

**Cannabis Ordinance
Amendments
2024
PLN24-0114 ORD24-1**

**Nevada County
Board of Supervisors
November 12, 2024**



Cannabis Ordinance Direction

- **Board of Supervisors Direction 2023 Workshop**
 - Allowance for Limited Number of stand-alone Retail Dispensaries
 - Allow some License types in Industrial Zones
 - Create a Cannabis Cultivation Exclusion Zone Option
 - Temporary Cannabis Events/Markets
 - Require Property Taxes to be current prior to permit issuance
- **Ad-hoc committee (2 Board of Supervisors) met and reviewed the proposed ordinance and provided guidance**

Proposed Ordinance Amendments

- **Industrial Zone Uses (M1 zoning)**
 - Indoor Cultivation (10,000 sq ft max)
 - Testing Laboratories
 - Manufacturing (Volatile and Non-Volatile)
 - Distribution (Transport)
- **Zoning Requirements**
 - Odor Control
 - Noise Restrictions
 - Setbacks – Stand alone building requirement
 - Parking requirements

Proposed Ordinance Amendments

- **Exclusion Zone – Proposed Combining District**
 - Prohibit Commercial Cultivation on a parcel
 - Rezone initiated by:
 - Property Owner – Voluntary only
 - Board of Supervisors
 - Standard Rezone process with BOS approval for final action
 - 5-year roll out period to remove the Exclusion Zone from property
 - Intention to limit future growth of cannabis operations in some neighborhoods

Proposed Ordinance Amendments

- **Temporary Cannabis Event/Market**
 - Allowed in Commercial/Industrial Zones (C1, C2, M1, BP)
 - Within Rural Centers of Soda Springs and North San Juan
 - 8 per year - 1 day only per event
 - Hours limited between 8:00 am and 9:00 pm
 - Parking, Lighting and Noise Controls
 - Security Required
 - No Onsite Consumption
 - 600/500-foot setback from Sensitive Sites

Proposed Ordinance Amendments

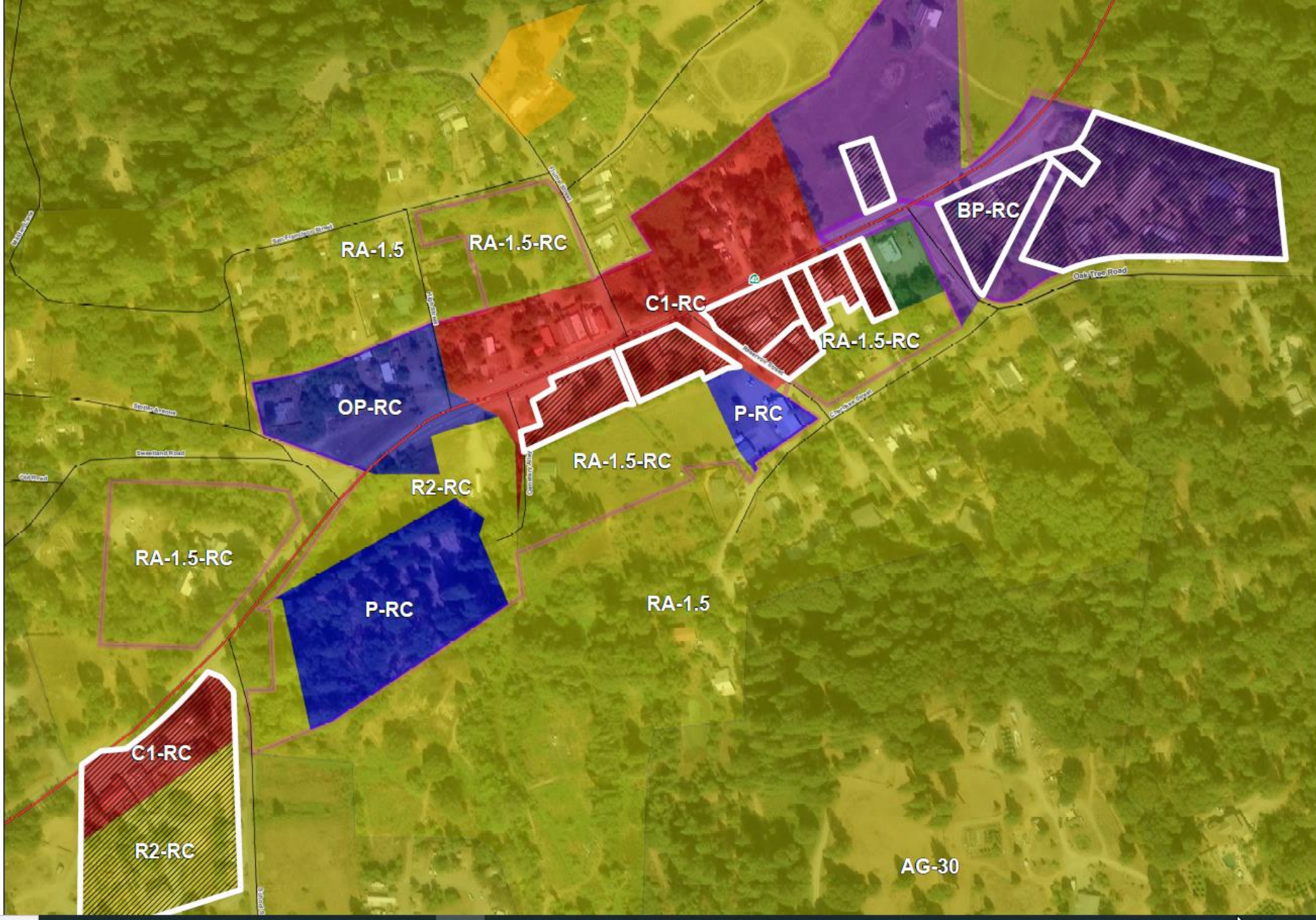
- **Property Taxes required to be paid prior to issuing permits**
- **Nevada County grown product only allowed for retail sales at cultivation sites (does not include dispensaries)**

Proposed Ordinance Amendments

- **Retail Dispensaries**

- Up to a maximum of 2 in the unincorporated County
- Competitive Selection Process by Committee appointed by BOS
- Use Permit (Public Hearings, Public Notice and CEQA)
- Only located in M1, BP, C1 or C2 zoning in Rural Centers (max of 1 per area) of:
 - North San Juan
 - Soda Springs
- Commercial, Industrial Zones
- 600/500-foot setbacks from sensitive sites





Competitive Selection Process

- **Resolution Approving Competitive Selection Process & Committee**
 - Establishment of a seven (7) member Committee
 - Appointed by Nevada County Board of Supervisors
 - Two members each being appointed within District IV & V
 - Members shall be of diverse / unique perspectives
 - All meetings shall be open to the public
 - Meet on as needed basis, no less than once per year, beginning no sooner than 2025
 - Review submitted Commercial Cannabis Dispensary applications
 - Establish merit-based approach to selecting most qualified applicants
 - Selected applicant invited to apply for Use Permit

Competitive Selection Process

- **Application Period, Scoring & Review**
 - Committee to establish process for competitive applications and weighted scoring criteria prior to accepting applications
 - Initial 30-day competitive Commercial Cannabis Dispensary screening
 - Each application will be independently scored by the evaluation committee members
 - Top ranked application based on points are required to secure a business location if one has not been secured
 - Top ranked applicant has 12 months to apply for a Use Permit from the County
 - On a not less than a yearly basis, beginning no sooner than 2025, continuing on a yearly basis, until two (2) retail Commercial Cannabis Dispensaries have been selected
 - Appeal of top scoring applicant – Request for Administrative Hearing

Competitive Selection Process

- **Scoring Criteria**

- Committee to establish weighted scoring criteria prior to accepting applications
- General Scoring Criteria:
 - Previous cannabis business retail, medical-use dispensing or cannabis cultivation operation experience
 - Ability to demonstrate quality of cannabis strains and derivative product offerings
 - Employee training, operating procedures, online ordering systems, medical cannabis to disadvantaged or disabled persons
 - Security Program
 - Pre-Existing Nevada County Business - no outstanding code violations and in compliance with local and state laws
 - Nevada County Design Standards
 - Additional information that demonstrates applicant's ability to operate in a safe and responsible manner in the County

Community Outreach

- **The Draft Ordinance was circulated for public review**
 - July 15- August 30, 2024
 - 34 Comments received
- **4 Public Meetings were held**
 - Penn Valley Municipal Advisory Committee
 - South County Municipal Advisory Committee
 - Soda Springs
 - North San Juan
- **Ad-Hoc Committee**

Planning Commission

- **The Planning Commission heard the project on October 10, 2024 recommended approval 5-0 vote with modifications:**
 - Remove the requirement for stand-alone structure in M1 zones for cannabis activities (strike Sections J.1(b), J.2(b), J.3(b), J.4(b))
 - 3-2 vote to Eliminate Exclusion Zone Combining District (strike Section 12.02.713)
 - Add language to allow North San Juan Community Center as eligible to hold temporary cannabis events (amend Section 12.03.300.N)
 - Add clarification that all cannabis sold needs to be from legal locations (amend Section K.6 and L.4)
 - Remove the requirement for all property taxes to be paid (strike Section G.1.b.xxi)

Environmental Review

- **Project is Exempt from CEQA pursuant to:**
 - Section 15061(b)(3)
 - Section 15308
 - Section 15162
- **The proposed amendments are similar to existing allowed uses in the Commercial and Industrial zone districts**
- **Use Permit required for Dispensaries**
- **The Original EIR is adequate for proposed amendments**

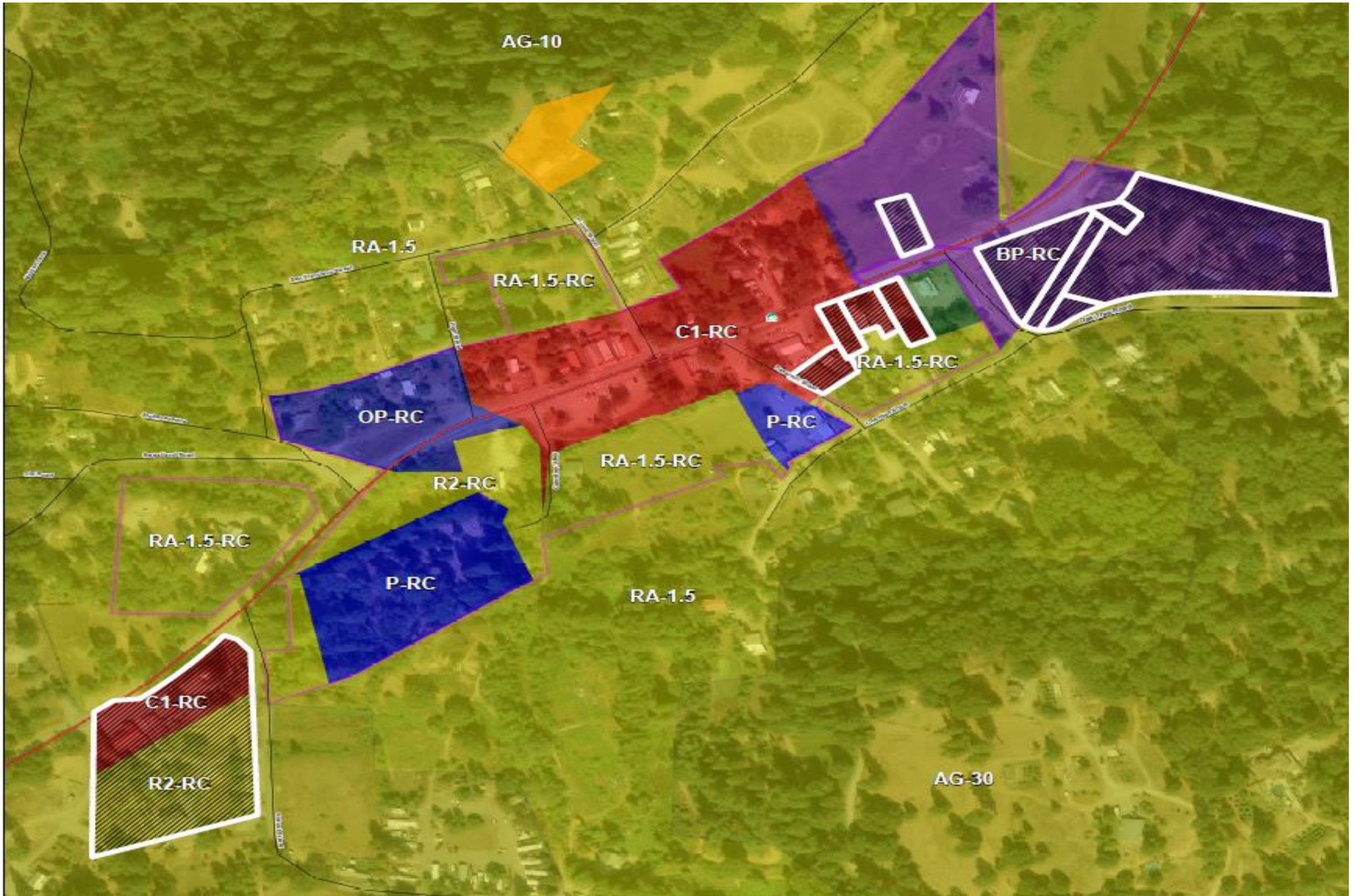
Recommendation

- I. **Adopt the Ordinance to amend the Zoning Ordinance including Section 12.03.300 (Commercial Cannabis) and adding Section 12.02.713 Cannabis Exclusion Combining District (CE).**

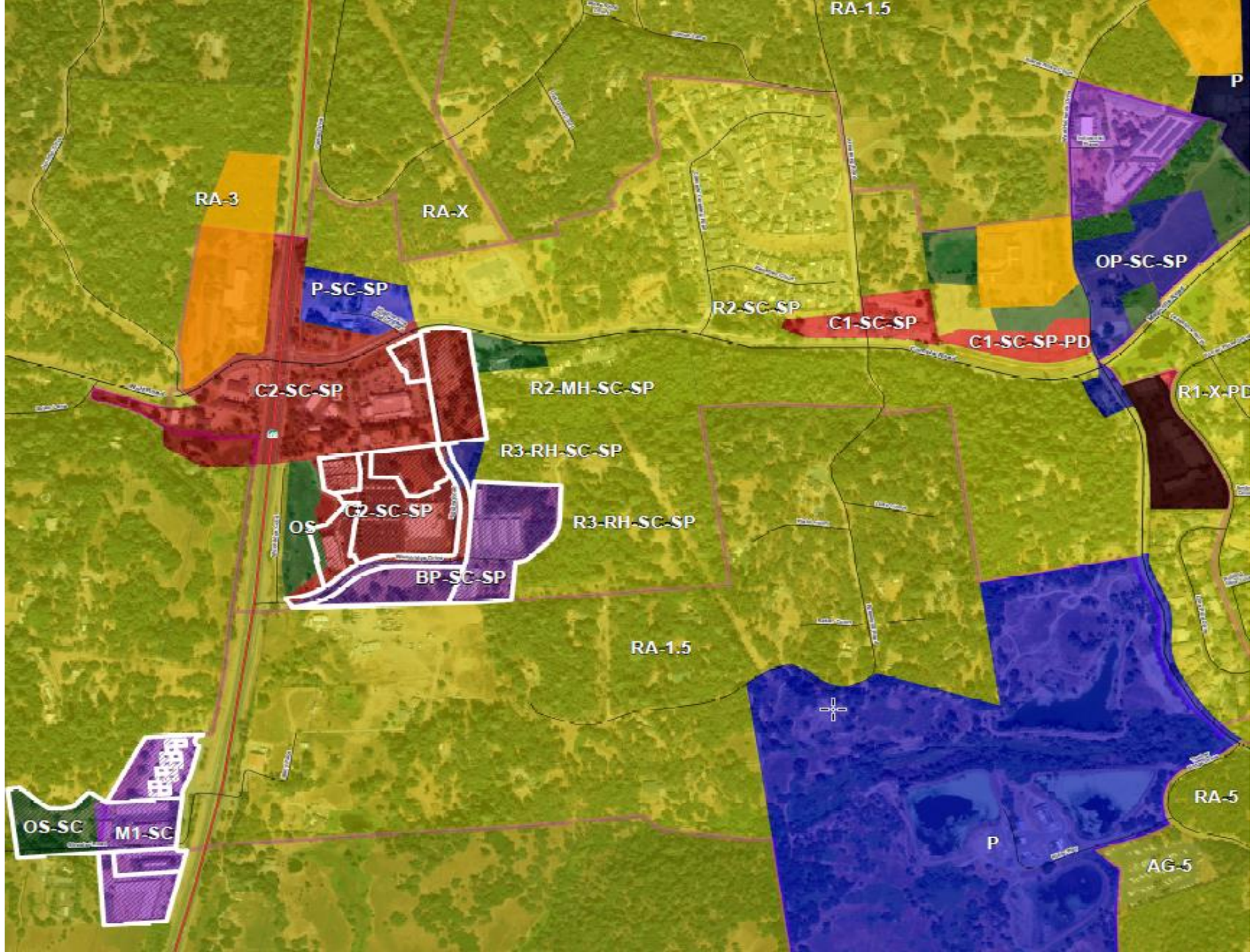
- II. **Adopt the Resolution to approve the Competitive Application Selection Process for up to two (2) Retail Storefront Commercial Cannabis Dispensaries and the Establishment of the Retail Commercial Cannabis Application Evaluation Committee.**



Questions?







Previous Ordinance Amendments

- **Enforcement Changes adopted on June 14, 2022**
 - Removing 5-day violation grace period
 - Probationary period for violators
 - Clarify enforcement costs and fine structure
- **Permitting Changes adopted on January 10, 2023**
 - Adult Use in addition to Medicinal Use
 - Simplified Permitting Process (removing CCP)
 - Additional License Types – Manufacturing, Distribution, Retail
 - Remove Onsite Residence Requirement
 - Allow Support Area for additional canopy
 - Aggregate Parcel Sizes for larger canopy sizes
 - Modify Setbacks/ CC&R Acknowledgement