of the ordinance, by the Supervisors or by voters, would increase community level access to cannabis. This increased access to cannabis may affect the number of individuals (by more or less) seeking medical marijuana identification cards from PCPHA. The ordinance may provide increased access to cannabis by residents vulnerable to the negative health effects from its use. The ordinance may increase access to cannabis to residents for whom its use may have a medicinal purpose. It is not known whether increased community access would result in use among residents not already using cannabis.

Background: PCPHA's mission is to promote and protect individual and community health and well-being. We do this through innovative partnerships, public planning and policy, and ensuring access to respectful services.

After the passage of SB 420, codified as California Health and Safety Code section 11362.7, PCPHA issues medical marijuana identification cards to qualified individuals so that they may use cannabis for approved medical purposes. In 2015, PCPHA issued 13 cards. In 2016, PCPHA issued 10 cards. In 2017 PCPHA issued 4 cards. As of May 11, 2018, PCPHA has issued 1 card . Since the passage of Prop 64, "The Adult Use of Marijuana Act," medical marijuana identification card applications through PCPHA have declined.

PCPHA screens all family planning clients and Feather River College athletes for cannabis use and offers referrals to Behavioral Health if needed. On occasion, referrals to Behavioral Health are given to home visiting clients related to cannabis use.

PCHPA administers youth prevention programs that focus on youth drug use associated with higher morbidity and mortality (opioids and alcohol) than seen with cannabis use. However, interventions, services and programs currently implemented are known to reduce risky behaviors, including the use of cannabis. The Friday Night Live, Club Live and LifeSkills programs work with youth ages 11 to 18 to help them make healthy choices, by increasing protective factors and decreasing risk factors. Youth in these groups also focus on traffic safety education and the issue of driving under the influence of alcohol and other drugs. Passage or adoption of the ordinance may have an effect on the demand for these types of prevention efforts.

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Every 4 years, PCPHA engages in a Community Health Assessment (CHA) and a Community Health Improvement planning process (CHIP). Although cannabis was not cited specifically in the 2016 CHA, drug use in general was named by youth focus group participants as a leading concern, and community perception exists that a lack of activities for youth in the community may lead to drug use among youth[1]. A key part of the CHIP process each cycle is a quantitative prioritization process among steering committee members. The top ten issues identified in the 2017 CHIP as priorities to address to improve the health of Plumas County are as follows, in order of importance: 1) recruitment and retention; 2) Alcohol, Tobacco and other Drugs; 3) Mental Health; 4) Chronic Disease; 5) Senior Care; 6) Transportation; 7) Employment & Economy; 8) Children's Oral Health; 9) Youth; and 10) Multi-sector Collaboration[2].

Impact of ordinance adoption or passage to PCPHA: It is not possible to predict either an increase or decrease in demand for issuance of medical marijuana identification cards. PCPHA charges the allowable fee under state law. This cost covers the time it takes staff to verify the validity of the cannabis prescription and issue the identification card. No fiscal impact is expected due to potential demand changes for this service.

Prevention efforts with youth, family planning clients and pregnant women will continue by PCPHA staff regardless of ordinance passage or adoption. It is not possible to predict whether increased prevention efforts will be needed, but passage or adoption of the ordinance may have an effect on the demand for these types of prevention efforts. PCPHA does not have additional funds to use should an increase in prevention activities be needed.

Impact to community public health: Cannabis use has known negative health effects for youth and pregnant women (Fact sheets 1-5). The California Department of Public Health (CDPH) California Cannabis Health Information Initiative (CCHII) summarizes the available research in a series of publicly available fact sheets included as appendices in this report. A CDPH CCHII fact sheet has been published related to the laws and Health and Safety code pertaining to medicinal use of cannabis (Fact sheet 6). This fact sheet is included in the appendix as well.

Citations:

1. 2016 Plumas County Community Health Assessment. http://countyofplumas.com/index.aspx?NID=2074
2. 2016 Plumas County Community Health Improvement Plan. http://countyofplumas.com/index.aspx?NID=2074

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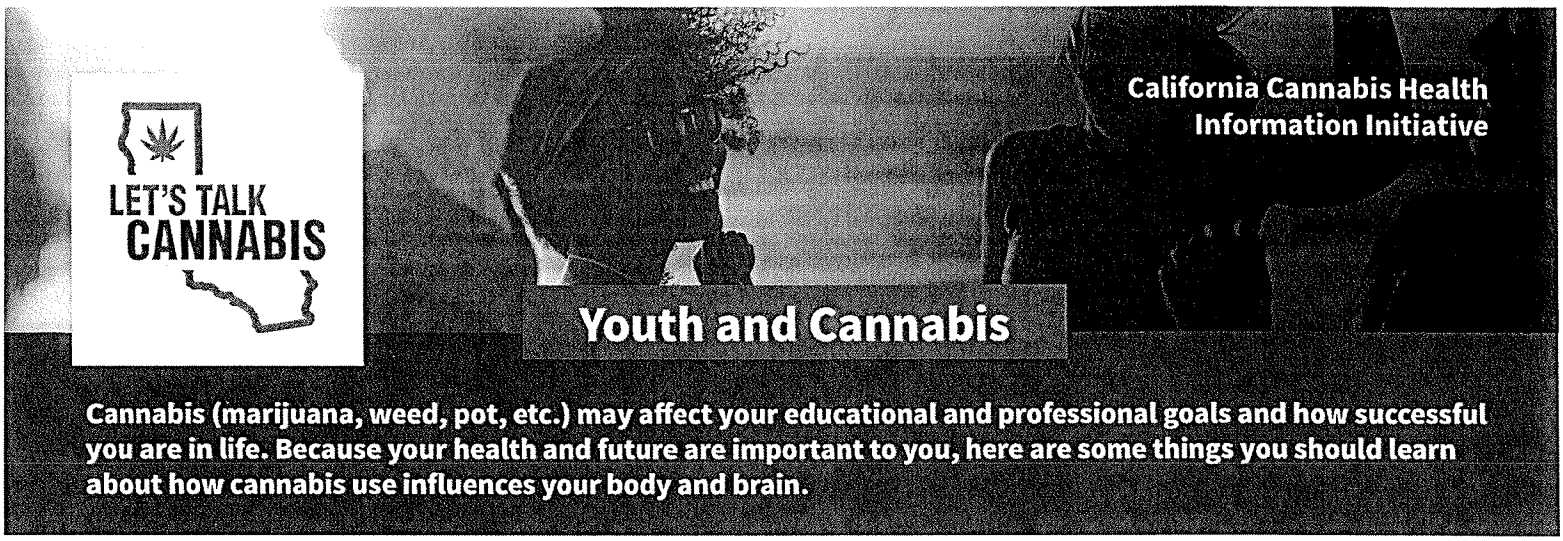
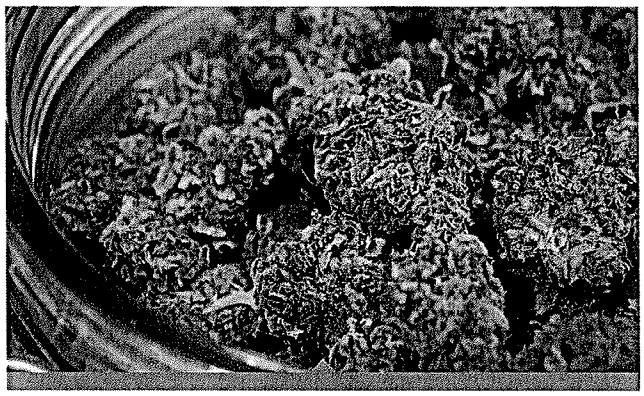
Fact sheets:

1. CDPH Fact Sheet: Youth and Cannabis. Updated October 2017.
2. CDPH Fact Sheet: Responsible Use of Cannabis. Updated October 2017.
3. CDPH Fact Sheet: Cannabis Information for Health Care Providers. Updated October 2017.
4. CDPH Fact Sheet: Pregnant and Breastfeeding Women and Cannabis. Updated October 2017.
5. CDPH Fact Sheet: What Parents and Mentors Need to Know about Cannabis. Updated October 2017.
6. CDPH Fact Sheet: Medicinal Use Cannabis. Updated October 2017.



Youth and Cannabis

Cannabis (marijuana, weed, pot, etc.) may affect your educational and professional goals and how successful you are in life. Because your health and future are important to you, here are some things you should learn about how cannabis use influences your body and brain.



Cannabis Affects Your Health

- Like cigarettes, smoking cannabis is harmful to your lungs. The smoke from cannabis has many of the same toxins and chemicals found in cigarette smoke, and when inhaled it can increase your risk of developing lung problems.[1,2]
- The way cannabis is grown has changed and some plants now have higher levels of THC. High levels of THC can lead to poisoning, especially with edibles like cookies.[3,4,5]
- Regular cannabis use has been linked to anxiety, depression, and suicide, especially for teens with a family history of mental illness.[6,7,8]
- Cannabis use increases the risk of schizophrenia, although it is not common. The more cannabis you use, the higher the risk.[9]
- Using cannabis as a teen can lead to cannabis dependence and increase your risk for using or abusing other substances and illegal drugs.[10,11]

Cannabis Affects Your Brain

- Your brain is still developing. Using cannabis regularly in your teens and early 20s may lead to physical changes in your brain.[12]
- Research shows that when you use cannabis your memory, learning, and attention are harmed. Some studies suggest a permanent impact as well.[13]

Most Teens Are Not Using Cannabis

- In 2016, most high school students in California reported they were not using cannabis. Only about 15 percent (less than 1 in 5) reported using cannabis in the past 30 days.[14]

Cannabis Impacts Your Goals

- The harmful effects of cannabis on your brain may impact your educational and professional goals and how successful you are in life.[15] Research shows that if you start using cannabis before you are 18 or use cannabis regularly you may be at higher risk for:
  - Skipping classes [16]
  - Getting lower grades [11]
  - Dropping out of school [17]
  - Unemployment or not getting the job that you'd like to have [17,18]

Cannabis Affects Your Driving

- Cannabis can negatively affect the skills you need to drive safely, including reaction time,

Under California law, adults 21 or older can use, carry, and grow cannabis (marijuana, weed, pot, etc.). Buying cannabis (without a valid physician's recommendation or a county-issued medical marijuana identification card) will become legal under California law for adults 21 or older on January 1, 2018. Use of medicinal cannabis is legal under California law if you have a valid physician's recommendation or a valid county-issued medical marijuana identification card. To buy medicinal cannabis, you must be 18 or older and have either a valid physician's recommendation, a valid county-issued medical marijuana identification card, or be a Primary Caregiver as defined in Health and Safety Code Section 11362.7(d) or 11362.5(e), with a valid physician's recommendation for the patient. In addition, consistent with the Compassionate Use Act, you may possess or cultivate any amount that is reasonably related to your current medical needs. The new California law, known as the Medicinal and Adult-Use Cannabis Regulation and Safety Act[21], includes information about where you can use cannabis, how much you can possess, and the penalties for illegal use. For more information, visit: https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB94.

California Department of PublicHealth

coordination, and concentration.[19]

- Driving under the influence of cannabis increases your risk of getting into a car crash.[20]

If You Break the Law

- If you are under 21 and caught in possession of cannabis you will be required to complete drug education or counseling and community service (unless you have a valid physician's recommendation or a valid county-issued medical marijuana identification card).[21]

LET'S TALK CANNABIS
http://bit.do/letstalkcannabis
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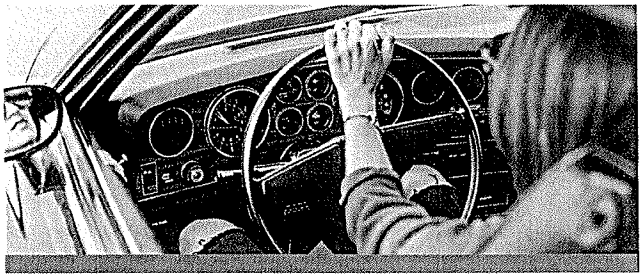
Responsible Use of Cannabis

Consuming cannabis (marijuana, weed, pot, etc.) can be risky, depending on how you use and what you do afterward. Here is important information to help you avoid harming yourself and others.



Be Safe

- Driving under the influence of cannabis is illegal and increases your risk of getting into a car crash.[1,2]
- If you smoke or vape cannabis you may feel the effects right away, but it can take between 30 minutes and two hours to feel the effects of edibles. Edibles may have higher concentrations of tetrahydrocannabinol (THC, the active ingredient in cannabis). If you eat too much too fast, you are at higher risk for poisoning.[3]
- Smoke from cannabis contains many of the same toxins and chemicals found in tobacco smoke and inhaling it can increase your risk of developing lung problems.[4,5]
- If you are pregnant or breastfeeding, or plan to become pregnant soon, leading doctors' organizations recommend that you do not use cannabis.[6,7]
- Young people who use cannabis regularly can harm their memory and ability to learn. There is also a greater risk for depression, anxiety, and schizophrenia.[8,9,10,11]
- Even though it is legal under California law, employers can prohibit the use of cannabis by employees. Know your workplace cannabis policies.[12]
- Protect your pets. Store cannabis safely out of reach of dogs, cats, and other animals. If you think your pet may have eaten cannabis, call your veterinarian.[13]

Keep Children Safe

Cannabis affects children more strongly than adults. Children are at higher risk for poisoning from cannabis, especially with edibles.[14] Here are some safe practices you need to know.

- Store all cannabis products in a locked area. Make sure children cannot see or reach the locked area. Keep cannabis in the child-resistant packaging from the store.
- Never use cannabis around children.
  - When you are using cannabis, make sure an adult who can look after your children is nearby.
- Secondhand cannabis smoke contains THC and other chemicals that can affect the health of children.[15,16]
- If you think a child may have ingested cannabis, call the local Poison Control Center at 800-222-1222. If you think a child needs immediate medical help, call 911.

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High THC Levels

- The way cannabis plants are grown has changed over the past few decades. Many plants now contain higher amounts of THC. The higher the THC content, the stronger the effects on your brain and behavior.[17,18,19]
- Higher levels of THC may result from newer methods of using cannabis like dabbing, vaping, and/or consuming edibles.[19]
- High concentrations of THC are not fully understood, but can impair your judgement and coordination, and lead to poisonings, car crashes and other injuries. It can also increase your risk for acute psychosis.[1,20,21,22]

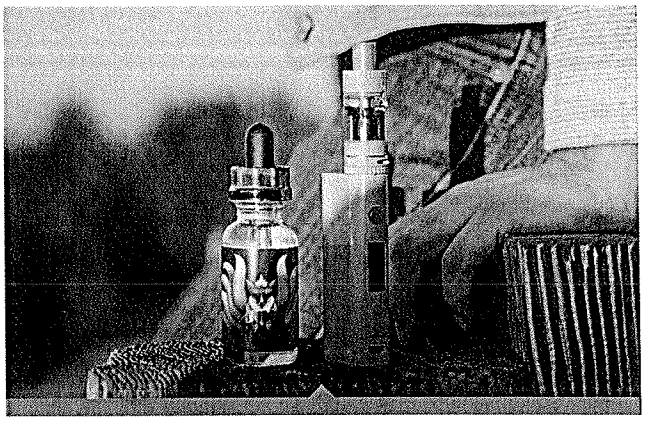
Everyone Reacts Differently

- You may react differently to cannabis than other people, depending on which method you use, how strong the cannabis is, your gender and previous experience with cannabis or other drugs.[23]
- Start with less than a single dose (less than 10 mg of THC) then wait before you use more.[24,25]
  - Even a single dose of THC may impair your ability to drive, bike or do other activities, especially if you are a new cannabis user or just use once in a while.[26,27]

Vaping and Concentrates

Researchers do not fully understand how using cannabis with vaporizers or using concentrated forms like waxes and oils affects your health. However, we do know:[28]

- Vaporized and concentrated cannabis can have a lot more THC, which increases the risk of poisoning.[29]
- The tools and high temperatures used for vaporizing cannabis may expose you to toxic substances.[29]



Synthetic Cannabinoids

- Synthetic cannabinoids (K2, spice, spike) are not actually cannabis, but are made from another type of plant and sprayed with chemicals produced in a laboratory.[27,30]
- Synthetic cannabinoids affect your brain more powerfully than cannabis, and may result in nausea, anxiety, paranoia, brain swelling, seizures, hallucinations, aggression, heart palpitations or chest pains.[31,32]
- If someone you know has used synthetic cannabinoids and needs help, take the following steps:
  - Call 911 immediately if the person stops breathing, collapses, or has a seizure. These symptoms can be life-threatening and require immediate medical attention.
  - Call your Poison Control Center at 800-222-1222.

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California Cannabis Health Information Initiative

Cannabis Information for Health Care Providers

Research shows that cannabis (marijuana, weed, pot, etc.) use during pregnancy or breastfeeding can have negative health impacts on developing fetuses and infants. There are also harmful impacts on the health and well-being of youth when cannabis is consumed during adolescence. Here are recommendations from professional organizations serving pregnant women, their infants, and children, as well as key data and information from scientific research on the health risks associated with cannabis use.

Using Cannabis During Pregnancy is Not Recommended

- The American College of Obstetricians and Gynecologists recommend women who are pregnant or contemplating pregnancy should be encouraged to discontinue use of cannabis.[1]
- If a pregnant patient is already using cannabis for medicinal purposes, use should be discontinued in favor of an alternative treatment shown to be safe during pregnancy.[1]
- Possible negative effects of using cannabis during pregnancy include fetal growth restriction and low birth weight.[2]
- Research has demonstrated that cannabis use may increase the chance of having a stillbirth.[3,4]
- Evidence indicates cannabis use during pregnancy, or while breastfeeding, can affect infant neurodevelopment.[5,6]

Using Cannabis While Breastfeeding is Not Recommended

- The American Academy of Pediatrics and other professional organizations recommend that women do not use cannabis while breastfeeding.[7,8]
- Regardless of the method of consumption (smoking, vaping, eating, or drinking), the active ingredient in cannabis, tetrahydrocannabinol (THC), is present in the breast milk of women who use cannabis and is transmitted to infants who nurse.[9,10]
- Infants exposed to breast milk that contains THC may have trouble nursing because of sedation, reduced muscular tone, and poor sucking ability.[11]

How Cannabis Affects Children and Youth

- The American Academy of Pediatrics recommends infants not be exposed to cannabis, given research demonstrating it may have negative effects on health and brain development.[12]
- Secondhand smoke from cannabis products entering the lungs of infants and children contains THC as well as many of the same chemicals as tobacco smoke.[13,14]

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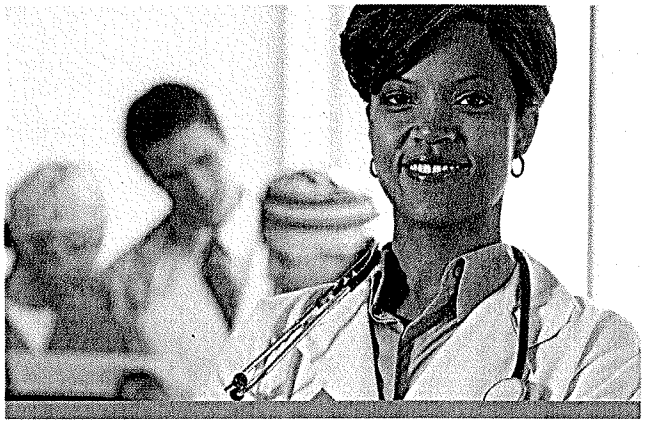
- The way cannabis plants are grown has changed over the past few decades. Many plants now contain higher amounts of THC. The higher the THC content, the stronger the effects on your brain and behavior.[15,16,17]
- Since the brain is still developing into the mid-20s, using cannabis during adolescence can negatively affect the developing brain, leading to short-term and long-term consequences. Such consequences may jeopardize educational, professional, and social achievements.[18]
- Research shows that youth who use cannabis before age 18, or use cannabis regularly, may be at higher risk of:
  - Skipping classes[19]
  - Lower grades and an increased risk of dropping out of school[20,21]
  - Unemployment or having less fulfilling jobs later in life[21,22]
- Cannabis use in adolescence can lead to addiction and increase the risk of use or abuse of other substances and illegal drugs.[20,23]

Cannabis Use May Affect Youth Mental Health

- Regular cannabis use has been linked to anxiety, depression, suicidal thoughts and attempts, and death by suicide, especially for teens with a family history of mental illness.[24,25,26]
- Although rare, cannabis use also increases the risk of schizophrenia and other psychoses, with the highest risk among those who use cannabis more frequently.[27,28]

Communicate with Your Patients

- It is important to ask your patients about their cannabis use and provide information, without judgment, about safety concerns and referral for treatment if needed.
  - More than 1 in 10 pregnant and non-pregnant women reported using cannabis in the past 12 months.[29]
  - In 2016, less than 1 in 5 high school students in California reported using cannabis in the past 30 days.[30]
  - Both groups reported beliefs that there is slight or no risk of harm from using cannabis once or twice a week.[31,32]
- As acceptance of cannabis use increases, it is important to counsel pregnant women on the potential medical consequences of use during pregnancy.[33,34]



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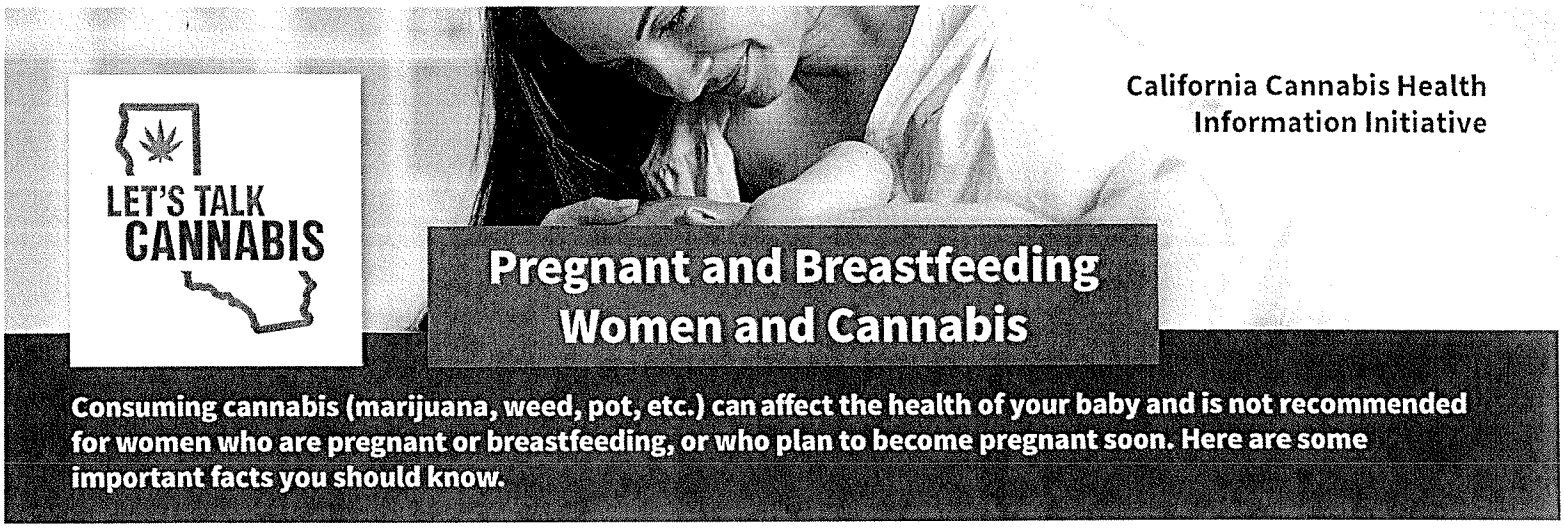


California Cannabis Health Information Initiative

Pregnant and Breastfeeding Women and Cannabis

Consuming cannabis (marijuana, weed, pot, etc.) can affect the health of your baby and is not recommended for women who are pregnant or breastfeeding, or who plan to become pregnant soon. Here are some important facts you should know.

Cannabis Can Harm Your Baby

- Research shows that if you use cannabis while you are pregnant or breastfeeding:
  - Your baby may be born with a lower birth weight.[1,2]
  - A low birth weight baby is more likely to have health problems, especially in the first year of life.[3]
  - The growth and development of your baby's brain can be harmed.[4,5]

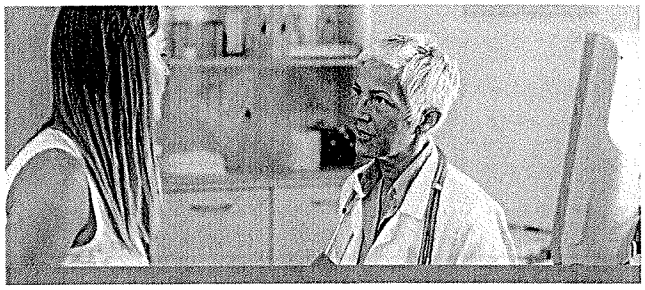
How Cannabis Affects Your Baby

- No matter how you use cannabis (smoking, vaping, eating, or drinking), the active ingredient in cannabis, THC (tetrahydrocannabinol), will reach your baby in three ways:
  - Through your bloodstream and into the placenta (the organ that feeds your baby during pregnancy).[6,7]
  - Through your breast milk.[8,9]

    "Pumping and Dumping" doesn't work. THC is stored in fat cells and is slowly released over several weeks, so it stays in your breast milk.[10]
  - Through secondhand smoke that enters your baby's lungs.[11,12]

No Amount of Cannabis is Safe

- Leading doctors' organizations such as the American College of Obstetricians[13] and Gynecologists and the American Academy of Pediatrics[14] recommend that:
  - If you are pregnant or thinking about becoming pregnant soon, discontinue use of cannabis.
  - If you already use cannabis for medicinal purposes, discontinue use in favor of an alternative treatment which research shows is safer during pregnancy.
  - Don't breathe cannabis smoke if you are pregnant. It is bad both for you and your baby because, like tobacco smoke, it lowers your oxygen levels, introduces toxins into your system and harms your lungs.[15,16]
- Talk to your doctor about any questions you have about cannabis.[17]



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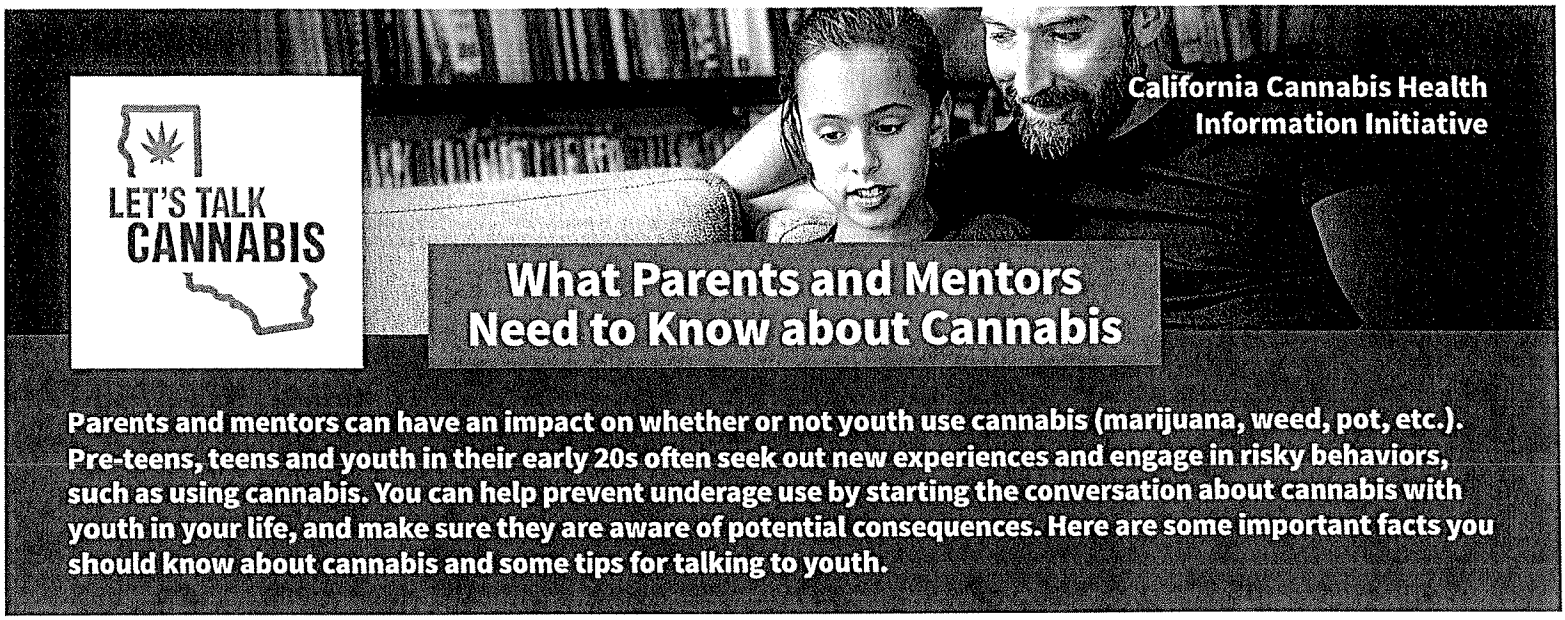

What Parents and Mentors Need to Know about Cannabis

Parents and mentors can have an impact on whether or not youth use cannabis (marijuana, weed, pot, etc.). Pre-teens, teens and youth in their early 20s often seek out new experiences and engage in risky behaviors, such as using cannabis. You can help prevent underage use by starting the conversation about cannabis with youth in your life, and make sure they are aware of potential consequences. Here are some important facts you should know about cannabis and some tips for talking to youth.

Cannabis Can Affect a Young Person's Brain

- The brains of young people do not fully develop until they reach their mid-20s. Regular cannabis use during the early years of life can lead to harmful physical changes in the brain.[1]
- Research shows that when youth use cannabis their memory, learning, and attention are harmed. Some studies suggest a permanent impact as well.[2]

Other Negative Effects of Cannabis on Youth

- Driving under the influence of cannabis increases the risk of getting into a car crash. Cannabis can negatively affect the skills that are needed to drive safely, including reaction time, coordination, and concentration.[3,4]
- The harmful effects of cannabis on a young person's brain may impact their educational and professional goals and how successful they are in life.[5] Research shows that youth who start using before 18 or who use cannabis regularly may be at higher risk for:
  - Skipping classes[6]
  - Getting lower grades[7]
  - Dropping out of school[8]
  - Unemployment or having less fulfilling jobs later in life[8,9]
- Mental health problems may include:
  - Anxiety, depression, suicide, and schizophrenia [10,11,12,13]
  - Cannabis dependence and a higher risk for using or abusing other substances and illegal drugs[14]
- Like tobacco, smoking cannabis is harmful to the lungs. The smoke from cannabis has many of the same toxins and chemicals found in tobacco smoke, and when inhaled can increase the risk of developing lung problems.[15,16]

Young People and Cannabis Use

- In 2016, most high school students in California reported they were not using cannabis. Only about 15 percent (less than 1 in 5) reported using cannabis in the past 30 days.[17]

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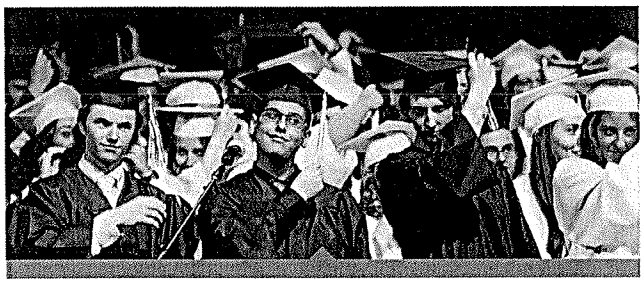
- However, most youth do not believe cannabis is harmful. Eight out of 10 youth in California, aged 12-17, reported believing using cannabis once a month was not risky.[18]



Tips for Encouraging Youth Not to Use Cannabis[19]

- Talk openly and provide guidance about the risks of using cannabis.
  - Youth who have supportive parents, teachers, and other adults are less likely to use cannabis and illegal drugs.
  - Stay positive.
  - Focus on how using cannabis can get in the way of achieving goals such as graduating high school, getting into college or getting a good job. Do not focus on negative outcomes.
- Listen carefully to the questions and thoughts youth have.
- Set shared guidelines and expectations for healthy behaviors.
  - Youth are less likely to use cannabis when parents set clear limits and house rules.
- Be aware of your own attitudes and behaviors.
  - You are a role model. If you use cannabis in front of young people, they are more likely to use it too.

Recognizing if a Youth is Using Cannabis[20]

- Look for behavioral changes related to cannabis use such as: mood swings, spending less time with friends, skipping school, loss of interest in sports or other favorite activities and changes in grades and sleeping habits.
- Young people under the influence of cannabis may lack coordination, giggle for no reason, act silly, have red eyes and short-term memory loss.

What to Do if a Youth is Using Cannabis[19]

- Stay calm. Overreacting may lead youth to rebel, feel resentment or take greater risks.
- Talk about your concerns and give positive reasons for wanting youth to stop using cannabis.
- Keep the conversation open for problem solving.
- Remind youth of the ground rules you set earlier, or set new ground rules and consequences.
- If needed, seek help from trusted adults and resources in your community.
- Call 911 and get help if there is a medical or mental health emergency.

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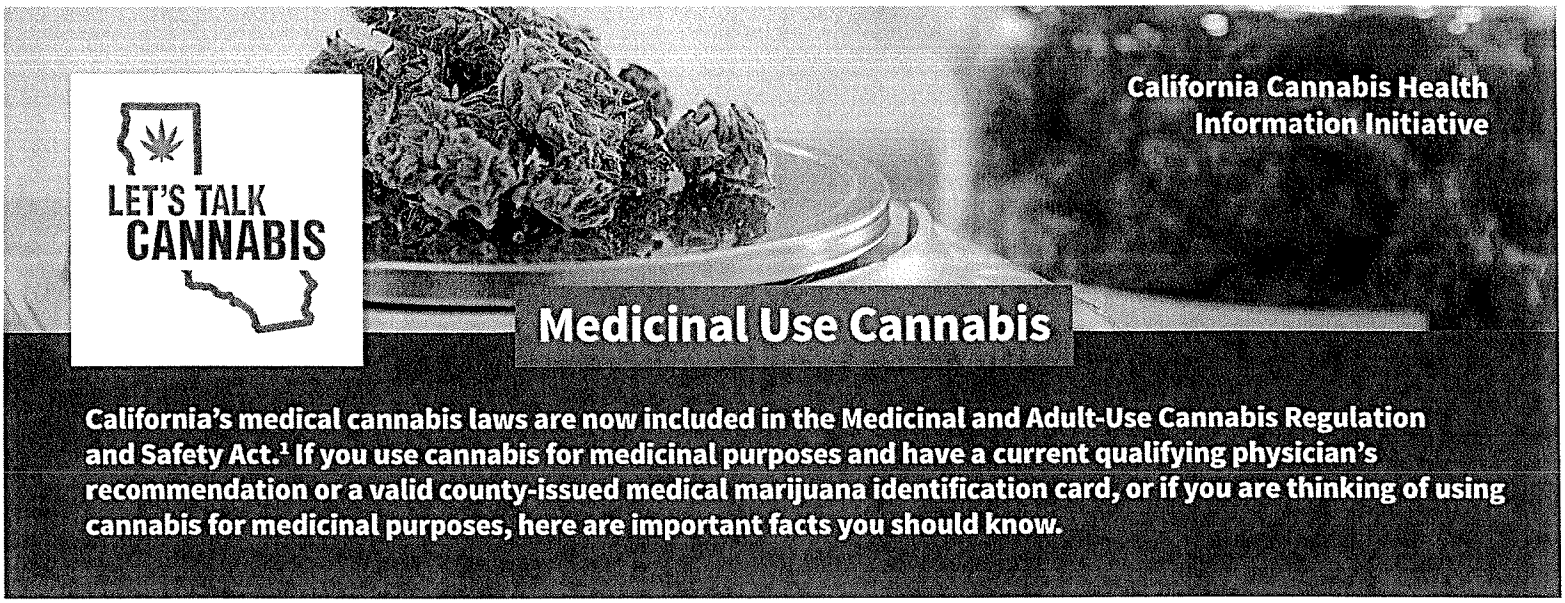

Medicinal Use Cannabis

California's medical cannabis laws are now included in the Medicinal and Adult-Use Cannabis Regulation and Safety Act.[1] If you use cannabis for medicinal purposes and have a current qualifying physician's recommendation or a valid county-issued medical marijuana identification card, or if you are thinking of using cannabis for medicinal purposes, here are important facts you should know.

Possessing and Buying Medicinal Cannabis

- Under California's law, if you have a valid physician's recommendation or a valid county-issued medical marijuana identification card you can use, possess and transport up to 8 ounces of dried cannabis and up to six mature plants (or 12 immature plants).[2] If you require a larger amount of cannabis, under the Compassionate Use Act, you may possess and cultivate any amount that is reasonably related to your current medical needs.[3]
- To buy medicinal cannabis, you must be 18 or older and have either a valid physician's recommendation, a valid county-issued medical marijuana identification card, or be a Primary Caregiver as defined in Health and Safety Code Section 11362.7(d) or 11362.5(e), with a valid physician's recommendation for the patient.
- If you have a valid county-issued medical marijuana identification card, you do not have to pay sales tax on medicinal cannabis products, but other taxes may apply.[4]

Where You Can Use Medicinal Cannabis

- Even with a current qualifying physician's recommendation or a valid county-issued medical marijuana identification card, there are limits on where you can use medicinal cannabis:
  - You cannot smoke cannabis in places where tobacco is prohibited.
  - You cannot use cannabis near a school, recreation center, youth center or on a school bus while children are present.
  - You cannot use cannabis while riding in or driving a vehicle or boat.[5]
  - Even though it is legal in California, employers have the right to prohibit the use of cannabis by their employees. Know your workplace cannabis policies.
  - Property owners may ban the use and possession of cannabis on their privately owned properties.[6]

Obtaining a County-Issued Identification Card

You can obtain a valid county-issued medical marijuana identification card if you have one or more of the following medical conditions:[7]

- Acquired immune deficiency syndrome (AIDS)
- Anorexia
- Arthritis
- Cachexia
- Cancer
- Chronic pain

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2. California Business and Professions Code Section 26140 (c-1, c-2), California Business and Professions Code Sec. 5. Section 26001, California Health and Safety Code Section 11362.715 (a), Section 136
3. California Health and Safety Code Section 11362.77 (a-e)
4. Section 26001, California Health and Safety Code Section 11362.715 (a), Section 136 5 California Revenue and Taxation Code Section 34011 (f)
5. California Health and Safety Code Section 11362.79 (a-e), California Health and Safety Code Section 11362.5, California Health and Safety Code 11362.712;
6. California Health and Safety Code Section 11362.785 (a)
7. California Health and Safety Code Section 11362.7

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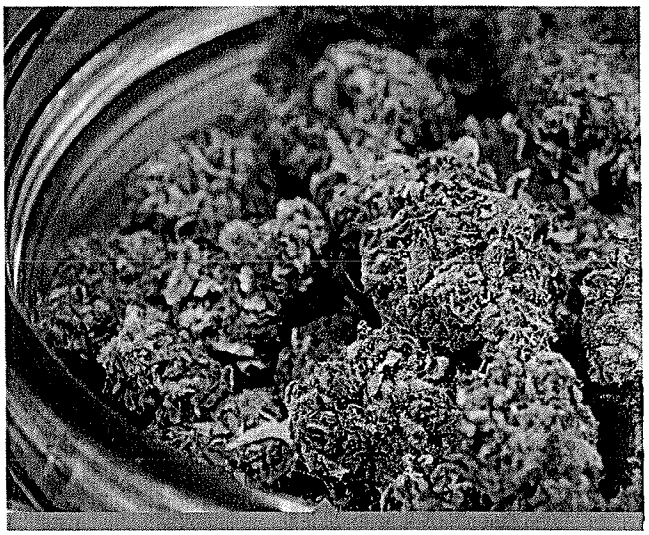
- Glaucoma
- Migraine
- Severe nausea
- Persistent muscle spasms, including, but not limited to, spasms associated with multiple sclerosis. Seizures, including, but not limited to, seizures associated with epilepsy
- Any other chronic or persistent medical symptom that either:
  - Substantially limits your ability to conduct one or more major life activities as defined in the federal Americans with Disabilities Act of 1990 (Public Law 101-336).
  - If not alleviated may cause serious harm to your safety or physical or mental health.

For more information visit the California Department of Public Health, Medical Marijuana Identification Card Program.

(https://www.cdph.ca.gov/Programs/CHSI/Pages/Medical-Marijuana-Identification-Card.aspx)



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PLUMAS COUNTY PLANNING & BUILDING SERVICES
555 Main Street, Quincy, CA 95971 www.countyofplumas.com
(530) 283-7011

18 May 2018

TO: Honorable Board of Supervisors

FROM: Rebecca Herrin, Assistant Planning Director

RE: Planning Comments
Medicinal and Adult Use of Cannabis Ordinance as per Election Code 9111.

Election Code Section 9111.

The following contains an evaluation of certain aspects of the Initiative Measure to Enact Voter-Approved County Ordinance on Cannabis Activities. Most of the comments relate to potential land use impacts. A section regarding aspects of the initiative that are vague and ambiguous has been added to this evaluation.

1. Fiscal Impact

Section 11-11.1.107-The County of Plumas is hereby authorized to verify all documentation included in the application...

Assumption: Planning will have authority to check the zoning information provided on the application. This will result in an unknown cost due to time and staffing involved.

Section 11-11.4.101-The Agricultural Commissioner's Office shall issue a Cultivation Verification pursuant to this Chapter only after the Agricultural Commissioner's Office, *and other County* and State agency *staff, have performed a site inspection to confirm adherence to the requirements established in this Chapter.*

Assumption: Planning Department staff may be consulted in order to provide counseling on adherence to certain requirements of the initiative including, for example, verifying the particular zoning of an applicant's property, providing information on maps in the office and copies of those maps, reviewing site plans, verifying property line setbacks, etc. This will result in an unknown cost due to time and staffing involved.

Section 11-14.3.113-All Licensees shall pay all applicable fees for application, consultations, and inspections.

Assumption: Based on a summary of possible license fees, revenue to the general fund from application fees could reach as much as $776,000. However, this revenue will be split among other general fund departments in order to implement the program as established by the initiative. It is unlikely that, given Planning's limited role, a full time position will need to be added, but there will be a demand for staff time and resources.

The initiative establishes fees for application, but not for "consultations" or "inspections". There would be an unknown cost involved with doing fee studies required for establishing these fees.

Positive fiscal impacts may result from the implementation of this initiative. Bringing illegal operations into compliance, with appropriate inspection and enforcement, may reduce costs to the Sheriff. There will be less environmental degradation. Revenues, through application fees and possibly some small amount from taxes will result. The cash flow for goods and services to the community businesses cannot and should not be discounted. Jobs could be retained and even created. There may also be an increase in tourism resulting from increased access to cannabis and cannabis products as has happened in other communities.

2. Internal Consistency of the General Plan, consistency between planning and zoning, and limitations on county actions

Section 11-3.106-It is the purpose and intent of this Ordinance to bring the existing residents who met the standards of the Compassionate Use Act of 1996 before September 1, 2016 into compliance with MAUCRSA and the Plumas County General Plan.

There is no mention of cannabis or cannabis cultivation or other commercial cannabis activities in the Plumas County General Plan. The Environmental Impact Report (EIR) prepared for the General Plan Update did not consider cannabis in its analysis.

Assumption: As there is no public information available as to locations of cannabis operations being conducted by existing residents, it is difficult to evaluate the inconsistencies with the Plumas County General Plan and zoning. There are inconsistencies between uses allowed under the initiative and current allowable uses as established in the General Plan and Title 9 of the Plumas County Code.

Section 11-5.104 – "Allowed Use" means a use adopted and approved by Plumas County to implement the General Plan by providing a precise delineation of land uses, precluding land use conflicts, and by establishing general site development standards. The Plumas County General Plan has specified the uses of land in a manner which conveys full knowledge of potential uses. (Section 3, Ordinance 84-593, eff. January 3, 1985)

There are inconsistencies between the General Plan implementation zoning code and uses permitted under the initiative. These inconsistencies are further delineated below.

Some uses are Allowed Uses in this initiative for Priority Residents. It is possible that there could be new or expanded uses for Priority Residents due to inadequate records of the previous cannabis activities conducted on properties. Under the initiative, these uses will be allowed in residential areas without a requirement for a special use permit and public hearing. There could be unanticipated social, economic or environmental compatibility issues with the neighborhood that would have been identified by the special use permit process.

Assumption: The zoning standards in Title 9 of the Plumas County Code serve to implement the Plumas County General Plan. Establishment of these standards were evaluated for potential impacts under the California Environmental Quality Act (CEQA). Some uses are permitted uses and some uses, those with potential to cause social, environmental or economic impacts to the surrounding neighborhoods, require public notice and hearing and issuance of a special use permit.

The initiative removes many of those requirements as well as permitted uses ("Allowed Uses" for Priority Residents) in areas that do not currently allow those uses.

Generally, the initiative allows many license types and activities in residential zones such as S-1 (Suburban), S-3 (Secondary Suburban), R-10 (Rural 10-acre), R-20 (Rural 20-acre). In addition, many uses are permitted to be conducted by residents in other zones. The Plumas County General Plan update contains policy language pertaining to Home Businesses that indicates that Home Businesses should undergo some sort of administrative or other permitting process in order to ensure compatibility with the surrounding area. In the case of the Initiative, many uses will be permitted in zones where they are not now permitted and will not be subject to additional review for compatibility. This may be in conflict with the following policy language:

LU

1.2.3 Home Business

The County strongly supports home businesses as a means of providing convenient employment opportunities and decreasing dependence on the auto. To ensure home businesses are in keeping with residential or rural character or the neighborhood or area, home businesses shall be subject to an administrative review or other permit processes as may be lawfully established in the zoning ordinance.

Another general policy pertains specifically to encroachment from non-compatible uses. Since the uses allowed under the Initiative have not been specifically reviewed to determine if they are compatible or not, there may be a conflict with the following policy language:

ECON

5.1.4 Discouragement of Non-Compatible Land Uses

The County shall protect the long-term economic viability of commercial, industrial, agricultural, timber and mineral resource lands by discouraging conversion and encroachment by non-compatible uses that adversely affect the sustainable uses of these lands.

Section 11-13.1.101.- In order to preserve County governmental resources, and because Priority Residents have a demonstrated history of responsible Cannabis activity in the County and are currently a part of the Plumas County environmental baseline, the County finds that during the initial two-year transitional period for the implementation of licensed commercial Cannabis activity in the County it is an appropriate exercise of its police power to designate certain zoning areas as "Allowed Use" for commercial Cannabis activity for Priority Residents only. During this transition period, Applicants who are not Priority Residents may still be granted licenses for commercial Cannabis activity in certain designated zones, but only after applying for and receiving a Special Use Permit in accordance with applicable existing County procedures.

Assumption: Special Use Permits, according to County Code, are processed and issued by the Planning Department. The language, "...but only after applying for and receiving a Special Use Permit in accordance with applicable existing County procedures" leads to an assumption that normal Planning Department fees for Special Use Permits, including the costs of California Environmental Quality Act (CEQA) document preparation must be paid. Another assumption is that upon receiving a Special Use Permit, an applicant can then apply for a license with the County Clerk/Recorder and at that time appropriate license fees for the cannabis license must also be paid.

Section 11-13.2.101.1-Zones that are available to a New Licensee with a Special Use Permit: R-10, R-20, AP, GA.

Plumas County's zoning code is permissive. Uses permitted are listed in the code. For example, "Horticulture" is a permitted use in R-10, R-20, AP, GA zones under the current zoning ordinance. The Initiative establishes a requirement for a special use permit in these zones for New Licensees. Therefore, this Initiative is not consistent with current requirements originally established under Ordinance 84-593. This establishes an additional process beyond the current zoning code requirement.

Section 11-13.2.103.1-Zones that are available to a New Licensee with a Special Use Permit: R-10, R-20, AP, GA.

"Horticulture" and "Agriculture" are permitted uses in R-10, R-20, AP, GA zones under the current zoning ordinance. The Initiative establishes a requirement for a special use permit in these zones for New Licensees. Therefore, this Initiative is not consistent with current requirements originally established under Ordinance 84-593. This establishes an additional permitting process beyond the current zoning code requirement. It is unclear why agricultural zones require special use permits for agriculture when the Initiative seeks to establish site standards designed to reduce environmental and other impacts.

Section 11-13.2.104.2-Non-retail Nursery Type 4 zones that are Allowed Use for Priority Resident Licensees: S-1, S-3, R-10, R-20, AP, GA, GF, M.
Section 11-13.2.104.3 Non-retail Nursery Type 4 zones that are for New Licensee with a Special Use Permit: R-10, R-20, AP, GA.
Section 11-13.2.104.4-Retail Nursery Type 4 zone that is Allowed Use for Priority Resident Licensees: AP, GA.
Section 11-13.104.5-Retail Nursery Type 4 zones that are for New Licensee with a Special Use Permit: AP, GA.

"Nursery" currently requires the issuance of a special use permit in S-1, S-3, R-10, and R-20 zones. It is not a permitted use in AP, GA, GF or M zones. This wording would allow a cannabis nursery in a zone where a nursery selling ornamental plants is not currently permitted. This initiative is therefore not consistent with current zoning requirements.

Section 11-13.2.105.3-Where a Microbusiness Licensee includes cultivation, the legal parcel where cultivation is occurring must have the following zoning designations for New Licensees with a Special Use Permit: AP, GA.

"Horticulture" and "Agriculture" are permitted uses in AP, GA. This requirement for a microbusiness is not consistent with current zoning requirements. This Initiative establishes an additional process beyond the current zoning code requirement that conflicts with current zoning code requirements and may be inconsistent with General Plan policies that serve to encourage agriculture, such as the following:

AG/FOR

8.1.1 Broad Range of Agricultural Uses

Support and promote a healthy and competitive agriculture industry by allowing for a broad range of agricultural uses, agricultural support services and agricultural products.

AG/FOR

8.1.2 Maintain Land in Agricultural Use

Support private and public owners of lands that have traditionally been used for agriculture to keep land in agricultural production by continuing existing agricultural use, developing compatible uses, and/or leasing lands to agricultural users.

The General Plan Update, adopted in 2013, specifically created policies to encourage agricultural uses, not to discourage agricultural uses by imposing additional permitting requirements.

Section 11-13.2.105.4-Where a Microbusiness includes retail, the legal parcel where the business is occurring must have the following zoning designations for Priority Residents: C-2, C-3, I-1, I-2, AP, GA, R-C.
Section 11-13.2.105.5- Where a Microbusiness includes retail, the legal parcel where the business is occurring must have the following zoning designations for New Licensees with a Special Use permit: C-2, C-3, I-1, I-2, AP, GA, R-C.

"Retail store" is limited in size in I-1, and I-2. "Retail store" is not permitted in AP, GA. This creates an anomaly such as has been identified in Sections 11-13.2.104.2, 11-13.2.104.3, 11-13.2.104.4 and 11-13.2.104.5, above. This Initiative is not consistent with current zoning requirements, nor does the general plan provide for retail businesses in agricultural areas:

AG/FOR

8.2.6 Non-Agriculture Uses

Limit non-agricultural development in agricultural areas to residential and accessory uses compatible or complimentary with agricultural production.

AG/FOR

8.3.2 Uses that Support Agriculture and Timber Resources

Allow compatible uses that support agriculture and timber, such as but not limited to agricultural commercial uses, agricultural industrial uses, direct product sales, processing, farm-based tourism, overnight hut system back-country ski touring and snowshoeing, destination hunting, fishing, and wildlife viewing, agricultural research and farm worker housing on agricultural land, subject to appropriate design review and development standards.

The retail component of the Microbusiness in the Initiative may not be limited to these particular functions and there may be a conflict with these general plan policies as there is no review by Planning for compliance by Priority Residents.

Section 11-13.3.102.1-The legal parcel where manufacturing is occurring must have the following zoning designations:
Section 11-13.3.102.2-Zones that are Allowed Use for Priority Resident Licensees: S-1, S-3, R-10, R-20, C-2, C-3, GA, R-C, GF, I-1, I-2.
Section 11-13.3.102.3-Zones that are available to New Licensee with a Special Use Permit: R-10, R-20, C-2, C-3, GA, R-C, I-1, I-2.

"Manufacturing" is only permitted in I-1 and I-2. It is permitted subject to the issuance of a special use permit in C-2. "Manufacturing" is not permitted in S-1, S-3, R-10, R-20, C-3, GA, GF or R-C, but the Initiative will allow cannabis related manufacturing in these zones.

"Home Industry" is permitted to be conducted by a resident, subject to the issuance of a special use permit, in S-3, R-10, R-20, GA and GF. Home Industry can include manufacturing activities.

Once again, this initiative will allow an activity that is otherwise prohibited in the zone, but only if it is cannabis-related.

As discussed above, the Initiative may be in conflict with policies regarding agriculture. In addition, there are policies related to forest land uses that may be in conflict, such as:

AG/FOR

8.8.3 Protect Timberlands from Incompatible Uses

Protect Timberlands from incompatible adjacent land uses which adversely impact forest management activities.

AG/FOR

8.9.2 Multiple Use Purpose for Timber Resource Lands

Timber Resource lands are reserved for multiple use purposes that are compatible with timber production, other wood products, bio-mass, mineral resource extraction, grazing, recreation, carbon sequestration and wildlife habitat.

There is no mention of agriculture, horticulture, commercial cultivation of crops, or other commercial or manufacturing activities undertaken by residents in this policy language.

3. Regional Housing needs impact

This Initiative is unlikely to have a significant impact on Regional Housing needs in the County unless all or most affordable units were converted to indoor cultivation. The limitation on location and numbers of licenses would make this highly unlikely.

4. Impact on funding for infrastructure

5. Impact on community's ability to attract and retain businesses

This is an unknown impact. Commercial Cannabis businesses would be attracted, but other existing businesses might be positively or negatively impacted by the establishment of new uses in the area. Some businesses may relocate away from cannabis activities if uses are not compatible. Agricultural and support businesses would be most likely be positively impacted.

6. Impact on the uses of vacant parcels of land

There might be an increased demand for vacant land to establish Commercial Cannabis uses. Past activity and speculation prior to the establishment of the Cannabis Moratorium ordinance seemed to result in a temporary rise in demand for certain commercially and agriculturally zoned and forested lands based on the many inquiries received by Planning staff.

7. Impacts on agricultural lands, open space, traffic congestion, existing business districts, and developed areas designated for revitalization

Assumption: License types and numbers are limited by district. Total possible licenses are assumed to be no more than 171 county-wide. It is unlikely that given the limited number and lack of concentration of commercial activity that significant impacts would occur that would result in traffic congestion, impacts to existing business districts and developed areas designated for revitalization.

Minor impacts to agricultural lands and open space lands could result from increased construction of barns and greenhouses that could impact scenic views. The designated scenic areas in the Plumas County General Plan that limit buildings will serve to minimize some of these impacts.

8. Any other matters

9. Vagueness and ambiguities of the proposed initiative

Section 11-5.123 – "Dwelling" for the purposes of this chapter, means a building intended for human habitation that has been legally established, permitted and certified as a single-family or multi-family dwelling.

The process for enforcement of this requirement is vague. There are many dwellings that were built pre-building permit. Requirements for building permits were not established in Plumas County until the late 1960s. There is no certification process that ensures that a dwelling is single-family or multi-family other than occupancy class and a full building permit record review. That would require that all dwellings undergo a building permit history review at unknown cost to the County due to time and staffing involved.

Section 11-5.124-"Enforcement Official" lists the **"Planning Commissioner".** The Planning Commissioner is an appointed member of the five member Planning Commission and is not a County employee. The Planning Commissioner is not granted any enforcement authority under current codes.

Section 11-5.145-"Parcel" means any parcel of real property that may be separately sold in compliance with the Subdivision Map Act (commencing with Section 66410 of the Government Code) and also means any parcel that is described, recorded and kept in official County records specifically including documents and maps used by the County Assessor's Office, the County Tax Collector's Office and the County Recorder's Office.

This definition is confusing. Legal parcels can be separately sold in compliance with the Subdivision Map Act. The subdivision and parcel maps are found in the Planning and Building Services Permit Center, maintained by the County Engineering Department. These records are not listed in the initiative as resource material.

The County Assessor's Office and the County Tax Collector's Office maintain maps and records pertaining to tax parcels, which may or may not be separately saleable legal parcels. This wording sounds like everything, including a tax parcel, can be considered a "parcel".

In some cases, there are illegally created parcels that may be shown on records or on maps in County offices. Illegally created parcels are prohibited from obtaining development and other permits. However, this initiative would appear to allow owners of illegally created or unclear parcels to obtain cannabis activity permits.

Absent a clear recorded parcel or subdivision map, the best way to determine what constitutes a parcel of real property is to obtain the property deed, which is on file in the County Recorder's Office.

In addition, there are many parcels in this County that were created prior to the adoption of the Subdivision Map Act and may or may not be in compliance with this act.

Section 11-9-1.101.-The County shall limit the number of Licenses available for Commercial Cannabis activities in the unincorporated areas of Plumas County. At no time shall Plumas County's total Commercial Cannabis Licenses exceed these limits without a unanimous vote by the Board of Supervisors. At no time shall the limit be reduced without a public vote. The following limitations shall apply to the inclusive combination of Adult Use and Medicinal Licenses:

Assumption: The maximum number of potential commercial licenses is temporarily set by the initiative. The Board of Supervisors upon a unanimous vote may, after December 30, 2019, increase the number of licenses. Any consideration to reduce the number of commercial licenses as specified in the initiative may not occur unless the matter is taken to the voters and approved by the voters.

Section 11-10.1.101.-In order to limit potentially deleterious population growth that may follow approval of commercial cannabis activity in the County, and in order to avoid the strain on limited County resources that such a spike in population growth may cause, the County will place a temporary limit on the number of Licenses issued to Non-Residents. Until December 30, 2019, Licenses issued to Non-Residents shall be limited to ten percent (10%) of the total Licenses issued. The remaining ninety percent (90%) of Licenses during this period will be issued to both Residents and Priority Residents.

Assumption: Up until December 30, 2019, 90% of the allowed licenses under the initiative will be issued to "Residents" and "Priority Residents".

This section is not clear as to whether the 10%/90% limitation applies to the total in each license category or if it applies to the total of all licenses without regard to the license category. Also, in establishing the 10%/90% ratio, the initiative is not clear if it acts as a limitation on the issuance of licenses in the other category.

Section 11-10.1.103.-Licenses shall be limited to one (1) Non-Resident License for every nine (9) Resident License, which shall include Priority Residents, until December 30, 2019 at which time the limitation shall expire and Priority Resident status shall expire.

Assumption: This provision will require that nine licenses be issued to Priority Residents before even one license may be issued to a Non-Resident or New Licensees. Nearly all available, within the limits as specified in the initiative, commercial cannabis licenses which is 90% up until December 30, 2019, will be for Residents as defined in Section 11-5.155 of the initiative. The remaining 10% of the available, within the limits as specified in the initiative, commercial cannabis licenses are for Non-Residents as defined in Section 11-5.139 are set aside for Non-Residents.

The process for obtaining an approval of a special use permit can typically take from three (3) to six (6) months or longer for more complex applications. Upon approval of a special use permit, under the Planning Department, a Non-Resident will still have to apply for a commercial cannabis license with the County Clerk, which will also take additional time to be approved. Non-Residents, seeking approval of a license by the County, will have a considerable longer processing time to receive a commercial cannabis license than Residents or Prior Residents. Perhaps due to the longer processing time for Non-Residents some of the licenses designated for Non-Residents may have just been issued or may not be issued by December 30, 2019.

The combination of these two requirements placed on Non-Resident applicants (the one to nine ratio and special use permit process) may have the effect of a complete ban on Non-Resident (New Licenses) obtaining a license prior to December 30, 2019. This practical ban on Non-Resident licenses may invite legal challenge.

Section 11-11.1.106.7-Attached documentation of zoning compliance, including a Special Use Permit if required, and, if applicable, total acreage of parcel/parcels where Cannabis cultivation is to take place.

Planning is not given any authority in the Initiative, so it is assumed that the applicant would research the zoning of their property(ies) using available maps either on file in the Planning Department or on-line. It is unclear what form

"documentation of zoning compliance" would take. Planning staff may expend time certifying the applicants' claims to the County Clerk.

Some sections of the Initiative make reference to the legal parcel where Cannabis cultivation is to take place and some sections of the Initiative allow combination of parcels.

Section 11-11.2.102-Each Application must comply with and demonstrate compliance with CEQA (California Environmental Quality Act) as applicable to this title.

The usual process for demonstrating compliance with CEQA would be a Notice of Exemption or Notice of Determination issued by Planning but Planning is given no approval authority in the Initiative other than for issuance of special use permits where required.

Compliance with the California Environmental Quality Act (CEQA) is required for approval of "discretionary" actions by public agencies. Some permits are "ministerial" actions and do not require a specific CEQA determinations (e.g., building permits). Permits issued to Priority Residents appear to be ministerial and would not require analysis under CEQA. However, permits to non-residents or New Licensees are subject to the requirement to obtain a special use permit and are discretionary. There does not appear to be a clear rationale for this distinction. Since CEQA compliance does require more time and expense, this provision may generate a legal challenge as Priority Residents are not treated the same as non-residents or New Licensees.

The initiative establishes CEQA compliance for licenses issued without the requirement for special use permits, which are discretionary permits requiring CEQA compliance.

Section 11-11.3.101- Each Applicant for a License related to cultivation shall submit a site plan, drawn to standard scale, showing the *entire legal parcel*...

For the reasons enumerated under Section 11-5.145 above, this may or may not be possible to do without a full title search or possibly a Certificate of Compliance. In addition, **Section 11-14.2.101** allows adjoining parcels to be combined for the purposes of calculating total acreage and setbacks. This may be confusing to the Applicant as well.

Section 11-11.4.104- If, during the site inspection, violations of any building or other health, safety or other state or county statute, ordinance, or regulation are discovered, the Applicant shall be required to submit a written plan to remediate, abate, or cure the violations at the earliest feasible date, but in no event more than one (1) year after the date of issuance of the Cultivation Verification; said plan shall be signed by the Applicant, approved by the relevant enforcement agency or agencies, and compliance with said plan shall be a condition of the Cultivation verification.

Again, it is unclear from the wording of the Initiative whether Building or Planning staff have authority to inspect to determine if there are any other violations. The initiative appears to establish a one year cure time frame for all violations. Some violations may involve extreme safety hazards that should be corrected quickly, rather than allowing a full year. In addition, a county ordinance cannot supercede state statutory time requirements for state law violations over which county officials have enforcement responsibility.

Section 11-14.2.104 –The distance from any school providing education instruction to minors, or any grades 1 through 12, preschool day care center or youth center that is in existence at the time the Application is received to the nearest property line of Cannabis cultivation or operation site is at least 600 (six hundred) feet or 1000 (one thousand) feet from the Cannabis Cultivation or Cannabis Operation Facility.

There is no definition of "youth center".

Section 11-14.3.106-All Licensees shall maintain the applicable "Defensible Space" protocols and distances as established by the California Department of Forestry and Fire Protection around structures located on the legal parcel.

This would establish a requirement of a State agency not under County authority. The California Department of Forestry and Fire Protection (CALFIRE) is the enforcement authority for maintenance of "defensible space".

Section 11-14.3.114-All Licensees shall comply with any conditions that may apply as a result of allowed use or special use permit.

Assumption: Special Use Permit process is as per requirements of Title 9 of the Plumas County Code.

Although the Zoning Administrator approves the special use permit, the Planning staff is given no inspection authority making it unclear how the Licensees will be determined to have complied with special use permit conditions unless inspections are conducted by staff. As discussed above, inspection fees will need to be established after the appropriate fee studies are completed.

APPENDIX E

Initiative Assumptions Number of Permits

APPENDIX E

Initiative Assumptions Number of Permits

Table Showing Number of Permits by License Type as Specified in the Initiative and Fees Scenarios

The initiative sets some limits on certain type of licenses. Some types of licenses have no limits on the number of licenses. These licenses types are: Type 9 (Non-Storefront Retail), Cannabis Events, Type 11 (Self-Distributor), and Event Organizer.

Note: Assumptions for license fees can be found in Appendix F.

Note: This Table appears in both Appendix E and F.

License Type	Number of Licenses Issued	Fees All Licenses Issued Low	Fees All Licenses Issued High
Cultivation (note a)	**50**	**$50,000**	**$250,000**
Dispensary	5	$30,000	$30,000
Non-Storefront Retail	5	$20,000	$20,000
Testing	2	$20,000	$20,000
Cannabis Events	5	$5,000	$5,000
Manufacturing Type N	5	$25,000	$25,000
Manufacturing Type P	5	$20,000	$20,000
Micro-Business	20	$160,000	$160,000
Distribution Self (note b)	**60**	**$180,000**	**$180,000**
Distribution Transport only	4	$16,000	$16,000
Distribution	4	$20,000	$20,000
Nursery (note c)	5	$25,000	$30,000
Total	**170**	**$571,000** (note d)	**$776,000** (note e)

(a) Range of possible fees from all cultivation licenses from lowest to highest scenarios.
(b) Major assumption as this is a unique license type to other distribution types found in the initiative and that the initiative authors intended for the permit type to be used extensively.
(c) Range of possible fees from for nursery type no-retail and retail.
(d) Uses assumptions for minimum fees scenario collected from cultivation licenses, the maximum fee scenario for self-distribution licenses, and minimum fees scenario for nurseries.
(e) Uses assumptions for maximum fees scenario collect from cultivation licenses, the maximum fees for self-distribution licenses, and maximum fees scenario for nurseries.

Key Assumptions:

The initiative provides some limits on the number of commercial cannabis activities in the unincorporated areas of the county. Limits shall not be exceeded without a unanimous vote by the Board of Supervisors and no limit shall be reduced without a vote of the people.

Section 11-9.102 All Cultivation Specialty Cottage, Cultivation Type 1, Cultivation Type 2, or Cultivation Type 3 Licenses shall be limited to a total of fifty (50). This limitation will apply to all Applications for Commercial Cannabis cultivation regardless of "A" or "M" designation. Type 3 licenses will be limited to one "A" or "M" designation person, persons, or entity.

Assumption: The demand for cultivation licenses is such that it is likely that applications for all the 50 licenses for cultivation will be applied for within a few months if the initiative is put in place or passed by the voters.

Section 11-9.103 Dispensaries Type 10 Licenses shall be limited to a total of three (3) Adult Use and three (3) Medical Use and shall not be issued to at a rate greater than one (1) per district. One (1) physical location may hold both an "A" and "M" designation.

Assumption: A total limit of six (6) Type 10 Dispensaries licenses are specified in the initiative. The term "district" is assumed to be Supervisorial Districts and not another type of district, such as fire district. In this assumption there could only be five (5) Type 10 Dispensaries, one (1) of which could be permitted with both "A" and "B" designations. The demand for Type 10 Dispensary licenses is such that it is likely all such licenses will be applied for within a few months if the initiative is put in place or passed by the voters. The assumed maximum number is there will be five (5) applications for Dispensary Permits.

Section 11-9.1.104 Nursery Type 4 Licenses shall be limited to a total of three (3) Adult Use and three (3) Medical Use and shall not be issued at a rate greater than one (1) per district. One physical location may hold both an "A" and "M" designation.

Assumption: A total limit of six (6) Type 4 Nursery licenses are specified in the initiative. The term "district" is assumed to be Supervisorial Districts and not another type of district, such a fire district. In this assumption there all six (6) Type 4 Nursery licenses would be issued. The demand for Type 4 Nursery licenses is such that it is likely all such licenses will be applied for within a few months if the initiative is put in place or passed by the voters. Another assumption is there could only be five (5) Type 4 Nursery licenses, one (1) of which could be permitted with both "A" and "B" designations. It is unrealistic to assume this would happen as there are no indications at this point in time that a single Nursery location will apply for license applications for both adult and medical licenses. The assumed maximum number is there will be five (5) applications for Nursery licenses.

Section 11-9.1.106 Testing Type 8 Licenses shall be limited to a total of two (2) and shall not be issued at a rate greater than one (1) per district. Testing is not segregated by Adult Use or Medical Use.

Assumption: A total limit of two (2) Type 8 Testing licenses are specified in the initiative. The term "district" is assumed to be Supervisorial Districts and no other types of districts, such as fire districts. The demand for Type 8 Testing licenses is such that it is likely all such licenses will be applied for within a few months if the initiative is put in place or passed by the voters. Testing of cannabis and cannabis products is required by state law.

Section 11.9.106 All combinations of cannabis approved Microbusiness Type 12 Licenses shall be limited to a total of ten (10) Adult Use and ten (10) Medical Use and shall not be issued in a concentration greater than two (2) Adult Use and two (2) Medical Use per district. One physical location may hold both an "A" and "B" designation.

Assumption: A total of twenty (20) Microbusiness Type 12 licenses are specified in the initiative. The term "district" is assumed to be Supervisorial Districts and not another type of district, such as fire districts. The demand for Type 12 Microbusiness licenses is such that it is likely all such licenses will be applied for within a few months if the initiative is put in place or passed by the voters. In this assumption all twenty (20) Microbusiness licenses would be issued. However, because a particular Microbusiness can hold both an adult and medical license another assumption is that there could be only ten (10) Microbusiness licenses. It is unrealistic to assume this would happen as there are no indications at this point in time that all Microbusiness locations will apply for license applications for both adult and medical licenses. The assumed maximum number is there will be 20 applications for Microbusiness licenses.

Microbusiness are unique in that they allow cultivation on an area less than 10,000 square feet, can be a licensed distributor, Level 1 manufacture, and retailer.

Section 11-9.1.107 Distributor Type 11 Licenses shall be limited to a total of two (2) Adult Use and two (2) Medical Use and shall not be issued at a rate greater than one (1) per district. One physical location may hold both an "A" and "M" designation.

Assumption: A total of four (4) Type 11 Distributor licenses are specified in the initiative. The term "district" is assumed to be Supervisorial Districts and not another type of district, such a fire district. The demand for Type 11 Distributor licenses is such that it is likely all such licenses will be applied for within a few months if the initiative is put in place or passed by the voters. However, because a particular Distributor can hold both an adult and medical license another assumption is that there could be only two (2) Distributor licenses. It is unrealistic to assume this would happen as there are no indications at this point in time that all distributor locations will

apply for license applications for both adult and medical licenses. The assumed maximum number is there will be four (4) applications for Microbusiness licenses.

Section 11-9.1.108 Self-Distributor Type 11 Licenses shall not be limited as they are approved only as an accessory to limitations.

Discussion: This license is confusing, not clearly identified, and as such is ambiguous. The following are sections from the initiative that were found in reviewing the initiative for any and all language related to Type 11 Self Distributor licenses:

Section 11-7.21 states, "Type 11 (Self Distribution) Transports only cannabis goods that the applicant has cultivated or manufactured. Self-Distribution will meet the standards of transport only distribution"

Section 11-5.162 states, "Transport" or "Transportation" shall mean conveyance of Cannabis between Licensees or between a Licensee and a customer."

Section 11-5.6-162 states, "Transporter" shall mean a person licensed as a Distributor."

Section 11-5.122 states, "Distributor" mean a Person licensed for Distribution."

Section 11-5.121 states, Distribution has the same meaning as in Business and Professions Code Section 26001(r), as may be amended."

Section 26001(r) of the Business and Professions Code states, "Distribution means the procurement, sale, and transport of cannabis and cannabis products between licensees."

Under the definition of transport in the initiative the conveyance of cannabis is between licensees or between licensee and customer. The definition in the initiative does not appear to match with the definitions in the Business and Professions Code as it appears under the initiative a licensee could distribute to a customer.

Customer is defined in Business and Professions Code in Section 26001(n) as "Customer" means a natural person 21 years of age or older or a natural person 18 years of age or older who possesses a physician's recommendation, or a primary caregiver."

There is no definition of transporter in the Business and Professions Code.

Section 11-13.3107.1 states that, "The legal parcel where retailing is occurring, or delivery is initiating, must have the following zoning designations, unless associated, such as with "Type 11" (self- distribution), an appurtenant use license, at which time appurtenant use zoning will apply."

Section 11-11.6.112 states, "Any application for Commercial Cannabis Self-Distribution shall pay a non-refundable fee of three thousand (3,000) dollars."

Sec. 11-14.3.103.- AII Licensees shall comply with all statutes, regulations and requirements of the California State Water Resources Control Board, Division of Water

Rights, including obtaining and complying with any applicable and approved permit, license, verification or registration or the annual filing of a statement of diversion and use of surface water from a stream, river, underground stream, or other watercourse required by Water Code Section 5 101. A copy of this license shall be provided by the Licensee to County.

Assumption: The number of Type 11 Self-Distribution licenses that may be applied for under the initiative is speculative. Linkages to other licenses is contained within the definition of Type 11 Self-Distribution found within the initiative are that Self-Distribution transports only cannabis goods that the applicant has cultivated or manufactured. With this linkage it appears that a Type 11 Self-Distribution License could be tied to either cultivation licenses or manufacturing licenses. There is no mention of testing that is required for commercial cannabis by state law. The assumed maximum number is that all fifty (50) cultivation licenses and ten (10) manufacturing licenses could also apply for a Type 11 Self-distribution license.

Section 11-9.1.109 Distribution Transport Only Type 11 Licenses shall be limited to a total of two (2) Adult Use and two (2) Medical Use and shall not be issued at a rate greater than one (1) per district. One (1) physical location may hold both an "A" and "M" designation.

Assumption: A total of four (4) Type 11 Distribution Transport Only licenses are specified in the initiative. The term "district" is assumed to be Supervisorial Districts and not another type of district, such a fire district. The demand for Type 11 Distributor licenses is such that it is likely all such licenses will be applied for within a few months if the initiative is put in place or passed by the voters. However, because a particular Distributor can hold both an adult and medical license another assumption is that there could be only one (3) Distributor licenses as one (1) Distributor could hold both a medical and adult license. It is unrealistic to assume this would happen as there are no indications at this point in time that all distributor locations will apply for license applications for both adult and medical licenses. The assumed maximum number is there will be four (4) applications for Distribution Transport Only licenses.

Section 11-9.110 Manufacturing Type 6 Licenses shall be limited to a total of five (5) Adult Use and five (5) Medical Use and shall not be issued at a rate greater than one (1) per district. One (1) physical location may hold both an "A" and "B" designation.

Assumption: A total of five (5) Type 6 Manufacturing licenses are specified in the initiative. The term "district" is assumed to be Supervisorial Districts and not another type of district, such a fire district. As there are only five (5) Supervisorial Districts there can only be five (5) Type 6 Manufacturing licenses as the initiative limits only one (1) Type 6 Manufacturing license per district. The demand for Type 6 Manufacturing licenses is such that it is likely all such licenses will be applied for within a few months if the initiative is put in place or passed by the voters. However, because a particular Type 6 Manufacturing license can hold both an adult and medical license another assumption is that there could be only four (4) Type 6 Manufacturing licenses as

one (1) Type 6 (Manufacturing) license could hold both a medical and adult license. It is unrealistic to assume this would happen as there are no indications at this point in time that all or one Type 6 Manufacturing locations will apply for license applications for both adult and medical licenses. The assumed maximum number is there will be five (5) applications Type 6 Manufacturing licenses.

Section 11-9.1.111 Manufacturing Type N Licenses shall be limited to five (5) Adult Use and five (5) Medical Use and shall not be issued at a rate greater than one (1) per district. One (1) physical location may hold both an "A" and "M" designation.

Assumption: A total of five (5) Type N Manufacturing licenses are specified in the initiative. The term "district" is assumed to be Supervisorial Districts and not another type of district, such a fire district. As there are only five (5) Supervisorial Districts there can only be five (5) Type 6 Manufacturing licenses as the initiative limits only one (1) Type N Manufacturing license per district. The demand for Type N Manufacturing licenses is such that it is likely all such licenses will be applied for within a few months if the initiative is put in place or passed by the voters. However, because a particular Type N Manufacturing license can hold both an adult and medical license another assumption is that there could be only four (4) Type N (Manufacturing) licenses as one (1) Type N (Manufacturing) license could hold both a medical and adult license. It is unrealistic to assume this would happen as there are no indications at this point in time that all or one Type N Manufacturing locations will apply for license applications for both adult and medical licenses. The assumed maximum number is there will be five (5) applications for Type 6 Manufacturing licenses.

Section 11-9.1.112 Processing Type P Licenses shall be limited to a total of five (5) Adult Use and Five (5) Medical Use and shall not be issued at a rate greater than one (1) per district. One (1) physical location may hold both an "A" and "B designation.

Assumption: A total of five (5) Type P (Processing) licenses are specified in the initiative. The term "district" is assumed to be Supervisorial Districts and not another type of district, such a fire district. As there are only five (5) Supervisorial Districts there can only be five (5) Type N (Processing) licenses as the initiative limits only one (1) Type P (Processing) license per district. The demand for Type P (Processing) licenses is such that it is likely all such licenses will be applied for within a few months if the initiative is put in place or passed by the voters. However, because a particular Type P (Processing) license can hold both an adult and medical license another assumption is that there could be only four (4) Type P (Processing) licenses as one (1) Type P (Processing) license could hold both a medical and adult license. It is unrealistic to assume this would happen as there are no indications at this point in time that all or one Type P (Processing) locations will apply for license applications for both adult and medical licenses. The assumed maximum number is there will be five (5) applications for Type N (Processing) licenses.

APPENDIX F

Initiative Assumptions Application Fees

APPENDIX F

Initiative Assumptions Fees

Table C, Showing Number of Permits by License Type as Specified in the Initiative and Fees Scenarios

The initiative sets some limits on certain type of licenses. Some types of licenses have no limits on the number of licenses. These licenses types are: Type 9 (Non-Storefront Retail), Cannabis Events, Type 11 (Self-Distributor), and Event Organizer.

Note: Assumptions for the number of permits for these license types can be found in Appendix E.

Note: This Table appears in both Appendix E and F.

License Type	Number of Licenses Issued	Fees All Licenses Issued Low	Fees All Licenses Issued High
Cultivation (note a)	**50**	**$50,000**	**$250,000**
Dispensary	5	$30,000	$30,000
Non-Storefront Retail	5	$20,000	$20,000
Testing	2	$20,000	$20,000
Cannabis Events	5	$5,000	$5,000
Manufacturing Type N	5	$25,000	$25,000
Manufacturing Type P	5	$20,000	$20,000
Micro-Business	20	$160,000	$160,000
Distribution Self (note b)	**60**	**$180,000**	**$180,000**
Distribution Transport only	4	$16,000	$16,000
Distribution	4	$20,000	$20,000
Nursery (note c)	5	$25,000	$30,000
Total	**170**	**$571,000** (note d)	**$776,000** (note e)

Table Notes:

(a) Range of possible fees from all cultivation licenses from lowest to highest scenarios.
(b) Major assumption as this is a unique license type to other distribution types found in the initiative and that the initiative authors intended for the permit type to be used extensively.
(c) Range of possible fees from for nursery type no-retail and retail.
(d) Uses assumptions for minimum fees scenario collected from cultivation licenses, the maximum fee scenario for self-distribution licenses, and minimum fees scenario for nurseries.
(e) Uses assumptions for maximum fees scenario collect from cultivation licenses, the maximum fees for self-distribution licenses, and maximum fees scenario for nurseries.

Sec. 11-11.6.118.- Licenses shall be renewed annually. Renewal fees shall be the same as Application fees listed above.

Discussion: Renewal of the commercial cannabis licenses specified in the initiative is expected on a yearly ongoing basis for nearly all or all licenses issued within the first year. On-going license fees collected during the first year, should the initiative be enacted, likely will occur in following years.

Permit Fees Analysis and Assumptions

Sec. 11-11.6.102.- Any Application for Commercial Cannabis Cultivation equaling less than five thousand (5,000) square feet shall pay a non refundable fee of one thousand (1,000) dollars.

Discussion: A total of fifty (50) permits for cultivation, through nine (9) cultivation license types are specified in the initiative. Canopy sizes for the various cultivation permit types from less than 5,000 square feet of canopy size to 22,000 square feet in canopy size. At this point in time is it not possible to know how many applications for cultivation licenses via the nine (9) types of cultivation types will be submitted.

Sec. 11-11.6.103.- Any Application for Commercial Cannabis Cultivation equaling less than ten thousand (10,000) square feet, but more than five thousand (5,000) square feet shall pay a non refundable fee of two thousand five hundred (2,500) dollars.

Discussion: A total of fifty (50) permits for cultivation, through nine (9) cultivation license types are specified in the initiative. Canopy sizes for the various cultivation license types from less than 5,000 square feet of canopy size to 22,000 square feet in canopy size. At this point in time is it not possible to know how many applications for cultivation licenses via the nine (9) types of cultivation types will be submitted.

Sec. 11-11.6.104.- Any Application for Commercial Cannabis Cultivation equaling more than ten thousand (10,000) square feet shall pay a non refundable fee of five thousand (5,000) dollars.

Discussion: A total of fifty (50) licenses for cultivation, through nine (9) cultivation licenses types are specified in the initiative. Canopy sizes for the various cultivation license types from less than 5,000 square feet of canopy size to 22,000 square feet in canopy size. At this point in time is it not possible to know how many applications for cultivation licenses via the nine (9) types of cultivation types will be submitted.

Cultivation Permit Fee Scenarios:

1) All licenses applied for and issued are for cultivation license Type 1
   50 licenses x $1,000 = $50,000
2) All licenses applied for and issued are for cultivation license Type 1A
   50 licenses x $1,000 = $50,000
3) All licenses applied for and issued are for cultivation license Type 1B

50 licenses x $1,000 = $50,000

4) All licenses applied for and issues are for cultivation license Type 1C
   50 license x $1,000 = $50,000
5) All licenses applied for and issued are for cultivation license Type 2
   50 licenses x $2,500 = $125,000
6) All licenses applied for and issued are for cultivation license Type 2A
   50 licenses x $2,500 = $125,000
7) All licenses applied for and issued are for cultivation license Type 2B
   50 licenses x $2,500 = $125,000
8) All licenses applied for and issued are for cultivation license Type 3
   50 licenses x $2,500 = $125,000
9) All licenses applied for and issued are for cultivation license Type 3B
   50 licenses x $5,000 - $250,000

The range of possible licensing revenue from licensed cultivation licenses is from $50,000 to $250,000. Likely, there will be a mix of cultivation type licenses applied for and issued.

Sec. 11-11.6.105.- Any Application for Commercial Cannabis activities operating as retail storefront shall pay a non refundable fee of <u>six thousand (6,000) dollars</u>. This fee shall apply to Type 4 Nursery licenses should the applicant chose to provide public retail sales.

Assumption: Commercial Cannabis activities operating as a retail storefront are assumed to fall under the Type 10 Retailer/dispensary license type. The initiative specifies a maximum five (5) dispensary licenses in the County. The assumption is that all five (5) licenses are applied for and issued for Type 10 licenses.

5 licenses x $6,000 = $30,000

Sec. 11-11.6.106.- Any Application for a non-storefront retail shall pay a non refundable fee of <u>four thousand (4,000) dollars</u>.

Discussion: The Bureau of Cannabis Control Final Emergency Regulations state that, "A Type 9-Non-Storefront Retailer license shall be authorized to conduct retail cannabis sales exclusively by delivery as defined in Business and Professions Code section 26001(P). Under Business and Professions Code Section 26001(p), "Delivery" means the commercial transfer of cannabis or cannabis products to a customer. "Delivery" also includes the use by a retailer of any technology platform." Hence a Type 9 (Non-Storefront Retailer) license is different from a dispensary license.

There are no limits on the number of Type 9 (Non-Storefront Retailer) licenses specified in the initiative. This fact makes for great difficulty in predicting the number of Type 9 Non-Storefront Retailer licenses. There may be as many 3 such retailers in Plumas County who have or may be operating.

Assumption: A conservative assumption would be that at least one (1) Type 9 Non-Storefront Retailer license applied for and issued per each of the five (5) Supervisorial Districts within the County.

5 licenses x $4,000 = $20,000

Sec. 11-11.6.107.- Any Application for Cannabis Testing shall pay a non refundable fee of <u>ten thousand (10,000) dollars</u>.

Assumption: The initiative specifies a total of two (2) Type 8 (Testing) licenses. The assumption is that that all two (2) Type 8 (Testing) licenses will be applied for and issued.

2 licenses x $10,000 = $20,000

Sec. 11-11.6.108.- Any Application for Cannabis Event Organizer shall pay a non refundable fee of <u>one thousand (1,000) dollars</u>.

Assumption: There are no limits on the number of Cannabis Events in the initiative. This fact makes for great difficulty in predicting the number of Cannabis Event licenses. A conservative assumption is that there will be at least five (5) Cannabis Events per year.

5 licenses x $1,000 = $5,000

Sec. 11-11.6.109.-Any Application for commercial Cannabis manufacturing shall pay a non refundable fee of <u>five thousand (5,000) dollars</u>.

Assumption: Commercial Cannabis manufacturing activities are assumed to fall under the Type N (Manufacturing Level 1) license type. The initiative specifies a maximum five (5) Type N (Manufacturing Level 1) licenses in the County. The assumption is all available Type N (Manufacturing Level 1) licenses are applied for and issued for Type N (Manufacturing Level 1)

5 licenses x $5,000 = $25,000

Sec. 11-11.6.110.- Any Application for Commercial Cannabis Infusion Only Manufacturing shall pay a non refundable fee of <u>four thousand (4,000) dollars</u>.

Assumption: Commercial Cannabis Infusion Only Manufacturing are assumed to fall under the Type P license type. The initiative specifies a maximum of five (5) Type P licenses in the County. The assumption is that all available Type P licenses are applied for and issued for Type P licenses.

5 licenses x $4,000 = $20,000

Sec. 11-11.6.111.- Any Application for a Commercial Cannabis Microbusiness shall pay a non refundable fee of <u>eight thousand (8,000) dollars</u>.

Assumption: Commercial Cannabis Microbusiness are assumed to fall under the Type 12 (Microbusiness) license. The initiative specifies a maximum twenty (20) Microbusiness licenses in the County. The assumption is that all twenty (20) Type 12 (Microbusiness) licenses applied for and issued for Type 12 (Microbusiness).

20 licenses x $8,000 = $160,000

Sec. 11-11.6.112.-Any Application for Commercial Cannabis Self-Distribution shall pay a non refundable fee of <u>three thousand (3,000) dollars</u>.

Assumption: The initiative appears to allow all cultivators and all manufactures to also have a Type 11 (Commercial Cannabis Self-Distribution) license. There are no limits for Type 11 (Commercial Cannabis Self-Distribution) licenses specified in the initiative. There are a maximum of 50 cultivation licenses and 10 manufacturing licenses allowed in the initiative, for a total of 60 licenses. For analysis purposes all such licenses will be applied for and issued for Type 11 (Commercial Cannabis Self-Distribution) licenses. This assumption may not be realistic. However, in attempting to determine the possible fees generated by cannabis licenses per the initiative the maximum number of licenses is being used. State Distributor Licenses require that the Distributor, "After taking physical possession of a cannabis goods batch, the distributor shall contact a testing laboratory and arrange for a laboratory employee to come to the distributors licenses premises to select a representative sample for laboratory testing.". The assumption is that all available sixty (60) Type 11 (Commercial Self-Distribution licenses are applied for and issued for Type 11 (Commercial Cannabis Self-Distribution).

60 licenses x $3,000 = $180,000

Sec. 11-11.6.113.-Any Application for Commercial Cannabis transport only Distribution shall pay a non refundable fee of <u>four thousand (4,000) dollars</u>.

Assumption: Commercial Cannabis Transport Only Distribution is assumed to fall under a Type 11 (Distributor Transport Only). The limits in the initiative are two (2) medical and two (2) adult of Type 11 (Distributor Transport Only) licenses with no more than one (1) per district in the initiative. State Distributor Licenses require that the Distributor, "After taking physical possession of a cannabis goods batch, the distributor shall contact a testing laboratory and arrange for a laboratory employee to come to the distributors licenses premises to select a representative sample for laboratory testing."

4 licenses x $4,000 = $16,000

Sec. 11-11.6.114.-Any Application for Commercial Cannabis Distribution shall pay a non refundable fee of <u>five thousand (5,000) dollars</u>.

Assumption: Commercial Cannabis Distribution is assumed to fall under a Type 11 (Distributor) licenses under the initiative. The limits on the number of Type 11 (Distributor) licenses in the initiative are two (2) medical and two (2) adult licenses with no more than one (1) per Supervisorial District. State Distributor Licenses require that the Distributor, "After taking physical possession of a cannabis goods batch, the distributor shall contact a testing laboratory and arrange for a laboratory

employee to come to the distributors licenses premises to select a representative sample for laboratory testing."

4 licenses x $5,000 = $20,000

Sec. 11-11.6.115.- Any Application for Commercial Cannabis Nursery, non-retail, shall pay a non refundable fee of <u>five thousand (5,000) dollars</u>.

Discussion: Nurseries are assumed to fall under the Type N licenses under the initiative. A total of five (5) permits for Commercial Cannabis Nurseries, through two (2) nursery license types are specified in the initiative. The initiative nursery license types specified in the initiative are for non-retail and retail. At this point in time it is not possible to know how many applications for nursery licenses will be submitted for non-retail and retail nurseries.

Sec. 11-11.6.116.- Any Application for Commercial Cannabis Nursery, retail, shall pay a non refundable fee of <u>six thousand (6,000) dollars</u>.

Discussion: Nurseries are assumed to fall under the Type N licenses under the initiative. A total of five (5) permits for Commercial Cannabis Nurseries, through two (2) nursery license types are specified in the initiative. The initiative nursery license types specified in the initiative are for non-retail and retail. At this point in time it is not possible to know how many applications for nursery licenses will be submitted for non-retail and retail nurseries.

Nursery License Fee Scenarios:

1) All five (5) licenses applied for and issued for non-retail nursery license Type N
   5 licenses x $5,000 = $25,000
2) All five (5) licenses applied for and issued for retail nursery license Type N
   5 licenses x $6,000 = $30,000

The range of possible licensing revenue from licensed nursery licenses is from $25,000 to $30,000. Likely, there will be a mix of cultivation type licenses applied for and issued.

Sec. 11-11.6.117.- Any Application that is not listed above shall pay a non refundable fee of <u>three thousand (3,000) dollars</u>.

Discussion: There initiative fees covers all available license types specified in the initiative and the need for this section in the initiative is not known.

<u>Application Types Specified In The Initiative</u>

Section 11-7.103 "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 places on non-contiguous plots.

Section 11-7.104 "Type 1A, or "specialty indoor," for indoor cultivation using exclusively artificial lighting of between 501 and 5,000 square feet of total canopy size on one premises.

Section 11-7.105 "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 between 2,501 and 5,000 square feet of total canopy size on one premises.

Section 11-7.106 "Type 1C, or "specialty cottage," for cultivation using a combination of natural and supplemental artificial lighting at a maximum of threshold to be determined by the licensing authority, or 2,500 square feet or total canopy size for mixed-light cultivation, up to 25 mature plants for outdoor cultivation, or 500 square feet or less of total canopy size for indoor cultivation, on one premises.

Section 11-7.107 "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.

Section 11-7.108 "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.

Section 11-7.109 "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.

Section 11-7.110 "Type 3, or "outdoor," for outdoor cultivation using no artificial lighting from 5,001 to 10,001 square feet, inclusive, of total canopy size on one premises.

Section 11-7.111 "Type 3B, or "mixed-light," for cultivation using a combination of natural and supplemental artificial lighting at a threshold to be determined by the licensing authority, between 10,001 and 22,000 square feet, inclusive, of total canopy size on one premises.

Section 11-7.112 "Type 4, or "nursery" for cultivation of cannabis solely as a nursery. The nursery product may take the form of vegetative and non-flowering starts or may be in the form of seeds. For purposes of this Title, a Type 4 License may encompass both wholesale and retail sales.

Section 11-7.113 "Type 6," (Manufacturing Level 1) for extractions using mechanical methods or nonvolatile solvents as defined by Section 40100. A Type 6 license may also conduct infusion operations and packaging and labeling of cannabis products on the licensed premises.

Section 11-7.114 "Type N," (Manufacturing Level 1) for manufactures that produce edible products or topical products using infusion processes, or other types of cannabis products other than extracts and concentrates, but that do not conduct extractions. A Type N license may package and label cannabis products on the licensed premises.

Section 11-7.115 "Type P," for manufactures that only package or repackage cannabis products or label or relabel the cannabis product container. Manufactures that engage in packaging or

labeling of cannabis products as part of the manufacturing operation do not need to hold a separate Type P license.

Section 11-7.116 "Type 8" (Testing) for testing Adult and Medical Cannabis and Cannabis products.

Section 11-7.117 "Type 9" (Non-Storefront Retailer) shall be authorized to conduct retail sales exclusively by delivery.

Section 11-7.118 "Type 10" (Retailer/Dispensary) for on-site retail sale of cannabis or cannabis products.

Section 11-7.119 "Type 11" (Distributor) for distribution of cannabis and cannabis product.

Section 11-7.120 "Type 11 (Distribution Transport Only) for the distribution of cannabis and cannabis product.

Section 11-7.121 "Type 11 (Self Distribution) Transports only cannabis goods that the applicant has cultivated or manufactured. Self Distribution will meet the standards of transport only distribution.

Section 11-7.122 "Type 12 (Microbusiness) the cultivation of cannabis on an area less than 10,000 square feet and to act as licensed cannabis distributor, Level 1 manufacturer, and retailer under this division, provided such license complies with all requirements imposed by this division on licensed cultivators, distributors, Level 1 manufacturers, and retailers to the extent the license engages in such activities.

Appendix G

Permit Type and Zoning District Matrixes

SUMMARY OF LAND USES (https://r

Land Use	New Applicants (SUP indicates allowed u					
	Suburban		Rural		Comm	
	Suburban 1 Acre & Suburban 3 Acre		Rural 10 Acre	Rural 20 Acre	Core Commercial	Periphery Commercial
	S-1 & S-3		R-10	R-20	C-1	C-2
License Types						
Type 1 Specialty Outdoor	---	---	SUP	SUP	---	---
Type 1A Specialty Indoor	---	---	SUP	SUP	---	---
Type 1B Specialty Mixed-Light	---	---	SUP	SUP	---	---
Type 1C Specialty Cottage	---	---	SUP	SUP	---	---
Type 2 Small Outdoor	---	---	SUP	SUP	---	---
Type 2A Small Indoor	---	---	SUP	SUP	---	---
Type 2B Small Mixed-Light	---	---	SUP	SUP	---	---
Type 3 Outdoor	---	---	SUP	SUP	---	---
Type 3B Mixed-Light	---	---	SUP	SUP	---	---
Type 4 Nursery Retail	---	---	---	---	---	---
Type 4 Nursery Non-retail	---	---	SUP	SUP	---	---
Type 6 Manufacturer 1 (non-volatile)	---	---	SUP	SUP	---	SUP
Type N Manufacturer 1	---	---	SUP	SUP	---	SUP
Type P Manufacturer	---	---	---	---	---	SUP
Type 8 Testing	---	---	---	---	---	SUP
Type 9 Non-storefront Retailer	---	---	---	---	---	SUP
Type 10 Retailer/Dispensary	---	---	---	---	---	SUP
Type 11 Distributor	---	---	---	---	---	SUP
Type 11 Distributor/Transport only**	---	---	---	---	---	SUP
Type 11 Self Distribution	---	---	SUP	SUP	---	SUP
Type 12 Microbusiness + Cultivation	---	---	---	---	---	---
Type 12 Microbusiness + Retail	---	---	---	---	---	SUP
Event Organizer-*with BOS approval*	*	*	*	*	*	*

ngomap.com/plumasgis/maps/47662/plumas-county-zoning)

, subject to Special Use Permit and limitation on number of licenses)

ial		Industrial				Agriculture				
nvenience mmercial	Recreation Commercial	Heavy Industrial	Light Industrial	Open Space	Lake	Agricultural Preserve	General Agriculture	Timber Production Zone	General Forest	Mining
C-3	R-C	I-1	I-2	OS	L	AP	GA	TPZ	GF	M

---	---	---	---	---	---	SUP	SUP	---	---	---
---	---	---	---	---	---	SUP	SUP	---	---	---
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SUP	SUP	SUP	SUP	---	---	---	SUP	---	---	---
SUP	SUP	SUP	SUP	---	---	---	SUP	---	---	---
SUP	---	SUP	SUP	---	---	---	---	---	---	---
SUP	---	SUP	SUP	---	---	---	---	---	---	---
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SUP	SUP	SUP	SUP	---	---	SUP	SUP	---	---	---
*	*	*	*	---	---	*	*	*	*	*

2 OF 2

SUMMARY OF ALLOWED LAND USES (https

	Priority Residents (A indi					
	Suburban		Rural		Comm	
Land Use	Suburban 1 Acre & Suburban 3 Acre		Rural 10 Acre	Rural 20 Acre	Core Commercial	Periphery Commercial
	S-1 & S-3		R-10	R-20	C-1	C-2
License Types						
Type 1 Specialty Outdoor	A	A	A	A	---	---
Type 1A Specialty Indoor	A	A	A	A	---	---
Type 1B Specialty Mixed-Light	A	A	A	A	---	---
Type 1C Specialty Cottage	A	A	A	A	---	---
Type 2 Small Outdoor	A	A	A	A	---	---
Type 2A Small Indoor	A	A	A	A	---	---
Type 2B Small Mixed-Light	A	A	A	A	---	---
Type 3 Outdoor	A	A	A	A	---	---
Type 3B Mixed-Light	A	A	A	A	---	---
Type 4 Nursery Retail	---	---	---	---	---	---
Type 4 Nursery Non-retail	A	A	A	A	---	---
Type 6 Manufacturer 1 (non-volatile)	A	A	A	A	---	A
Type N Manufacturer 1	A	A	A	A	---	A
Type P Manufacturer	A	A	---	---	---	A
Type 8 Testing	---	---	---	---	---	A
Type 9 Non-storefront Retailer	---	---	---	---	---	A
Type 10 Retailer/Dispensary	---	---	---	---	---	A
Type 11 Distributor	---	---	---	---	---	A
Type 11 Distributor/Transport only**	---	---	---	---	---	A
Type 11 Self Distribution	A	A	A	A	---	A
Type 12 Microbusiness + Cultivation	A	A	A	A	---	---
Type 12 Microbusiness + Retail	---	---	---	---	---	A
Event Organizer-*with BOS approval*	*	*	*	*	*	*

/mangomap.com/plumasgis/maps/47662/plumas-county-zoning)

ates allowed use, subject to limitation on number of licenses)

rcial		Industrial				Agriculture				
onvenience ommercial	Recreation Commercial	Heavy Industrial	Light Industrial	Open Space	Lake	Agricultural Preserve	General Agriculture	Timber Production Zone	General Forest	Mining
C-3	R-C	I-1	I-2	OS	L	AP	GA	TPZ	GF	M
									Column1	
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A	A	A	A	---	---	A	A	---	---	---
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A	---	A	A	---	---	A	A	---	---	---
A	---	A	A	---	---	A	A	---	A	A
---	---	---	---	---	---	A	A	---	A	---
A	A	A	A	---	---	A	A	---	---	---
*	*	*	*	---	---			*	*	*

2 OF 2

ORDINANCE NO. 18 – _____

AN ORDINANCE OF THE COUNTY OF PLUMAS, STATE OF CALIFORNIA, ADDING CHAPTER 9 TO TITLE 1 OF THE PLUMAS COUNTY CODE CONCERNING CANNABIS CULTIVATION ENFORCEMENT.

The Board of Supervisors of the County of Plumas, State of California, **DOES ORDAIN** as follows:

Section 1. Chapter 9 entitled "Cannabis Cultivation Enforcement" is added to Title 1 of the Plumas County Code to read as follows:

CHAPTER 9.
CANNABIS CULTIVATION ENFORCEMENT

Sec. 1-9.01. Statement of Purpose.

Because cannabis cultivation in violation of county ordinance is a public nuisance with unique impacts and a need for time-sensitive abatement in order to render local regulations meaningful, the purpose and intent of this chapter is to allow code enforcement to more quickly and effectively control the adverse impacts associated with unlawful cannabis cultivation. Ordinary abatement provisions of this county code provide lengthy timeframes for appeal and abatement and require that every appeal be heard by an administrative hearing board, and, upon further appeal, by the board of supervisors, before an order for abatement may issue. A more streamlined appeal schedule and enforcement process is necessary and proper for cases involving unlawful cannabis cultivation because such activity poses unique risks to public health and safety and to the natural environment. Illegal cannabis cultivation is also potentially lucrative enough to incentivize unlawful activity at cultivation sites for as long as possible pending harvest. The intent of the board of supervisors is to therefore disincentivize such conduct by adopting higher fines and a streamlined appeal process for citations related to cannabis cultivation.

Sec. 1-9.02. Definitions.

Except where the context otherwise requires, the following definitions shall govern the construction of this chapter:

(a) "Enforcing officer" means the "Code Compliance Officials" as defined by Section 8-15.01 or the sheriff, or the authorized deputies or designees of either, or any person employed by the County of Plumas and appointed to the position of code enforcement officer, each of whom is independently authorized to enforce this chapter.

(b) "Legal parcel" means any parcel of real property that may be separately sold in compliance with the Subdivision Map Act (Division 2 (commencing with Section 66410) of Title 7 of the Government Code).

(c) "Premises" shall mean a single, legal parcel of property. Where contiguous

legal parcels are under common ownership or control, such contiguous legal parcels shall be counted as a single "premises" for purposes of this chapter.

Sec. 1-9.03 Abatement of Unlawful Cannabis Cultivation.

The cultivation of cannabis in the unincorporated area of the Plumas County in violation of Plumas County ordinance that has been declared a public nuisance may be abated in accordance with this chapter.

Sec. 1-9.04 Notice to abate unlawful cannabis cultivation.

Whenever the enforcing officer determines that a public nuisance as described in chapter exists on any premises within the unincorporated area of Plumas County, he or she is authorized to notify the owner(s) and/or occupant(s) of the property, through issuance of a "Notice to Abate Unlawful Cannabis Cultivation."

Sec. 1-9.05 Contents of notice.

The notice set forth in Section 1-9.04 shall be in writing and shall:

(a) Identify the owner(s) of the property upon which the nuisance exists, as named in the records of the county assessor, and identify the occupant(s), if other than the owner(s), and if known or reasonably identifiable.

(b) Describe the location of such property by its commonly used street address, giving the name or number of the street, road or highway and the number, if any, of the property.

(c) Identify such property by reference to the assessor's parcel number.

(d) Contain a statement that unlawful cannabis cultivation exists on the premises and that it has been determined by the enforcing officer to be a public nuisance described in this chapter.

(e) Describe the unlawful cannabis cultivation that exists and the actions required to abate it.

(f) Contain a statement that the owner or occupant is required to abate the unlawful cannabis cultivation within ten calendar days after the date that said notice was served.

(g) Contain a statement that the owner or occupant may, within ten calendar days after the date that said notice was served, make a request in writing to the clerk of the board of supervisors for a hearing to appeal the determination of the enforcing officer that the conditions existing constitute a public nuisance, or to show other cause why those conditions should not be abated in accordance with the provisions of this chapter.

(h) Contain a statement that, unless the owner or occupant abates the unlawful cannabis cultivation, or requests a hearing before the board of supervisors, within the time prescribed in the notice, the enforcing officer will abate the nuisance. It shall also state that the abatement costs, including administrative costs, may be made a special assessment added to the county assessment roll and become a lien on the real property, or be placed on the unsecured tax roll.

(i) State the applicable hearing fee, if such a fee has been established, and contain a statement that one who is legally indigent may obtain a waiver of the hearing fee as provided in this chapter.

Sec. 1-9.06 Service of notice.

(a) The notice set forth in Section 1-9.04 shall be served by delivering it personally to the owner and to the occupant, or by mailing it by regular United States mail, together with a certificate of mailing, to the occupant of the property at the address thereof, and to any non-occupying owner at his or her address as it appears on the last equalized assessment roll, except that:

(1) If the records of the county assessor show that the ownership has changed since the last equalized assessment roll was completed, the notice shall also be mailed to the new owner at his or her address as it appears in said records; or

(2) In the event that, after reasonable effort, the enforcing officer is unable to serve the notice as set above, service shall be accomplished by posting a copy of the notice on the real property upon which the nuisance exists as follows: Copies of the notice shall be posted along the frontage of the subject property and at such other locations on the property reasonably likely to provide notice to the owner. In no event shall fewer than two copies of the order be posted on a property pursuant to this section.

(b) The date of service is deemed to be the date of deposit in the mail, personal delivery, or posting, as applicable.

Sec. 1-9.07 Recordation.

(a) Upon issuance of a notice to abate unlawful cannabis cultivation or notice and administrative order to show cause, the enforcing officer may record with the Plumas County Recorder a notice of pending nuisance abatement proceeding. A notice of pending nuisance abatement proceeding will describe the property and the condition in violation of this chapter.

(b) If a notice of pending nuisance abatement proceeding is recorded, the enforcing officer shall serve and record a notice of final disposition when the nuisance abatement proceeding has been completed, including any hearings or appeals and the completion of any work necessary to abate the nuisance. If the work to abate the nuisance is performed at county expense, or if administrative penalties are imposed under this chapter, the notice of final disposition need not be issued until those costs and penalties have been paid or a lien for those costs and penalties has been recorded. The notice of final disposition shall be served upon any party that was served with the notice to abate unlawful cannabis cultivation or notice and administrative order to show cause.

Sec. 1-9.08 Administrative review.

(a) Any person upon whom an notice to abate unlawful cannabis cultivation has been served may appeal the determination of the enforcing officer that the conditions set forth in the notice constitute a public nuisance to the board of supervisors, or may show cause before the board of supervisors why those conditions should not be abated in

accordance with the provisions of this chapter. Any such administrative review shall be commenced by filing a written request for a hearing with the clerk of the board of supervisors within ten calendar days after the date that said notice was served. The written request shall include a statement of all facts supporting the appeal. The time requirement for filing such a written request shall be deemed jurisdictional and may not be waived. In the absence of a timely filed written request that complies fully with the requirements of this section, the findings of the enforcing officer contained in the notice shall become final and conclusive on the eleventh day following service of the notice.

(b) Upon timely receipt of a written request for hearing which complies with the requirements of this section, the clerk of the board of supervisors shall set a hearing date not less than seven days nor more than thirty days from the date the request was filed. The clerk shall send written notice of the hearing date to the requesting party, to any other parties upon whom the notice was served, and to the enforcing officer.

(c) Any hearing conducted pursuant to this chapter need not be conducted according to technical rules relating to evidence, witnesses and hearsay. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs regardless of the existence of any common law or statutory rule which might make improper the admission of the evidence over objection in civil actions. The board of supervisors has discretion to exclude evidence if its probative value is substantially outweighed by the probability that its admission will necessitate undue consumption of time.

(d) The board of supervisors may continue the administrative hearing from time to time.

(e) The board of supervisors shall consider the matter de novo, and may affirm, reverse, or modify the determinations contained in the notice to abate unlawful cannabis cultivation. The board of supervisors shall issue a written decision in the form of a resolution, which shall include findings relating to the existence or nonexistence of the alleged unlawful cannabis cultivation, as well as findings concerning the propriety and means of abatement of the conditions set forth in the notice. Such decision shall be mailed to, or personally served upon, the party requesting the hearing, any other parties upon whom the notice was served, and the enforcing officer.

(f) The decision of the board of supervisors shall be final and conclusive.

Sec. 1-9.09 Alternative procedure.

As an alternative to the procedures set forth in Sections 1-9.04 through 1-9.08, the enforcing officer may issue a notice and administrative order to show cause in accordance with this section. The notice and administrative order to show cause may be combined with a notice of violation and proposed administrative penalty issued pursuant to Section 9-1.20.

(a) The notice and order shall:

(1) Identify the owner(s) of the property upon which the nuisance exists, as named in the records of the county assessor, and identify the occupant(s), if other than the owner(s), and if known or reasonably identifiable.

(2) Describe the location of such property by its commonly used street address, giving the name or number of the street, road or highway and the number, if any, of the property.

(3) Identify such property by reference to the assessor's parcel number.

(4) Contain a statement that unlawful cannabis cultivation exists on the premises and that it has been determined by the enforcing officer to be a public nuisance described in this chapter.

(5) Describe the unlawful cannabis cultivation that exists and the actions required to abate it.

(6) Contain a statement that the owner or occupant is required to abate the unlawful cannabis cultivation within five calendar days after the date that said notice was served.

(7) Notify the recipient(s) that, unless the owner or occupant abates the conditions, a hearing will be held before a hearing officer appointed in accordance with this Section to determine whether there is any good cause why these conditions should not be abated. The notice shall specify the date, time, and location of this hearing, and shall state that the owner or occupant will be given an opportunity at the hearing to present and elicit testimony and other evidence regarding whether the conditions existing on the property constitute a nuisance under this chapter, or whether there is any other good cause why those conditions should not be abated.

(8) Contain a statement that, unless the owner or occupant abates the conditions, or shows good cause before the Hearing Officer why the conditions should not be abated, the enforcing officer will abate the nuisance. It shall also state that the abatement costs, including administrative costs, may be made a special assessment added to the county assessment roll and become a lien on the real property, or be placed on the unsecured tax roll.

(b) The notice and order shall be served in the manner set forth in Section 1-9.06, provided that any service by mail shall be made by overnight mail or overnight courier service. If the Notice and Order is served by overnight mail or overnight courier service, then the time periods set forth in subdivisions (a)(6) and (d) of this section shall be extended by one additional day. Copies of the notice and order shall also be posted in accordance with subdivision (a)(2) of Section 1-9.06, in addition to any other methods of service set forth in that section. The failure of any owner or occupant to receive such notice shall not affect the validity of the proceedings.

(c) In order to hear cases brought by the enforcing officer under this section, the board of supervisors hereby establishes for such purpose the Office of County Hearing Officer pursuant to Chapter 14 (commencing with Section 27720) of Part 3 of Division 2 of Title 3 of the Government Code, to which Office the Board of Supervisors shall appoint one or more hearing examiners. Each such hearing examiner shall be an attorney at law having been admitted to practice before the courts of this state for at least five years. Hearing examiners shall be appointed for a period of not less than one year. In the event that the Board appoints more than one hearing examiner, each day of hearings required

under this section shall be assigned to a hearing examiner based upon an alphabetical rotation. Hearing examiners shall have those powers set forth in sections 27721 and 27722 of the Government Code, including the power to conduct the hearing, the power to decide the matter under this section upon which a hearing has been held, the power to make findings of fact and conclusions of law required for the decision, the power to issue subpoenas at the request of a party of interest, the power to receive evidence, the power to administer oaths, the power to rule on questions of law and the admissibility of evidence, the power to continue the hearing from time to time, and the power to prepare a record of the proceedings.

(d) Pursuant to Government Code sections 25845, subdivision (i) and 27721, subdivision (A), the Hearing Officer shall hold an administrative hearing to determine whether the conditions existing on the property subject to the notice constitute a nuisance under this chapter, or whether there is any other good cause why those conditions should not be abated. This hearing shall be held no less than five calendar days after service of the notice.

(e) The owner or occupant of the property shall be given an opportunity at the hearing to present and elicit testimony and other evidence regarding whether the conditions existing on the property constitute a nuisance under this chapter, or whether there is any other good cause why those conditions should not be abated.

(f) In the event that the owner or occupant does not appear and present evidence at the hearing, the hearing officer may base their decision solely upon the evidence submitted by the enforcing officer. Failure of the owner or occupant to appear and present evidence at the hearing shall constitute a failure to exhaust administrative remedies.

(g) Any hearing conducted pursuant to this chapter need not be conducted according to technical rules relating to evidence, witnesses and hearsay. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs regardless of the existence of any common law or statutory rule which might make improper the admission of the evidence over objection in civil actions. The Hearing Officer has discretion to exclude evidence if its probative value is substantially outweighed by the probability that its admission will necessitate undue consumption of time.

(h) The hearing officer shall consider the matter de novo, and may affirm, reverse, or modify the determinations contained in the notice and order. The Hearing Officer shall issue a written decision, which shall include findings relating to the existence or nonexistence of the alleged unlawful cannabis cultivation, as well as findings concerning the propriety and means of abatement of the conditions set forth in the notice. If the notice and order has been combined with a Notice of Violation and Proposed Administrative Penalty, the decision shall also include the matters set forth in Plumas County Code section 1-9.20, subdivision (h). Such decision shall be mailed to, or personally served upon, the party requesting the hearing, any other parties upon whom the notice was served, and the enforcing officer. The decision shall be final when signed by the Hearing Officer and served as herein provided.

(i) Whenever the enforcing officer becomes aware that an owner or occupant has failed to abate any unlawful cannabis cultivation within two calendar days of the date of service of the decision of the Hearing Officer under this section requiring such abatement,

the enforcing officer may enter upon the property and abate the nuisance by county personnel, or by private contractor under the direction of the enforcing officer. The enforcing officer may apply to a court of competent jurisdiction for a warrant authorizing entry upon the property for purposes of undertaking the work, if necessary. If any part of the work is to be accomplished by private contract, that contract shall be submitted to and approved by the board of supervisors prior to commencement of work. Nothing herein shall be construed to require that any private contract under this Code be awarded through competitive bidding procedures where such procedures are not required by the general laws of the State of California.

(j) The costs of abatement and administrative costs for every abatement carried out under this section may be recovered in accordance with Sections 1-9.10 and 1-9.13 through 1-9.19.

Sec. 1-9.10 Liability for costs.

(a) In any enforcement action brought pursuant to this chapter, whether by administrative proceedings, judicial proceedings, or summary abatement, each person who causes, permits, suffers, or maintains the unlawful cannabis cultivation to exist shall be liable for all costs incurred by the county, including, but not limited to, administrative costs, and any and all costs incurred to undertake, or to cause or compel any responsible party to undertake, any abatement action in compliance with the requirements of this chapter, whether those costs are incurred prior to, during, or following enactment of this chapter;

(b) In any action by the enforcing officer to abate unlawful cannabis cultivation under this chapter, whether by administrative proceedings, judicial proceedings, or summary abatement, the prevailing party shall be entitled to a recovery of the reasonable attorney's fees incurred. Recovery of attorneys' fees under this subdivision shall be limited to those actions or proceedings in which the county elects, at the initiation of that action or proceeding, to seek recovery of its own attorney's fees. In no action, administrative proceeding, or special proceeding shall an award of attorneys' fees to a prevailing party exceed the amount of reasonable attorney's fees incurred by the county in the action or proceeding.

Sec. 1-9.11 Abatement by owner or occupant.

Any owner or occupant may abate the unlawful cannabis cultivation or cause it to be abated at any time prior to commencement of abatement by, or at the direction of, the enforcing officer. An owner or occupant abating unlawful cannabis cultivation hereunder shall notify the enforcing officer upon completion of abatement and shall provide evidence that the unlawful cannabis cultivation has been lawfully disposed or lawfully relocated to another premises in compliance with this chapter or outside the county. Abatement shall not be deemed completed until the unlawful cannabis cultivation has been completely removed from the premises and lawfully disposed or relocated, and notification has been provided as set forth in this section.

Sec. 1-9.12 Enforcement.

(a) Whenever the enforcing officer becomes aware that an owner or occupant has failed to abate any unlawful cannabis cultivation within ten days of the date of service of

the notice to unlawful cannabis cultivation, unless timely appealed, or of the date of the decision of the board of supervisors requiring such abatement, the enforcing officer may take one or more of the following actions:

(1) Enter upon the property and abate the nuisance by county personnel, or by private contractor under the direction of the enforcing officer. The enforcing officer may apply to a court of competent jurisdiction for a warrant authorizing entry upon the property for purposes of undertaking the work, if necessary. If any part of the work is to be accomplished by private contract, that contract shall be submitted to and approved by the board of supervisors prior to commencement of work. Nothing herein shall be construed to require that any private contract under this Code be awarded through competitive bidding procedures where such procedures are not required by the general laws of the State of California; and/or

(2) Request that the county counsel commence a civil action to redress, enjoin, and abate the public nuisance.

Sec. 1-9.13 Accounting.

The enforcing officer shall keep an account of the cost of every abatement carried out and shall render a report in writing, itemized by parcel, to the board of supervisors showing the cost of abatement and the administrative costs for each parcel.

Sec. 1-9.14 Unlawful cultivation upon public benefit properties.

(a) The board of supervisors may, in its sole and exclusive discretion, withhold imposition of, or may compromise the amount of, any abatement cost, administrative cost, or administrative civil penalty that would otherwise be imposed under this chapter upon a property owner that meets all of the following conditions:

(1) The property owner is a public agency, a public utility, a mutual water company, a nonprofit public benefit corporation that has as a principal purpose the conservation of land and water resources, or a nonprofit corporation or unincorporated association created for the purpose of managing a common interest development;

(2) The property owner, or their officers, employees, or agents, did not cause, permit, or otherwise suffer or allow the unlawful cannabis cultivation to exist upon the property; and

(3) The property owner has provided the County with any necessary consent for the abatement of the unlawful cannabis cultivation from the property.

(b) The withholding or compromise of any abatement cost, administrative cost, or administrative civil penalty for any property owner under this section shall not reduce or otherwise affect the amount or enforceability of any abatement cost, administrative cost, or administrative civil penalty imposed under this Chapter upon any other person.

Sec. 1-9.15 Notice of hearing on accounting; waiver by payment.

Upon receipt of the account of the enforcing officer, the clerk of the board of supervisors shall deposit a copy of the account pertaining to the property of each owner in

the mail addressed to the owner and include therewith a notice informing the owner that, at a date and time not less than ten calendar days after the date of mailing of the notice, the board of supervisors or hearing officer, as applicable, will meet to review the account and that the owner may appear at said time and be heard. The owner may waive the hearing on the accounting by paying the cost of abatement and the cost of administration to the enforcing officer prior to the time set for the hearing. Unless otherwise expressly stated by the owner, payment of the cost of abatement and the cost of administration prior to said hearing shall be deemed a waiver of the right thereto and an admission that said accounting is accurate and reasonable.

Sec. 1-9.16 Hearing on accounting.

(a) At the time fixed, the board of supervisors shall meet to review the report of the enforcing officer. An owner may appear at said time and be heard on the questions whether the accounting, so far as it pertains to the cost of abating a nuisance upon the land of the owner is accurate and the amounts reported reasonable. The cost of administration shall also be reviewed.

(b) The report of the enforcing officer shall be admitted into evidence. The owner shall bear the burden of proving that the accounting is not accurate and reasonable.

(c) The board of supervisors shall also determine whether or not the owner(s) had actual knowledge of the unlawful cannabis cultivation, or could have acquired such knowledge through the exercise of reasonable diligence. If it is determined at the hearing that the owner(s) did not have actual knowledge of the unlawful cannabis cultivation, and could not have acquired such knowledge through the exercise of reasonable diligence, costs for the abatement shall not be assessed against such parcel or otherwise attempted to be collected from the owner(s) of such parcel.

Sec. 1-9.17 Modifications.

The board of supervisors shall make such modifications in the accounting as it deems necessary and thereafter shall confirm the report by resolution.

Sec. 1-9.18 Alternative hearing procedure.

If a hearing officer has been appointed in accordance with Section 1-9.09, the hearing required under Sections 1-9.15 through 1-9.17 may be conducted by such hearing officer, who will prepare a recommended decision and resolution for the board of supervisors pursuant to Government Code sections 25845, subdivision (i) and 27721, subdivision (b). The recommended decision and resolution shall include any proposed modifications to the accounting. The hearing officer shall promptly submit that recommendation and the administrative record to the clerk of the board of supervisors. The board of supervisors may adopt the recommended decision and resolution without further notice of hearing, or may set the matter for a de novo hearing before the board of supervisors. In the event that the board sets the matter for de novo hearing, such hearing shall be held in accordance with the provisions of Sections 1-9.15 through 1-9.17.

Sec. 1-9.19 Special assessment and lien.

The board of supervisors may order that all or any part of the cost of abating nuisances pursuant to this chapter and the administrative costs as confirmed by the board be placed upon the county tax roll by the county auditor as special assessments against the respective parcels of land, or placed on the unsecured roll, pursuant to section 25845 of the Government Code; provided, however, that the cost of abatement and the cost of administration as finally determined shall not be placed on the tax roll if paid in full prior to entry of said costs on the tax roll. The board of supervisors may also cause notices of abatement lien to be recorded against the respective parcels of real property pursuant to section 25845 of the Government Code.

Sec. 1-9.20 Administrative civil penalties.

(a) In addition to any other remedy prescribed in this chapter, any nuisance as described in this chapter may be subject to an administrative penalty of up to one thousand dollars per day. The administrative penalty may be imposed via the administrative process set forth in this section, as provided in Government Code Section 53069.4, or may be imposed by the court if the violation requires court enforcement without an administrative process.

(b) Acts, omissions, or conditions in violation of this chapter that continue, exist, or occur on more than one day constitute separate violations on each day. Violations continuing, existing, or occurring on the service date, the effective date, and each day between the service date and the effective date are separate violations.

(c) In the case of a continuing violation, if the violation does not create an immediate danger to health or safety, the enforcing officer or the court shall provide for a reasonable period of time, not to exceed five calendar days, for the person responsible for the violation to correct or otherwise remedy the violation prior to the imposition of administrative penalties.

(d) In determining the amount of the administrative penalty, the enforcing officer, or the court if the violation requires court enforcement without an administrative process, shall take into consideration the nature, circumstances, extent, and gravity of the violation or violations, any prior history of violations, the degree of culpability, economic savings, if any resulting from the violation, and any other matters justice may require.

(e) The enforcing officer may commence the administrative process by issuance of a notice of violation and proposed administrative penalty, which shall state the amount of the proposed administrative penalty and the reasons therefore. The notice of violation and proposed administrative penalty may be combined with a notice to abate unlawful cannabis cultivation issued pursuant to Section 1-9.04 or a notice and administrative order to show cause pursuant to Section 1-9.09. The notice shall be served by certified mail addressed to all of the following: (i) the owner of the property on which the violation exists, at the address shown on the last equalized assessment roll or as otherwise known to the enforcing officer; (ii) anyone known to the enforcing officer to be in possession of the property subject to the notice, at the street address of the property; and (iii) any other person known to the enforcing officer who has caused, permitted, maintained, conducted, or otherwise suffered or allowed the violation to exist. The failure to serve any person described in this subsection shall not affect the validity of service or the validity of any penalties imposed upon any other person.

(f) Except as provided in subdivision (g), the notice shall inform the recipient of their right to request a hearing before the board of supervisors in accordance with this section. If such a hearing is not requested within ten calendar days after issuance of the notice, the proposed penalty shall become final and conclusive, and the person to whom the notice was issued shall immediately make payment of the penalty amount to the county. If any person to whom the notice is issued requests a hearing before the board of supervisors, the person shall be notified by first class mail, postage prepaid, when the matter has been set for hearing.

(g) If the notice of violation and proposed administrative penalty is combined with a notice and administrative order to show cause pursuant to Section 1-9.07, the notice shall inform the recipient that a hearing will be held before a hearing officer appointed in accordance with that section and specify the date, time, and location of this hearing. Failure of the person or persons to whom the notice was issued to appear and present evidence shall constitute a failure to exhaust administrative remedies.

(h) After the hearing, the board or hearing officer may impose, modify, or disapprove, in whole or in part, by written order, the proposed penalty set forth in the notice. The decision of the board of supervisors or hearing officer shall be final and conclusive. Any order of the board of supervisors or hearing officer shall become effective upon issuance thereof and shall be served by first class mail, postage prepaid, upon the appellant. Payment of an administrative penalty specified in said order shall be made to the county within twenty calendar days of service of the order, unless timely appealed to the Superior Court in accordance with Government Code section 53069.4, subdivision (b).

(i) Interest shall accrue on all amounts due under this section, from the effective date of the administrative penalty order, as set forth in this section, to the date paid pursuant to the laws applicable to civil money judgments.

(j) In addition to any other legal remedy, whenever the amount of any administrative penalty imposed pursuant to this Section has not been satisfied in full within ninety days and has not been timely appealed to the Superior Court in accordance with Government Code section 53069.4, subdivision (b), or if appealed, such appeal has been dismissed or denied, all or any part of this obligation may be enforced as a lien against the real property on which the violation occurred.

(1) The lien provided herein shall have no force and effect until recorded with the county recorder. Once recorded, the administrative order shall have the force and effect and priority of a judgment lien governed by the provisions of Code of Civil Procedure section 697.340, and may be extended as provided in Code of Civil Procedure sections 683.110 to 683.220, inclusive.

(2) Interest shall accrue on the principal amount of the lien remaining unsatisfied pursuant to the law applicable to civil money judgments.

(3) Prior to recording any such lien, the enforcing officer shall prepare and file with the clerk of the board of supervisors a report stating the amounts due and owing.

(4) The clerk of the board of supervisors will fix a time, date, and place for the board of supervisors or hearing officer, as applicable, to consider the report and any protests or objections to it.

(5) The clerk of the board of supervisors shall serve the owner of the property with a hearing notice not less than ten calendar days before the hearing date. The notice must set forth the amount of the delinquent administrative penalty that is due. Notice must be delivered by first class mail, postage prepaid, addressed to the owner at the address shown on the last equalized assessment roll or as otherwise known. Service by mail is effective on the date of mailing and failure of owner to actually receive notice does not affect its validity.

(6) Any person whose real property is subject to a lien pursuant to this Section may file a written protest with the clerk of the board of supervisors and/or may protest orally at the hearing. Each written protest or objection must contain a description of the property in which the protesting party is interested and the grounds of such protest or objection.

(7) At the conclusion of the hearing, the board of supervisors will adopt a resolution confirming, discharging, or modifying the lien amount.

(8) If a hearing officer has been appointed in accordance with Section 1-9.07, the hearing required under this subdivision (j) may be conducted by such hearing officer, who will prepare a recommended decision and resolution for the board of supervisors. The hearing officer shall forthwith submit that recommendation and the administrative record to the clerk of the board of supervisors. The board of supervisors may adopt the recommended decision and resolution without further notice of hearing, or may set the matter for a de novo hearing before the board of supervisors. In the event that the board sets the matter for de novo hearing, such hearing shall be held in accordance with the provisions of this subdivision (j).

(9) Within thirty days following the board of supervisors' adoption of a resolution imposing a lien, the clerk of the board of supervisors will file same as a judgment lien in the Plumas County recorder's office.

(10) Once the county receives full payment for outstanding principal, penalties, and costs, the clerk of the board of supervisors will either record a notice of satisfaction or provide the owner with a notice of satisfaction for recordation at the Plumas County recorder's office. This notice of satisfaction will cancel the county's lien under this section.

(11) The lien may be foreclosed and the real property sold, by the filing of a complaint for foreclosure in a court of competent jurisdiction, and the issuance of a judgment to foreclose. There shall be no right to trial by jury. The county shall be entitled to its attorneys fees and costs.

(k) Administrative penalties imposed pursuant to this section shall also constitute a personal obligation of each person who causes, permits, maintains, conducts or otherwise suffers or allows the nuisance to exist. In the event that administrative penalties are imposed pursuant to this section on two or more persons for the same violation, all such persons shall be jointly and severally liable for the full amount of the penalties imposed. In addition to any other remedy, the county may prosecute a civil action through the office of the county counsel to collect any administrative penalty imposed pursuant to this section.

(l) Payment of administrative penalties under this section does not excuse or discharge any continuation or repeated occurrence of the violation that is the subject of the notice of violation and proposed administrative penalty. The payment of administrative penalties does not bar the county from taking any other enforcement action regarding a violation that is not corrected.

Sec. 1-9.20 Administrative hearing fees.

(a) The board of supervisors may, by resolution, establish fees for hearings conducted under Sections 1-9.08 and 1-9.20.

(b) If the requesting party claims an economic hardship in paying the hearing fee, that party may apply for a waiver of the hearing fee on forms provided by the clerk of the board of supervisors for that purpose. The forms shall be substantially similar to those required of litigants initiating court proceedings in forma pauperis pursuant to Government Code sections 68630 et seq. The forms shall be executed under penalty of perjury and contain a declaration as to the truthfulness and correctness of the information contained therein. If the clerk is satisfied from the information contained in the forms that an requesting party qualifies for a waiver under this section, the clerk shall allow the hearing to go forward without payment of the fee.

Upon filing a timely hearing request and for good cause shown, the clerk may grant the requesting party a period of time beyond expiration of the appeal period in which to complete and submit the waiver forms. In no event shall the additional time exceed two days.

Failure to submit the waiver forms or pay the hearing fee in a timely manner shall cause the appeal request to be automatically denied. Enforcement of the notice to abate unlawful cannabis cultivation and/or notice of violation and proposed administrative penalties, as applicable, may then proceed as if no request for hearing had been submitted.

(c) If the hearing fee is paid and the board of supervisors finds there is no nuisance as described in this chapter, the hearing fee shall be refunded to the person who paid the fee, without interest.

Sec. 1-9.22 Enforcement by civil action.

As an alternative to the procedures set forth in Sections 1-9.04 through 1-9.08, the county may abate the violation of this chapter by the prosecution of a civil action through the office of the county counsel, including an action for injunctive relief. The remedy of injunctive relief may take the form of a court order, enforceable through civil contempt proceedings, prohibiting the maintenance of the violation of this chapter or requiring compliance with other terms.

Sec. 1-9.23 Summary abatement.

Notwithstanding any other provision of this chapter, when any unlawful cannabis cultivation constitutes an immediate threat to public health or safety, and when the procedures set forth in Sections 1-9.04 through 1-9.08 would not result in abatement of that nuisance within a short enough time period to avoid that threat, the enforcing officer may direct any officer or employee of the county to summarily abate the nuisance. The enforcing officer shall make reasonable efforts to notify the persons identified in Section

1-9.06, but the formal notice and hearing procedures set forth in this chapter shall not apply. The county may nevertheless recover its costs for abating that nuisance in the manner set forth in Sections 1-9.13 through 1-9.19.

Sec. 1-9.24 No duty to enforce.

Nothing in this chapter shall be construed as imposing on the enforcing officer or the County of Plumas any duty to issue an notice to abate unlawful cannabis cultivation, nor to abate any unlawful cannabis cultivation, nor to take any other action with regard to any unlawful cannabis cultivation, and neither the enforcing officer nor the County of Plumas shall be held liable for failure to issue an order to abate any unlawful cannabis cultivation, nor for failure to abate any unlawful cannabis cultivation, nor for failure to take any other action with regard to any unlawful cannabis cultivation.

Sec. 1-9.25 Remedies cumulative.

All remedies provided for herein are cumulative and not exclusive, and are in addition to any other remedy or penalty provided by law. Nothing in this chapter shall be deemed to authorize or permit any activity that violates any provision of state or federal law.

Sec. 1-9.26 Other nuisance.

Nothing in this chapter shall be construed as a limitation on the county's authority to abate any nuisance which may otherwise exist from the planting, growing, harvesting, drying, processing or storage of cannabis plants or any part thereof from any location, indoor or outdoor, including from within a fully enclosed and secure building.

Sec. 1-9.27 Severability.

If any section, subsection, sentence, clause, portion, or phrase of this chapter 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, sentence, clause, portion, or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared illegal, invalid or unconstitutional.

Sec. 1-9.28 No criminal penalty.

Notwithstanding any other provision of this Code, violation of this chapter shall not be a misdemeanor or an infraction.

Section 2. Section 1 of this ordinance, which amends the Plumas County Code, shall be codified. The remainder of the ordinance shall not be codified.

Section 3. The County finds that this ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15061(b)(3) (there is no possibility the activity in question may have a significant effect on the environment).

In addition to the foregoing general exemptions, the following categorical exemptions apply: Sections 15308 (actions taken as authorized by local ordinance to assure protection of the environment) and 15321 (action by agency for enforcement of a law, general rule, standard or objective administered or adopted by the agency, including by direct referral to the County Counsel as appropriate for judicial enforcement).

Section 4. A post-adoption summary of this ordinance shall be published, pursuant to Section 25124 of the Government Code of the State of California, before the expiration of fifteen days after the passage of the ordinance, once, with the names of the supervisors voting for and against the ordinance, in the Feather River Bulletin, a newspaper of general circulation in the County of Plumas.

Section 5. This ordinance shall become effective thirty (30) days after its date of final adoption.

The foregoing ordinance was introduced at a regular meeting of the Board of Supervisors on the 15th day of May, 2018, and passed and adopted by the Board of Supervisors of the County of Plumas, State of California, on the ____ day of May, 2018, by the following vote:

AYES: Supervisors:

NOES: Supervisors:

ABSENT: Supervisors:

_____
Chair, Board of Supervisors

ATTEST:

_____
Clerk of said Board of Supervisors

[Y:\Resolutions and Ordinances\Cannabis Cultivation Enforcement Ordinance 20180515 clean final.docx]

RESOLUTION NO. 18-

A RESOLUTION OF PLUMAS COUNTY, STATE OF CALIFORNIA, CALLING A SPECIAL ELECTION AND CONSOLIDATING IT WITH THE NOVEMBER 6, 2018, GENERAL ELECTION FOR THE PURPOSE OF ENABLING THE PEOPLE OF PLUMAS COUNTY TO VOTE ON THE QUESTION OF WHETHER AN INITIATIVE KNOWN AS MEASURE *C SHOULD BE ADOPTED, ADDING TITLE 11 TO THE PLUMAS COUNTY CODE TO LICENSE AND TAX MEDICINAL AND ADULT USE COMMERCIAL CANNABIS ACTIVITIES

WHEREAS, the initiative process is available to adopt county ordinances and to authorize the imposition of a local tax; and

WHEREAS, on February 29, 2018, Chelsea Bunch and Kimberly Anne Scales-Scott (hereafter collectively "initiative proponent"), presented to the Election Division of the Plumas County Clerk-Recorder Department (hereafter the "Election Division") a Notice of Intention to Circulate a County Initiative Petition (hereafter referred to as the "Notice of Intent") concerning the licensing and taxing of medicinal and adult use commercial cannabis activities (hereafter referred to as the "Initiative"); and

WHEREAS, the Initiative was referred to the Plumas County Counsel, who prepared the required Ballot Title and Summary within the time required by law, all pursuant to Elections Code section 9105; and

WHEREAS, the Notice of Intent and Ballot Title and Summary prepared by the Plumas County Counsel was published in a newspaper of general circulation in the County in the manner required by subsection (b) of Elections Code section 9105 and proof of publication was filed with the Election Division on March 7, 2018; and

WHEREAS, the Election Division has determined that the number of votes cast within the County for all candidates for Governor at the last gubernatorial election preceding the publication of the Notice of Intent was 7,105; and

WHEREAS, prior to the expiration of the circulation period the initiative proponent filed signatures with the Election Division equal in number to more than ten percent (10%) but less than twenty percent (20%) of the number of votes cast within the County for all candidates for Governor at the last gubernatorial election preceding the publication of the Notice of Intent; and

WHEREAS, the Election Division subsequently filed a report certifying that sufficient valid signatures had been gathered by the initiative proponent equal to more than 10% of the total persons who voted for all candidates for Governor at the last statewide election preceding the publication of the Notice of Intent, which report was submitted to the Clerk of the Board on or about April 13, 2018, for presentation to the Plumas County Board of Supervisors at its next regular meeting to be held May 1, 2018; and

WHEREAS, on May 1, 2018, the Board accepted said certification and ordered a report pursuant to section 9111 of the Elections Code for presentation to the Board within thirty days; and

WHEREAS, at the public meeting of the Board of Supervisors on May 31, 2018, staff presented, and the Board received, the Elections Code section 9111 report; and

WHEREAS, under Elections Code section 9118, the Board is now required either to adopt the Initiative without a vote of the people or to adopt a resolution calling an election and consolidating it with the next statewide election for purposes of enabling the people of Plumas County to approve or reject the Initiative; and

WHEREAS, the next regularly scheduled statewide election is the November 6, 2018 general election and sufficient time remains to enable the Board to place the Initiative on said ballot; and

WHEREAS, the Board has concluded that adopting a resolution calling an election and placing the Initiative on the ballot for the November 6, 2018 general election is the most appropriate manner in which to proceed.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Plumas County, State of California, pursuant to the provisions of Elections Code section 12001, hereby orders and proclaims that the question of whether the Measure should be adopted, shall be submitted to the voters of Plumas County as Measure "C" to be held and conducted on the 6th day of November, 2018, and that the polls shall be open from the hours of 7:00 a.m. to 8:00 p.m. on said election day. The manner of holding the election and the procedure for voting for and against the question presented shall be as set forth in the Elections Code for a local special election, which is consolidated with the general election.

BE IT FURTHER RESOLVED that said special election shall be, and it is, hereby consolidated with the general election to be held on said day, and all precincts established and all election officers appointed for said general election shall be the precincts and election officers for said special election, and said election officers shall conduct said election and make return thereof according to law.

BE IT FURTHER RESOLVED that Elections Code section 9160, *et seq.*, shall apply to this special election.

BE IT FURTHER RESOLVED that, in accordance with section 13119 of the Elections Code, Measure "C" be submitted on the ballot at said general election, and that the Registrar of Voters be, and hereby is, instructed to place the same on the ballot at said election in the following form:

Shall Initiative Measure C to enact voter-approved county ordinance on cannabis activities be adopted? (Adding Title 11 to Plumas County Code Section 18.120.010 to license certain medicinal and adult use commercial cannabis activities in specified land use zones, and imposing a general tax on the net profits of such cannabis activity at the initial rate of two percent (2%), with such rate subject to possible increase by the Board of Supervisors by not more than one percent (1%) per year for no more than four years.)	YES	☐
	NO	☐

BE IT FURTHER RESOLVED that notice be, and it hereby is, given that the final date for submission to the Registrar of Voters of arguments not to exceed 300 words in length for or against Measure C shall be *Friday *, 2018, and that such arguments shall be submitted to the Registrar at the Office of the Registrar, 520 Main Street, Room 102, Quincy, California, 95971, no later than 4:30 p.m. on said day.

BE IT FURTHER RESOLVED that the final date for submission to the Registrar of Voters of rebuttal arguments for or against Measure C to the extent rebuttal arguments are permitted by section 9167 of the Elections Code, shall be *Friday *, 2018 and that such arguments shall be submitted to the Registrar at the Office of the Registrar, 520 Main Street, Room 102, Quincy, California, 95971, no later than 5:00 p.m. on said day.

BE IT FURTHER RESOLVED that the impartial analysis by the County Counsel in the form required by Elections Code section 9160 (b) for each measure shall be prepared and filed with the Registrar of Voters on or before 5:00 p.m., *Friday *, 2018.

BE IT FURTHER RESOLVED that the entire text of Measure C shall not be printed on the ballot, but shall be printed in the voter information portion of the sample ballot.

BE IT FURTHER RESOLVED that a fiscal impact statement which is authorized by Elections Code section 9160 (c) shall be prepared by the County Auditor and printed preceding the arguments for and against the measure.

BE IT FURTHER RESOLVED that the official conducting the election may publish a notice of the election in a newspaper of general circulation within the County of Plumas not later than fifty (50) days prior to the election.

The foregoing resolution was duly and regularly adopted at a regular meeting of the Board of Supervisors of the County of Plumas, State of California, held on the 31st day of May, 2018, by the following vote:

AYES:	SUPERVISORS
NOES:	SUPERVISORS
ABSTAIN:	SUPERVISORS
ABSENT:	SUPERVISORS

PLUMAS COUNTY, a political subdivision of the State of California

By: _____
Jeff Engel, Chair of the Board of Supervisors

APPROVED AS TO FORM Office of County Counsel By: _____ County Counsel Date: May ___, 2018	APPROVED BY THE PLUMAS COUNTY BOARD OF SUPERVISORS Date: May ___, 2018 Processed By: _____ Clerk of the Board	ATTEST: Clerk of the Board of Supervisors By: _____