



## **Cannabis Licensing Office Cannabis Regulations FAQ January 26, 2018**

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On January 26, 2018, the County of Santa Cruz released two draft ordinances to regulate the cultivation, manufacturing and distribution of cannabis and cannabis products. The County intends to present draft ordinances [13.10](#) and [7.128](#) to the public, consider them during public hearings before the Planning Commission and Board of Supervisors, and vote on them by early March. For more questions, see below.

### **What's next for cannabis regulations?**

Having completed the draft Environmental Impact Report (EIR) and accepted hundreds of public comments, the County is at a crossroads regarding next steps. We could certify the EIR and address all the necessary mitigations at a programmatic level, or we could utilize a new path made available to the County after we began the EIR process. Under the Medicinal and Adult-Use Cannabis Regulation and Safety Act, local jurisdictions may utilize a CEQA exemption for their licensing programs, as long as individual projects adhere to all applicable regulations, including environmental regulations. This means that we can provide case-by-case reviews of various proposals. Staff is recommending this path as better for the environment, neighborhoods and applicants.

### **What is the process for approving the new regulations?**

The County will have an open process. In addition to holding several public meetings about the EIR, we will now hold two public meetings about the newly proposed regulations. In addition, the Board will review the regulations at a special Feb. 5 meeting, which will include public testimony. That will be followed by a hearing at the Planning Commission, likely in late February. The regulations, along with any suggested revisions, would return to the Board for final adoption in March. Both of those hearings would include public testimony.

### **Are you changing the rules after all this time?**

No. While allowing for the kind of changes that were expected at the outset of the EIR process, we believe the proposed cultivation rules largely follow the system set forth by the Board of

Supervisors prior to the EIR process. There have been adjustments (such as allowing co-location), some of which have been outlined in the staff report. Mitigations suggested through the EIR process will be incorporated into our site-specific reviews.

### **How would allowing site-specific review speed up the process?**

In a number of ways. Finalizing the EIR would take some time to complete. Allowing individual cultivation projects to go forward (with applicable land use, environmental, building, etc. reviews) without a finalized EIR is almost certainly faster for most projects, particularly those with little or no environmental impact. More complex projects, such as large outdoor farms, would require additional study. Furthermore, pursuing a programmatic EIR could expose the County to lawsuits, which could tie up cannabis regulations for years regardless of the merits of the suit.

### **Why is the County interested in speeding up the process?**

County staff agrees with the conclusion of the draft EIR and many in the cannabis industry and community that a regulated industry is preferred when it comes to protecting the environment from the negative impacts of cannabis cultivation. The sooner we can achieve that, the better.

### **Does this mean the EIR process was futile?**

Absolutely not. The insights gained through the development of the EIR and from the more than 200 thoughtful comments by state and local agencies, interested parties and residents will inform our establishment of the cannabis industry in Santa Cruz County for years to come. For example, the draft EIR identified potential environmental concerns regarding cannabis cultivation and proposed mitigation measures that will be incorporated into the licensing process for individual applicants.

### **Does this mean the County is abandoning CEQA?**

No. All sites remain subject to CEQA review and any other environmental, land use, building or other regulations. This process establishes case-by-case reviews of individual applications that may provide even greater scrutiny.

### **Would neighbors have a chance to weigh in on individual projects?**

In some cases, yes. Much like large building permits, individual applications would be subject to discretionary review, which can allow for neighborhood input and even public hearings if the project is significant enough.

## **Will I have a voice?**

Absolutely. In addition to the abundant formal and informal public input received through prior Board meetings, the Cannabis Cultivation Choices Committee process, interactions between staff and the public, code enforcement complaints, comments submitted through the EIR process and much more, the County is holding public meetings on January 31 and February 1 ([details here](#)) to present the option and take questions. In addition, a special Board of Supervisors meeting is planned for Feb. 5 at 9 a.m., where the public may address the proposal to the Board. Following that meeting and with direction from the Board, the proposal would then go before the Planning Commission, likely in late February, allowing for additional public input. It would then return to the Board in early March, allowing even more public input at that time.

## **Will my comments on the draft EIR be used?**

Yes. Comments on the draft EIR were read and considered as the County adopted the proposed licensing rules. The EIR process has been extremely valuable in identifying issues and potential mitigations, and many of those issues will be important as we consider and issue (with conditions, where applicable) cultivation, manufacturing and distribution licenses. As in any EIR process, the comments are helpful in identifying unanticipated issues.

## **When will the regulations be finalized?**

The new regulations will be finalized 30 days after the Board's final vote, which could come in early March. California Coastal Commission review would follow, which can take several months. However, Coastal Commission review would only impact projects located within the Coastal Zone. The County could begin issuing licenses for projects outside the Coastal Zone immediately.