

1 **NEVADA COUNTY PLANNING COMMISSION**
2 **NEVADA COUNTY, CALIFORNIA**

3
4 **MINUTES** of the meeting of October 10, 2024, 2:30 p.m., Board Chambers, Eric Rood Administration
5 Center, 950 Maidu Avenue, Nevada City, California.
6

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8 **MEMBERS PRESENT:** Chair Mastrodonato and Commissioners Milman, Duncan, Garst, and McAteer
9

10 **MEMBERS ABSENT:** None
11

12 **STAFF PRESENT:** Planning Director, Brian Foss; Principal Planner, Tyler Barrington; Matt Kelly, Code
13 and Cannabis Director; County Counsel, Douglas Johnson; County Counsel, Sims Ely; Clerk to the
14 Planning Commission, Jodeana Patterson
15

16
17 **PUBLIC HEARING:**
18

19 2024 Cannabis Ordinance - proposed Zoning Ordinance Amendment to Section 12.03.300 and adding
20 Section 12.02.713 to the Zoning Ordinance to amend the County's Commercial Cannabis Cultivation
21 Ordinance.

22 **PLN24-0114; ORD24-1**

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23
24 **STANDING ORDERS:** Salute to the Flag - Roll Call - Corrections to Agenda.
25

26 **CALL MEETING TO ORDER:** The meeting was called to order at 1:32 p.m. Roll call was taken.
27

28 **CHANGES TO AGENDA:** None.
29

30 **PUBLIC COMMENT:** Members of the public shall be allowed to address the Commission on items not
31 appearing on the agenda which were of interest to the public and were within the subject matter jurisdiction
32 of the Planning Commission, provided that no action shall be taken unless otherwise authorized by
33 Subdivision (6) of Section 54954.2 of the Government Code.
34

35 Chair Mastrodonato explained to the attendees how the public comment process works, and opened public
36 comment at 1:34 p.m.
37

38 Ms. Diana Gamzon, Nevada County Cannabis Alliance, stated: I want to thank you, Mike [Chair
39 Mastrodonato] for your service on this Commission over many, many years.
40

41 Chair Mastrodonato stated: You blew my cover. Thank you, Diana.
42 Seeing and hearing no further public comments coming forward, Chair Mastrodonato closed public
43 comment at 1:35 p.m.
44

45 **COMMISSION BUSINESS:** None.
46

47 **CONSENT ITEMS:**
48

49 1. Acceptance of the 2024-03-28 Planning Commission Hearing Minutes
50

51 *Approved at hearing.*
52

53 2. Acceptance of the 2024-07-25 Planning Commission Hearing Minutes
54

55 ***Approved at hearing.***

56
57 3. Acceptance of the 2024-08-08 Planning Commission Hearing Minutes

58
59 ***Approved at hearing.***

60
61 4. Lone Oak Phase II Extension of Time (PLN24-0137; EXT24-0004)

62
63 ***Approved at hearing.***

64
65 5. Higgins Fuel Station Extension of Time (PLN24-0150; EXT24-0005)

66
67 **Motion made by Commissioner Milman to omit Consent Item from Consent Agenda.**

68
69 **Second by Commissioner Duncan. Motion carried on a voice vote of 5/0.**

70
71 **Motion made by Commissioner Milman to adopt items on Consent Agenda, omitting Consent Item**
72 **No. 5 - Higgins Fuel Station Extension of Time (PLN24-0150; EXT24-0005).**

73
74 **Second by Commissioner Duncan. Motion carried on a voice vote of 5/0.**

75
76 *[minutes follow as direct transcript]*

77
78 Chair Mastrodonato: Tyler [Planner Barrington], can you explain now what happens with that item?

79
80 Planner Barrington: Staff would look for direction from Commissioner Milman regarding the pulling of
81 the item and specific questions that Commissioner Milman might have. There is a representative from
82 North State Grocery here to help address some of those questions.

83
84 Commissioner Milman: Specifically, addressing the reason for the extension of time. It has that there are
85 unforeseen circumstances, largely challenges related to the COVID pandemic. It's my understanding that
86 this has been approved since 2021, and the past couple of years, I don't know why there would have been
87 an issue with construction drawings due to COVID for the last two years?

88
89 Mr. Michel LeClerc: I agree. My name is Michelle le Clair, I am the Chief Administrative Officer for
90 North State Grocery. Prior to June 23rd, I was the Chief Financial Officer of the company. We have 1000
91 employees, 21 grocery stores. We're a little bit unique in that we're actually owned by the employees. It's
92 a 100% employee-owned company. My duties today include all of the development projects of the
93 company, all of the legal aspects of the company, I oversee all of our HR, I oversee all of our real estate, I
94 oversee all of our compliance. Prior to June 23rd, I had all those duties plus financial and accounting on
95 top of it. And that worked out pretty good until COVID, and when COVID hit, it exposed me as being in
96 over my head. The demands of COVID, the compliance demands on COVID, the turnover. Normal
97 turnover in grocery is about 30%; that went to 75%, so my life has been difficult since COVID, and I had
98 to prioritize different items, and this item was put on a back burner by me and it kind of stayed back there
99 for a while. Then other things happened. I got to deal with cancer. We had to fire our architects because
100 they were horrible, so we had to go out to bid for new architects, for not just this project, but two other
101 projects that we're working on. Before I knew it, two years was gone, and we needed an extension. When
102 I filled out the application, I thought to myself, "What would be the overriding explanation here?" It really
103 was COVID. We were clicking along pretty good as a company before that hit, and then on many, many
104 different levels, it was like a bomb was tossed into our organization. Fortunately, we have a new CFO as
105 of June 23rd, and I'm ready to get going on this project. So, that is a longer version of what I kind of put in
106 shorthand on the application.

107
108 Commissioner Milman: And this is for a fuel station, right? It's at the corner of Higgins?

109
110 Mr. LeClerc: It's not on the corner of Higgins. Have you seen the grocery store there?
111
112 Commissioner Milman: M-hm [yes].
113
114 Mr. LeClerc: There's a gravel lot to the south of it, right there. So that would be the corner of Woodbridge
115 and Higgins.
116
117 Commissioner Milman: And with two other gas stations right there, you feel that you're ready to move
118 ahead with this?
119
120 Mr. LeClerc: Well, there's a little gas station that's really difficult to get into on the...I believe that's the
121 southwest corner of Combie and the highway. There's really no access off the highway. Then there's a
122 Chevron that charges \$0.20 to \$0.30 a gallon more than we'll be charging, next to the grocery store. So, we
123 think we'll do quite well. One of the things we'll like to do too is, it's going to enhance the grocery store.
124 If you've ever shopped Holiday Market, you know that we have a rewards program, a loyalty program, and
125 people can redeem their points for discounts on the groceries. You can also redeem it for discounts on your
126 gas. So, even though we'll probably have the least expensive gas in the area already, you'll be able to make
127 it even less expensive with your rewards points.
128
129 Commissioner Milman: Thanks, I think those are my questions.
130
131 Chair Mastrodonato: Commissioner Duncan?
132
133 Commissioner Duncan: Excuse me, could you return to the podium please? Do you have a timeline on
134 when you might start the process and when you might think that construction, that the project would be
135 complete?
136
137 Mr. LeClerc: I know that we're starting immediately on...we've already engaged the architect, which is
138 CSHQA out of Sacramento. They have experience in fuel as well as in grocery. In terms of construction,
139 I don't know. The reason I say I don't know is, it hasn't gone out to bid yet. We haven't been told by a
140 contractor, "This is the timeline that it's going to take." My goal would be to not have to come back here
141 again and try to request another two-year extension, only to be squashed. But I can tell you this - we're
142 ready to go. We're ready to start on the project and we want to move it forward.
143
144 Commissioner Duncan: Good. There are many people in the community who are looking forward to that.
145 When it was first proposed, they were excited, and there was some chatter about it because it was viewed
146 as a more affordable option. There are many loyal holiday shoppers, as you probably are well aware in that
147 area.
148
149 Mr. LeClerc: Yes, the store's doing great.
150
151 Commissioner Duncan: Yes, all right. Well, thank you, and I'm sorry for your troubles.
152
153 Mr. LeClerc: No, it really, it's all worked out great. I've been blessed and I'm not complaining at all. So,
154 thank you.
155
156 Chair Mastrodonato: Any other questions from the Commission?
157
158 **Motion made by Commissioner McAteer to adopt Consent Item No. 5 - Higgins Fuel Station**
159 **Extension of Time (PLN24-0150; EXT24-0005).**
160
161 **Second by Commissioner Duncan. Motion carried on a voice vote of 5/0.**
162

163 **PUBLIC HEARING:**

164
165 **2:30 p.m. PLN24-0114, ORD24-1:** A Zoning Ordinance Amendment to Section 12.03.300 and adding
166 Section 12.02.713 to the Zoning Ordinance to amend the County’s Commercial Cannabis Cultivation
167 Ordinance. The Ordinance proposes the following general changes in addition to other minor changes,
168 clarifications, and clean-up: 1) Allow a maximum of two (2) Retail Dispensaries in select areas of the
169 unincorporated County through a competitive selection and Use Permit process; 2) Allow for
170 manufacturing, indoor cultivation, distribution, and testing laboratories in Industrial (M1) Zone Districts in
171 the unincorporated County; 3) Create an Exclusion Zone Combining District that would prohibit all
172 commercial cannabis activities; 4) Allow temporary cannabis events/markets in certain
173 commercial/industrial zones; 5) Require all cannabis sold at storefront and non-storefront retail stores to be
174 Nevada County grown only; 6) Require all property taxes to be paid prior to issuing cannabis permits.
175 Additionally, a Competitive Application Selection Process for up to two (2) retail storefront commercial
176 cannabis dispensaries and the establishment of a retail commercial cannabis application evaluation
177 committee is proposed. **PROJECT LOCATION:** Countywide.

178 **RECOMMENDED ENVIRONMENTAL DETERMINATION:** Find the project Categorically Exempt
179 pursuant to Sections 15162, 15061(b)(3) and 15308. **RECOMMENDED PROJECT ACTION:**
180 Recommend approval and adoption of the Nevada County Commercial Cannabis Cultivation Ordinance
181 amendments and Resolution for the Competitive Selection Process and establishment of the Evaluation
182 Committee to the Board of Supervisors. **PROJECT PLANNER:** Brian Foss, Director of Planning
183 Department.

184
185 Counsel Sims: To the Chair, you did remove that last item from the consent calendar and independently
186 approved that, but you still wouldn't need to approve the rest of the consent calendar.

187
188 Chair Mastrodonato: I thought we did. I did. Yes? We're good? OK, the next agenda item is a public
189 hearing. This is a Zoning Ordinance Amendment, and the Project Planner is Mr. Foss. Brian, it's all yours.

190
191 Director Foss: Thank you, Mr. Chair. Good afternoon, Commissioners. With me is Matt Kelly, the Code
192 and Cannabis Director, and together we'll be giving you an overview of the proposed amendments to the
193 Cannabis Ordinance. This direction came from the Board of Supervisors at discussions at their workshops
194 in 2023, and then restated at their workshop in 2024, in January of each year. The Board discussed a number
195 of options for Staff to look at as proposed amendments to the existing Cannabis Ordinance that was adopted
196 in 2019. The main five points would be: (1) the allowance for a limited number of stand-alone retail
197 dispensaries, separate from cultivation sites that do allow retail storefront retail (this would be stand-alone
198 in Commercial Zones, and I'll go through all these in more detail); (2) allow different cannabis activities or
199 license types in industrial zones (currently, cultivation and associated activities are only allowed in Ag
200 [agricultural], AE, and Forest/FR zones); (3) looking at creating a cannabis cultivation Exclusion Zone for
201 communities or neighborhoods to opt into to exclude cannabis from their neighborhoods; (4) look at
202 temporary cannabis events, kind of like a farmers market model; and (5) the requirement to pay property
203 taxes, or for taxes to be current, prior to the issuance of any cannabis-related activities or permitting. The
204 Board did appoint an ad hoc committee made up of two Board Supervisors, and they have met with Staff,
205 reviewed the proposed Ordinance, and provided direction throughout the process over the last year of
206 development of the Ordinance. I'll start going over with the proposed amendments to allow additional
207 license types within M1 zoning (this is our industrial zoning). The Ordinance would allow indoor
208 cultivation only, no outdoor cultivation, up to a maximum of 10,000 square feet. It would allow testing
209 laboratories to test product before it hits the retail market. I don't believe we have any testing laboratories
210 within the County. There was one in Nevada City, however, that has since closed down to my knowledge.
211 It would allow manufacturing, both volatile and non-volatile type of manufacturing in the one zone.
212 Currently, manufacturing is allowed as part of a micro business, only non-volatile at a cultivation site. This
213 would allow manufacturing to occur separate from cultivation. [It would allow] distribution activities,
214 which is transporting, product packing, and storage of product between permitted businesses and cannabis
215 license types. The zoning regulations do include a number of requirements to minimize impacts from these
216 proposed uses, including odor control requirements, noise restrictions, compliance with our noise standards,

217 standard setbacks from M1 Zoning. There was, based on a number of comments received during the public
218 comment review period, a stand-alone building requirement, which means that the cannabis-related
219 activities would only be allowed within single buildings and not shared spaces, as to not impact neighboring
220 businesses in condominium-type buildings, as well as standard parking requirements to ensure on-site
221 parking. The next is the Exclusion Zone, and this takes the form of a Combining District. The Zoning
222 Ordinance has a number of Combining Districts that are attached to a Zone District, such as our scenic
223 corridor Combining District or plan development, or regional housing. This would be an additional
224 Combining District that is fairly straightforward and would simply state that any property that has this
225 Combining District attached to it (so, the base zone would remain the same, like an Ag, an AE, an FR where
226 cultivation is allowed), the CE or cannabis Exclusion Zone would prohibit commercial cannabis on that
227 parcel. This would be a rezoning process that would go through the Planning Commission and the Board
228 of Supervisors like a normal rezone does, currently regulated by our code. It would be voluntary by property
229 owners only. It would not be forced upon an unwilling property as currently worded in the Ordinance. As
230 with all other rezoning, the Board of Supervisors could also initiate a rezone, which could be against a
231 property owner's will, but a property owner would not be forced into rezoning their property by a
232 neighborhood association or homeowners association or something like that. There would be a five-year
233 roll-out period to remove the Exclusion Zone, similar to our TPZ or Timber Production Zone, and our
234 Williamson Act contracts. This is intended to ensure that there's some certainty that a new property owner
235 couldn't come in and just remove the zoning immediately. There's some rollout period that would have to
236 be approved by the Board of Supervisors. Over time, after five years, that restriction could be removed and
237 would revert back to the base zoning. This is intended to limit future growth of cannabis operations in
238 some neighborhoods. It would not be applied retroactively or to an existing cannabis operation that would
239 put that business out of business. It would be done so that neighborhoods or like-minded neighbors could
240 come together, place this zoning upon their own properties in a neighborhood that would indicate to future
241 buyers that this is not an area that is available for cannabis cultivation. Individual property owners that did
242 not want to apply this Zone District would be left out of that process, and that would be OK, but it would
243 be potentially limiting the growth of future cannabis operations in that neighborhood. So, that's the intent.
244 It's not a magic answer to get rid of all of cannabis in a neighborhood, but it's a step toward a neighborhood
245 identifying themselves as not being available for cannabis cultivation. The next item is a temporary
246 cannabis events, or [to] kind of operate like farmers markets, where cannabis product would be sold. The
247 Ordinance proposes that these would be allowed in commercial and industrial zones of C1, C2, M1, and
248 BP, which is Business Park, but only within the rural centers of Soda Springs and North San Juan. These
249 are the same areas that the dispensaries would be allowed, and I'll show some maps in a moment. Similar
250 to our outdoor event Ordinance, there would be limited to eight events or farmers markets per year in each
251 of those areas, so Soda Springs could have eight per year, North San Juan could have eight per year, and
252 they would be one-day events between the hours of 8:00 a.m. to 9:00 p.m. These types of events are also
253 regulated by the DCC (the Department of Cannabis Control), requiring permitting and a number of
254 oversights. Our own standards would include parking, lighting, and noise controls. There is security
255 required from the state and built into the proposed Ordinance to ensure that people under 21 would not enter
256 the area, and no on-site consumption would be allowed. There are setbacks: a 600-foot setback in Soda
257 Springs and a 500-foot setback from sensitive sites in North San Juan, and I'll discuss the reasoning for
258 those distance requirements in a moment. Another two items would be that (1) property taxes would be
259 required to pay be paid prior to issuing permits. This is fairly simple language that's just been added to the
260 Cannabis Ordinance. (2) Also, something that would apply to the retail sales at cultivation sites (that would
261 not include the dispensaries that I'll be talking about in a moment) but would be that Nevada County grown
262 product only are allowed for retail sales at cultivation sites. We have one storefront retail sale in the County,
263 and that has a Use Permit that currently houses a Condition of Approval that only Nevada County grown
264 product can be sold. That was the intention of the Ordinance originally, but was never codified, so we are
265 adding some language to clarify that for cultivation sites, micro businesses with storefront retail, only
266 Nevada County grown product is allowed. For the retail dispensaries, the Ordinance proposes up to a
267 maximum of two in the unincorporated area of the County. The Ordinance also includes a competitive
268 selection process that would be selected through a committee that would be appointed by the Board of
269 Supervisors. Matt will be going over that process in a couple of slides for more detail. In addition to the
270 selection process there would be a Use Permit requirement, so once an applicant was selected through the

271 selection process, they would go through a Use Permit process, which would require SEQA analysis, public
272 hearings, and ultimately a decision before your Planning Commission. These locations would be limited
273 to the M1, BP, C1, or C2 zoning in the rural centers of North San Juan and Soda Springs, a maximum of
274 one dispensary in each area, and these would have similar setbacks as the farmers market of 600 feet in
275 Soda Springs and 500 feet in North San Juan. This is a map of the Soda Springs area; Highway 80 is up
276 top. This is Donner Pass Road, old Highway 40 right through. This is the area just right off the freeway.
277 The parcels that are outlined in white and crosshatch are the parcels that meet the criteria for both the events
278 and a potential future dispensary. They have the proper zoning and the proper setbacks. Six hundred feet
279 is kind of a default setback that is from the state, from youth-oriented facilities and schools, and so that
280 setback is applied in this location, although there's not any sensitive sites that we know of in the area
281 currently. This is the North San Juan area with Hwy. 49 going through the middle of this area. Again, the
282 white outlined parcels are the eligible parcels that meet the criteria. The reason that there's a 500-foot
283 setback is that there is a church up in this location. There is no standard default setback from churches, but
284 our current Ordinance for cultivation activities and other cannabis-related activities do require a setback.
285 The reason 600 feet was not chosen was because it would pretty much eliminate almost all of the parcels
286 that are in this area. Given the 500-foot setback, kind of the demarcation of the Highway 49, [we] felt that
287 there was adequate separation for these parcels to be considered for cannabis-related events and/or
288 dispensaries. This little parcel up here is a PG&E substation, which would be very unlikely to be utilized,
289 so most likely it would all be on the south side of Hwy. 49 if anything were to develop in that area. With
290 that, I'll turn it over to Matt to explain the competitive selection process.

291
292 Director Kelly: Thanks, Brian. Members of the Planning Commission, Matt Kelly, Director of Code And
293 Cannabis Compliance. Regarding the competitive selection process, there's a Resolution that's a draft,
294 which is included in your packet for your review and consideration, and then a recommendation to the
295 Board. It would establish a seven-member committee that would be appointed by the Board of Supervisors.
296 One member from each district would be appointed, with the addition of two members: one additional
297 member from District Four and one additional member from District 5 would also be included. The reason
298 for the seven members instead of five is because the dispensaries would be proposed to be located in North
299 San Juan and Soda Springs, so it would give those districts an extra additional vote; that was the reason for
300 the added additional committee members. Members would need to be made up of a diverse and unique
301 perspective with a wide breadth of experience, including either experience in the cannabis industry,
302 hospitality, design professionals, business professionals, local government licensing, social justice, drug
303 reform as well as familiarity with Nevada County. The application process would go through the Board of
304 Supervisors and be appointed by them. It would make up a very similar process that we do for all of our
305 commissions and committees now. More than likely, I would staff the committee and then would receive
306 support from the Board Office in regard to that. All meetings would be open to the public. The committee
307 would meet on an as-needed basis, no less than once per year, starting no sooner than next year in 2025.
308 The committee would review one commercial dispensary application per year until we've received two
309 applications and voted on and approved two locations. The committee would establish a merit-based
310 approach to selecting the most qualified applicants. The committee would help to develop the application,
311 along with the scoring criteria, which I'll talk about in a second. After the applicant was selected, they
312 would then be invited to apply for a Use Permit, which would then go through the application and planning
313 process, and then ultimately come to the Planning Commission for consideration. A little bit about the
314 application period and scoring review: the committee would establish the process. Included in the
315 Resolution is some suggested scoring criteria, but these are just these are suggestions to give the committee
316 a basis to start. I'd really like the committee to establish the final selection and scoring criteria. This will
317 all be done through open committee meetings with the committee and opportunities for public comment as
318 well. Once the committee's current criteria were developed and the application was completed, we would
319 then open a 30-day competitive commercial dispensary application screening time. There would be a fee
320 that would be established by the Board of Supervisors for this, to cover Staff time in reviewing the
321 applications. It would just be a one-time application fee that the applicant would pay. Each application
322 would be then scored and evaluated independently by committee members. Then, there would be some
323 staff recommendation as well, but ultimately, the decision would be up to each individual committee
324 member and the committee as a whole to make a recommendation and ultimately choose an applicant. Top-

325 ranked applications based on the total points would then be evaluated and scored. The applicant doesn't
326 need to have a business location specifically determined; they just need to choose an area, be it North San
327 Juan or Soda Springs. They would then move forward. Once selected, they'd have 12 months to apply for
328 the Use Permit, process it through Planning, and go through that application process. They would develop
329 site plans, architectural drawings, all the typical things for a Use Permit. They would then come before the
330 Commission for consideration and ultimate approval or denial. It's starting in 2026, and then moving
331 forward on a not-less-than-yearly basis, we would then do another application period until we had two
332 commercial dispensaries. Then, the committee would no longer need to meet, unless a retail dispensary
333 closed. We would then reopen that application period again, and then there would be an appeal right, that's
334 included in the proposed Resolution. It would require a request for an administrative hearing. This would
335 be an administrative hearing before one of our hearing officers. This would be very similar to an appeal
336 for a code violation case or a cannabis violation case. It would not come to the Planning Commission or
337 the Board of Supervisors. Instead, it would just be with a hearing officer. So, if there was a request for an
338 appeal of the selected applicant, there is that right that members of the public would have. A little bit about
339 the scoring criteria: the committee would establish the final selections criteria, but generally included in
340 the Resolution are some outlines to give the committee some starting discussions, but a previous cannabis
341 business retail experience or medical use dispensing or cannabis cultivation operation experience would be
342 one of those scoring criteria. An ability to demonstrate quality of cannabis strains in an overall derivative
343 of product offerings would be part of their application, so it would include types of cannabis strains that
344 they would carry, proposed products, proposed product labeling, things like that would be included as well.
345 An overall employee training program, operating procedures, online ordering system - most cannabis
346 dispensaries do allow for online ordering as well as delivery, so this would be included in that. The security
347 program [would be included] as well, so an overview of the dispensary's overall security program. I would
348 be included as well. Hopefully, a pre-existing Nevada County business, with no outstanding code violations
349 and in compliance with local and California State laws would also be scoring criteria. Meeting the Nevada
350 County Design standards: the western and eastern Nevada County design standards would also be included.
351 We would hope to see some very basic architectural drawings if the applicant has them. They don't
352 necessarily need to be put together by a registered professional, but if they if they have one, that could be
353 looked at as well, or they could just have a simple architectural drawing that they put together, not
354 necessarily put together by an engineer or an architect. Additional information: based on the applicant's
355 demonstration to meet the DCC requirements, as well as our County Ordinance requirements, that they
356 operate in a safe and responsible manner in the County would also be looked at.

357
358 Director Foss: As part of the Draft Ordinance process, we did circulate the Ordinance for public review for
359 about 45 days between July 15th and August 30th. We received 34 comments, which are comment letters
360 which are in your packets. We did hold four public meetings with the Penn Valley Municipal Advisory
361 Committee, the South County MAC, and special meetings in Soda Springs, and in North San Juan.
362 Originally, the Ordinance did contain the allowance for up to three dispensaries in four locations, and the
363 two additional locations were Penn Valley and South County. But based on feedback from those
364 communities and discussions with our Board ad hoc committee, we reduced the number of dispensaries to
365 two and removed those two locations from consideration in the Ordinance, remaining with just Soda
366 Springs and North San Juan, as I presented earlier, and that was with ad hoc committee guidance, as well
367 as trying to respond to the community's concerns from those areas. Just to wrap things up, the Ordinance
368 would be considered exempt from environmental review pursuant to a number of sections. Most of the
369 amendments are similar to the existing allowed uses. They're already allowed either under the Cannabis
370 Ordinance or such as in the M1 Zone Districts. They're very comparable with volatile and non-volatile type
371 manufacturing. Two other allowed types of uses that are already allowed to be permitted through our code,
372 and that the original EIR does cover most of the potential impacts from the proposed amendments, in
373 addition to the Use Permit requirement for dispensaries, which will require its own CEQA review and
374 public notification process. I do want to make one amendment. This is regarding the locally grown or
375 Nevada County grown products only. This is clarifying language. In the packet, it basically is related to
376 micro businesses, which is actually more restrictive and not quite the right way to limit that type of product.
377 So, the wording has been modified just so that it's part of non-storefront retail sales. This wording matches
378 the same restriction that is further in the Ordinance for non-storefront retail sales. So, just wanted to clarify

379 that there is a minor clarification from the Ordinance that's in your packet today. With that, Staff's
380 recommendation, since this is ultimately going to the Board of Supervisors, is that your Planning
381 Commission make a recommendation to the Board to adopt the Ordinance that would amend the Zoning
382 Ordinance as described and add the Cannabis Exclusion Zone, as well as adopting a Resolution to approve
383 the competitive application selection process and establishment of the Application Evaluation Committee.
384 And with that, Matt and I would be happy to answer any questions.

385
386 **Chair Mastrodonato:** Thank you, Brian. This is a public hearing, so prior to us hearing from the public on
387 this item, I will ask the Commissioners if they have any quick questions for Brian or Matt before we move
388 on to the public hearing portion. We'll start with Commissioner Garst.

389
390 **Commissioner Garst:** I want to start by disclosing that I sat on the Nevada County Cannabis Alliance Board
391 for about a year, but no longer sit on that board. Most of my questions have to do with the Cannabis
392 Exclusion Zone. Can you explain that process of what that application would look like? You said it was
393 similar to rezoning. What would be included in the application requirements?

394
395 **Director Foss:** The application would be pretty brief or would not require very much paperwork or plans.
396 It's basically would just be a request [to] fill out a basic application about what parcels would be included,
397 demonstrating ownership, property owner acceptance or willingness, generally filed by the property owner.
398 However, if there were a group of property owners, it would just be identifying which parcels are being
399 proposed or being asked to be rezoned, showing the ownership information. We would probably create the
400 map that would just show the Combining District being attached for presentation purposes, and then it
401 would go to the Planning Commission for recommendation to the Board of Supervisors. I wouldn't
402 anticipate any significant environmental review; it would likely be exempt, because this is just a restriction
403 of one very specific type of permitting requirement. I didn't mention, but personal use would still be allowed
404 under State law, so up to six plants that would not apply. It would just be the commercial cannabis
405 cultivation that's covered by our Ordinance. So, pretty straightforward, easy application. There is a cost to
406 it. It could be up to about \$5,000, but we would be open to processing these in groups. So, if a neighborhood
407 or a group of 20 parcel owners were to get together, and we could do all those in kind of one process through
408 the Board and the Planning Commission to reduce costs to individual property owners. Hopefully that
409 answers your question.

410
411 **Commissioner Garst:** So, the other Combining Districts that exist in the County, how were those
412 established? [Did] those, I assume, require consensus among the properties that...?

413
414 **Director Foss:** They were established through just the development of the code and the need to identify
415 other types of specialties; like the Scenic Corridor was applied because it was a long and identified Scenic
416 Corridor. So, that was not necessarily a voluntary property owner decision. We have an Avalanche Hazard
417 Combining District that is just based on the geography, and things indicate that there might be a potential
418 for avalanche. So, it's kind of just a warning type of a zoning. Our plan development overlay zones are
419 somewhat mixed. Some of those were requested by property owners when we went through the General
420 Plan update and the new Zoning Ordinance in the year 2000 and in the late 90s. So, it's kind of a mix of
421 depending on what the other Combining Districts are for. We do have a Regional Housing Needs
422 Combining District; that's to identify affordable housing sites, and those were placed on the properties with
423 willing property owners through our Housing Element process about almost 10 years ago now.

424
425 **Commissioner Garst:** One of the public comments that was received was from Lisa McCandless, the City
426 Planner at the City of Nevada City, stating concerns around the exclusion district potentially being
427 discriminatory in nature. Can you speak to that concern?

428
429 **Director Foss:** Yes, other than I don't agree or see any validity to that comment. I don't know how that
430 would be discriminatory if it's a voluntary application of the rezone, and other Zoning Districts don't allow
431 cultivation, so I don't see any validity to that comment.

432

433 Commissioner Garst: OK. That's all I have for staff at this time.
434
435 Chair Mastrodonato: Thank you. Commissioner McAteer?
436
437 Commissioner McAteer: The two public hearings that you had in North San Juan and up on the summit:
438 [were] they well attended? I'm just trying to understand how many people were at these.
439
440 Director Foss: I wouldn't say they were well attended. In North San Juan, we had two people. I was not
441 at Soda Springs. Matt was at the Soda Springs one.
442
443 Director Kelly: Commissioner McAteer, I think we had two or three people for Soda Springs as well.
444
445 Commissioner McAteer: OK, because I know they have a homeowner's association up there on Donner
446 Summit. They were obviously notified, all the people?
447
448 Director Kelly: They were. The Summit Association was notified, and we had a meeting sort of through
449 that.
450
451 Commissioner McAteer: Thank you. Can you discuss this "Nevada County only?" I'm a little fuzzy on
452 this, because I know that the two dispensaries in Grass Valley and Nevada City sell things other than Nevada
453 County grown products. So, who does this apply to? So, just help me out on this.
454
455 Director Foss: It would apply to the cultivation sites and any business that had a micro business for a non-
456 storefront retail, so it wouldn't apply to the dispensaries that we're proposing today, so those could operate
457 like the two existing dispensaries in the County. However, like the one storefront retail that we have that
458 the Planning Commission approved a Use Permit for...
459
460 Commissioner McAteer: Down in Smartsville...
461
462 Director Foss: Right. That had a Condition of Approval that it's only Nevada County grown, local product,
463 and that is something that I believe the Cannabis Alliance was supportive of. It's intended to just try to
464 support our local farmers.
465
466 Commissioner McAteer: So therefore, outside of the Smartsville one, ...and everything else is exempted
467 because they're dispensaries, what else? Who else would this apply to if we added more agricultural farm
468 stands?
469
470 Director Foss: Any future Use Permits or micro businesses that had storefront or non-storefront retail sales
471 would apply. It would be limited to just locally grown or manufactured product.
472
473 Commissioner McAteer: OK, because I made this feel like this was some big thing, and I can see it's not.
474 OK, my next question goes to cost of rezoning. For these people who live in Lake of the Pine, LOP
475 Ranchos, as an example, and they want this: it's going to cost them \$5,000, or somewhere around there.
476 Could you explain to me how that cost is incurred?
477
478 Director Foss: That's our standard rezone cost that's in our fee schedule that's adopted by the Board. It's
479 just based on the number of hours for Staff time to process the application through the Planning Commission
480 and the Board of Supervisors.
481
482 Commissioner McAteer: Because my first initial read of this was going to be, "Oh, my God, we're going
483 to have 150 of these coming to us," and standing here and listening to every Ted, Carroll, and Alice and
484 whoever else, telling me why they need to exclude this. Now I'm getting the fact that really very few will
485 be coming, because cost will be prohibitive for many.
486

487 Director Foss: It could be. It is costly. I would anticipate groups of homeowners, property owners, getting
488 together and doing it as a neighborhood or along a street or a certain area. That would be a potential way
489 to reduce cost and to do them in bigger numbers, larger groups at one time.
490

491 Commissioner McAteer: Yes. Finally, I'd like to talk about the youth exclusion: so, we're going to have
492 this farmers market up in North San Juan. The School Superintendent in me comes out at times. So,
493 obviously, high school kids would love to run up there and see what's going on. How does the County plan
494 to deal with this and enforce the age 21 limit?
495

496 Director Foss: Well, the State permitting requires security. There would be a plan to control the space
497 where people would access and be limited for age restrictions, similar to any other establishment that has
498 an age restriction - local bars, those types of things. It would be incumbent upon the permit holder to ensure
499 that the security is enforced, and I'm sure there would be penalties or fines if there were underage people
500 accessing the site or partaking in onsite consumption. Then, probably working with our Code Compliance
501 or Cannabis Compliance Division. They may, and I haven't talked to Matt about this, but they may be
502 doing inspections or just doing spot checks on these types of events to ensure that they're complying with...
503

504 Commissioner McAteer: Because there's not an ABC [Alcohol and Beverage Control] of cannabis.
505

506 Director Foss: Well, there's a DCC. It's not an ABC, but it's a DCC.
507

508 Commissioner McAteer: And that's a state agency that that checks ages?
509

510 Director Kelly: Yes, so the Department of Cannabis Control, or DCC, is the state agency that regulates
511 commercial cannabis in California. My Staff, I would imagine, we would be doing inspections for these.
512 This would require a permit through Planning, and we would also probably issue an ACP (Annual Cannabis
513 Permit) that would go with this. We would then probably help to inspect it prior to its operation and making
514 sure that they meet all the DCC requirements as part of their application.
515

516 Commissioner McAteer: Good. Well, I look forward to Diana addressing some of that for me, if she
517 doesn't mind, when we get to that kind of questioning. Thank you very much.
518

519 Chair Mastrodonato: Commissioner Duncan?
520

521 Commissioner Duncan: For the record, I would disclose that I did have a phone conversation with Diana
522 Gamzon from the Cannabis Alliance prior to this hearing today. I have a question, Matt, about the
523 dispensaries. So, once a Dispensary Permit is issued, do they have it for life? I mean, will there be some
524 type of review after 10-20 years to open it up?
525

526 Director Kelly: So, and I would defer some of this to Brian as well. The dispensaries would require a Use
527 Permit, and it would operate with Conditions of Approval similar to a project that requires a Use Permit.
528 That use would run with the land, so as long as the use is maintained. It's a discretionary permit. What
529 would also come with that is an annual cannabis permit. Similarly to how we inspect cannabis farms now,
530 my Staff inspects those twice a year. We would also inspect these twice a year as well, making sure that
531 they meet all their DCC requirements, along with making sure that they meet their Conditions of Approval
532 as well.
533

534 Commissioner Duncan: And that they're maintained in a fashion that is...well, that represents the business.
535 OK. That was a question. There was, in the comment letters, there was a person who said that they were
536 a cannabis inspection inspector. Would they be required to go in and conduct any of these reviews for a
537 dispensary?
538

539 Director Kelly: Commissioner Duncan, I would need to review that comment again, but the DCC does
540 have a compliance division that we do work with, and they can inspect cannabis farms. They also could

541 inspect retail dispensaries, micro businesses, volatile and manufacturing facilities. The Water Board also
542 has an inspection division as well. I don't know if a dispensary would need Water Board permitting, but if
543 they do, or if the Water Board was involved, they would also inspect it. The Department of Cannabis
544 Control would annually inspect it as well as part of their compliance process.

545
546 Commissioner Duncan: OK. Also, as far as the Exclusion Zones [go]: theoretically, you could create a
547 zone if several property owners went together but there was someone who didn't want to join in, so that
548 would create a doughnut of sorts with that. Is that perfectly legal to go forward?

549
550 Director Foss: There would not be any type of concurrent properties or any type of restriction. So, it could
551 be a little bit checkerboard or "doughnut hole" around a property. Again, it's not the perfect solution, but
552 it's a tool that neighborhoods could utilize just to indicate that that area is not available for cannabis
553 cultivation, and it would potentially help reduce the spread or introducing new cultivators into the area. So,
554 that's the idea behind it.

555
556 Commissioner Duncan: Last question: it was interesting - I think this is the first time we've said that
557 discretionary applicants have to be current on their property taxes. I don't think there's any other
558 requirement in the County for other discretionary requests.

559
560 Director Foss: You are correct.

561
562 Commissioner Duncan: Would this apply to the people requesting exclusionary zones?

563
564 Director Foss: That's a good question. I don't believe it would.

565
566 Commissioner Duncan: Property taxes would help operate the County, and I do believe in people paying
567 their fair share and should not be given a pass.

568
569 Director Foss: You're right. It doesn't apply to other types of permits, or it's not something we look at.
570 Thinking it through, I don't think it would apply to rezone applicants because it's for cannabis-related, and
571 that's kind of the inverse of cannabis-related type of an applicant. Unless the Commission wanted to make
572 that recommendation that it applied, I think as currently written, it would not apply to a rezone applicant.

573
574 Commissioner Duncan: Thank you.

575
576 Commissioner McAteer: Can I just follow up on that? Why is that provision in there? I don't understand
577 it.

578
579 Director Foss: That was a discussion from the Board of Supervisors; just a concern that there were some
580 farms and cultivators that were not current with their taxes in the past. [They] thought that would be
581 something that we should put in the Ordinance. It's kind of based on direction and discussion from the
582 Board. It's not obviously final, but that's where it generated from.

583
584 Commissioner McAteer: And one other question: this Exclusion Zone, did this come out of thin air, or is
585 this happening in, you know, Sonoma County or Placer or wherever?

586
587 Director Foss: I believe Humboldt or Mendocino has a version of this that is applied. I think they took a
588 different tact; I don't know that it's voluntary. I think the County selected areas that would be excluded for
589 cultivation-related activities. Nevada County did that in a way, just with identifying certain zoning districts
590 and certain parcel sizes, so in a way, we did identify eligible types of properties. Again, this wasn't the
591 perfect solution or a heavy-handed solution. It was meant to just be another tool for property owners to
592 use, because currently they also have CC&Rs that could effectively do something similar, but this would
593 be something a little more permanent.

594

595 Commissioner McAteer: Thank you.

596

597 Chair Mastrodonato: Anything more, Commissioner Duncan?

598

599 Commissioner Duncan: That's it.

600

601 Chair Mastrodonato: OK. Commissioner Milman?

602

603 Commissioner Milman: Thank you. OK, so going through this, we're allowing a maximum of two retail
604 dispensaries. We currently have zero in the County area, right? And two in each of the cities? Or there's
605 one in Truckee as well?

606

607 Director Foss: I don't believe there's one in Truckee. There's one in Nevada City, one in Grass Valley, and
608 none in the unincorporated area other than the storefront retail, from the one off of Hwy. 20 towards
609 Smartsville.

610

611 Commissioner Milman: And that's the storefront retail that's connected to the actual cultivation, not a
612 separate store.

613

614 Director Foss: Yes, correct.

615

616 Commissioner Milman: So then, on the one hand, the County is now allowing a standalone storefront
617 dispensary to be in the County area. That's part of the intent of this?

618

619 Director Foss: Yes, correct. One in Soda Springs, one in North San Juan.

620

621 Commissioner Milman: And nowhere else? You can't have a dispensary anywhere else in the County?

622

623 Director Foss: That's correct, as currently written.

624

625 Commissioner Milman: So currently, you can cultivate based on a variety of other rules that were primarily
626 an Ag or, I think, Forest or something. So, now we're adding Industrial to that?

627

628 Director Foss: Correct. There would be up to 10,000 square feet of indoor cultivation in Industrial Zones,
629 in addition to the other activities: manufacturing, transport, and testing laboratories.

630

631 Commissioner Milman: So then, an Exclusion Zone: if somebody owns a piece of property and now...is
632 this only about the Industrial, or this is also about the Ag property?

633

634 Director Foss: It would really only apply to the Ag, FR, and AE property for cultivation sites. I guess
635 technically could go on an M1 property, but it was more designed for the residential neighborhoods.

636

637 Commissioner Milman: So, if somebody owns a property, and they don't want cultivation on it, why do
638 they need an Exclusion Zone to say, "I'm not going to cultivate on it," or, "I'm not going to allow my tenants
639 to cultivate on it."

640

641 Director Foss: They don't necessarily need it. It's something that would be in place for up to five years so
642 that it would, again, be an indicator that that neighborhood, those properties, are not available in the future
643 for cannabis cultivation. It would potentially prevent the spread of new cultivators coming into that area
644 and give some assurance to a neighbor that that property would not be cultivated when it changed hands.

645

646 Commissioner Milman: For five years.

647

648 Director Foss: For at least five years.

649
650 Commissioner Milman: That one seems odd to me. OK. The next thing is to allow farmers markets. The
651 farmers markets are only allowed in the Industrial or Commercial Zones in those two communities that we
652 talked about, the white-rimmed...
653
654 Director Foss: Correct.
655
656 Commissioner Milman: Going back to the...basically, the "farm stands," correct? The farm stands can
657 only sell Nevada County grown? And the farmers market can only sell Nevada County grown as well?
658
659 Director Foss: Well, the farm stand, the farmer's market...I don't think that potentially would apply. I
660 have to double check. I don't remember if we put that standard in there or not. I don't know that it's
661 specifically restricted to Nevada County on the farmers markets, currently.
662
663 Commissioner Milman: So, the dispensaries are, we've already said, set aside from that: they can sell weed
664 from wherever. The retail, at the point of cultivation: they're limited. So then, you're going to check the
665 farm...? OK, I think I got it. I think that's good for now. Thank you.
666
667 Chair Mastrodonato: Thank you. Real quick for me. Like everyone, my questions are directed at this
668 Exclusion Zone. So, just to kind of clarify for me, if not for more folks: the County has identified parcels
669 or properties that can opt in to be excluded, is that kind of summing it up?
670
671 Director Foss: We haven't identified any properties. It's a tool that would be available to any property that
672 would potentially otherwise allow cannabis cultivation through the code, so any Ag, Agriculture, AE, or
673 Forest property would potentially be eligible to apply this Exclusion Zone too. It wouldn't be necessary in
674 other zones, because cultivation is not allowed in those other zones.
675
676 Chair Mastrodonato: OK, I misunderstood. I thought you had mentioned that the County had identified
677 the parcels that were eligible for the Exclusion Zones, but that's not the case?
678
679 Director Foss: No, we've identified properties that are eligible for the dispensaries and the market
680 temporary events.
681
682 Chair Mastrodonato: Gotcha. Going back to these Exclusion Zones, these owners have the ability to either
683 opt out or opt in, so to speak, and it's a five-year minimum program?
684
685 Director Foss: Right.
686
687 Chair Mastrodonato: And then, I don't know if we discussed this: what happens after the five years?
688
689 Director Foss: It would just revert back to the underlying zoning. So, if it was Ag-CE, and the CE (or
690 Cannabis Exclusion Zone) were to be removed, it would just go back to Ag.
691
692 Chair Mastrodonato: And there wouldn't be another opportunity to opt out or to be excluded?
693
694 Director Foss: Yes, I mean, someone could rezone it back...
695
696 Chair Mastrodonato: They'd have to reapply, do it all over again?
697
698 Director Foss: Right.
699
700 Chair Mastrodonato: OK. Just as an example, do we have these zones in place anywhere in the County
701 now for any particular reason?
702

703 Director Foss: Well, we have a number of Combining Districts in the County...

704

705 Chair Mastrodonato: Right.

706

707 Director Foss: ...Scenic Corridor, PD. We don't have any Exclusion Zones, because it doesn't exist.

708

709 Chair Mastrodonato: So, there's no opportunity for folks to apply for exclusion coverage for anywhere else

710 in the County for anything, so...you know, well, churches or fast food..., I don't know, I'm just curious,

711 because it's kind of a new one for us. But no. OK.

712

713 Commissioner Duncan: The Exclusion Zones might be a sales tool that people might use for their property

714 when their prospective people looking to purchase land in Nevada County, and they would say, "Well,

715 we're in an Exclusion Zone, five years, but you can apply again," that limits what your neighbors can do in

716 terms of cannabis production, except for the personal use: that they can grow. So, no commercial operations

717 would be allowed.

718

719 Chair Mastrodonato: You know, obviously this is a newly bred, living and breathing thing that we're

720 constantly adjusting to. I think my questions were more to the fact that it was something that I am unfamiliar

721 with understanding.

722

723 Commissioner Garst: I have another question about the Exclusion Zone: if the process is the same as a

724 rezone, why not just have people who want to be excluded rezone to it a Zoning District that doesn't allow

725 cannabis?

726

727 Director Foss: That would be a much more difficult threshold to meet, because we're not going to rezone

728 a piece of property that's 20 acres in the rural area to an R1 or some other Zone District. The base zoning

729 stays the same. You lose different allowed uses when you change your Zone District. This Combining

730 District would not affect any of the bases, zoning allowances, or other restrictions. It would just be focused

731 simply to cannabis, and it would be a very low threshold to be able to recommend approval. Going from

732 one base Zone District to another Zone District requires much more justification. It could be possible in

733 some areas, but it wouldn't be worth what the benefits of just applying the Exclusion Zone would provide.

734

735 Commissioner Garst: So, if somebody buys a property that was previously zoned as an Exclusion Zone

736 and wants to remove that, it's the burden of the new owner to apply for the removal of that zoning

737 designation?

738

739 Director Foss: Correct.

740

741 Commissioner Garst: And then that would take five years to go...

742

743 Director Foss: Yes, if the board were to approve it, then five years from that date, it would be removed

744 and would revert back to the base zoning.

745

746 Commissioner Garst: OK.

747

748 Chair Mastrodonato: I think it's time that we...this this is a public hearing, so we will hear from the public

749 on this particular item, and just to set what's going to happen here, I'm going to open up the public hearing.

750 If anyone would like to speak on this issue, they can approach the podium. Please give us your name and

751 address. If you're an individual speaking on this item, you have three minutes to speak. If you're

752 representing an organization, by all means, we can allow you five minutes. Just make sure that you identify

753 yourself as that.

754

755

756 Chair Mastrodonato opened public hearing at 2:35 p.m.

757
758 Ms. Traci Sheehan: Good afternoon, Planning Commissioners. My name is Traci Sheehan, and I am the
759 Policy Director at the South Yuba River Citizens League, also known as Circle. We're also known as the
760 Yuba River Waterkeeper. I'm here today to provide comments on one of the six proposed amendments,
761 that being the proposed Exclusion Zone Combining District. Founded in 1983, Circle is one of the nation's
762 largest organizations focused on a single watershed: the Yuba. We are dedicated to landscape level
763 conservation and restoration, climate change resilience, and community engagement. Circle has been
764 engaging on cannabis issues since 2013, when we initiated the Growing Green for the Yuba program.
765 Through Growing Green, we aim to educate the community about the value of the permitting and
766 legalization process and encourage watershed-friendly cannabis cultivation practices in the Yuba
767 Watershed. Unregulated and illegal cannabis cultivation poses major environmental concerns in the Yuba
768 Watershed. It can create water quality concerns such as sedimentation, pesticide pollution, nutrient runoff,
769 and increased harmful bacteria, all of which are present in our watershed, in addition to trespass grows and
770 illegal water diversions. As part of the Growing Green campaign, Circle actively engaged in the County's
771 public process to legalize commercial cannabis cultivation. When Nevada County's Commercial Cannabis
772 Ordinance was adopted in 2019, Circle evaluated the environmental effects of legal commercial cannabis
773 cultivation on both our community and the Yuba River Watershed. Key to the success of the Ordinance is
774 having illegal growers enter the legal and regulated market by minimizing barriers to that entry. In 2021,
775 Circle surveyed the community and discovered that many cultivators believe that the process of coming
776 into compliance was inaccessible, too expensive or time consuming, and lacking in benefits. Despite this,
777 and even though cultivators faced significant regulatory hurdles, over 200 cultivators have applied for
778 licenses since the County program began. Circle's concerned about a proposal to create an Exclusion Zone
779 Combining District that would allow residents to apply to prohibit all commercial cannabis activities to
780 preserve the residential nature of the property. Circle believes the Exclusion Zone Amendment is
781 redundant, because under our current Ordinance, cannabis is only allowed to be farmed on land zoned
782 Agriculture. Cultivation is not permitted in areas zoned Residential Agriculture or Residential. Notably,
783 the primary use of Agriculture and Timber Production zoned land is for commercial agriculture use, with
784 all other uses secondary. We should remember that a wide variety of commercial activities occur on
785 Agriculture zoned lands in Nevada County, including timber harvesting, cattle ranching, horse boarding,
786 commercial vegetable farms, and vineyards and winery production. The amendment's selective exclusion
787 undermines the principles of equitable land use management and sets a concerning precedent for potential
788 future restrictions. Moreover, Circle is concerned that this amendment could provide a disincentive for
789 legal compliance among cannabis cultivators. By creating additional perceived barriers or uncertainties, it
790 discourages growers from transitioning to the legal market, which is essential for effective regulation and
791 environmental protection. Circle recognizes that the amendment is intended to preserve the residential
792 nature of the property. We point out that the County Ordinances have specific language about rezoning
793 lands and a clear pathway to achieve a change of zoning. The County has a process to consider rope
794 rezoning applications based on...

795
796 Clerk Patterson: My apologies. It's been more than 5 minutes. Would you...?

797
798 Chair Mastrodonato: Has it been?

799
800 Clerk Patterson: It has.

801
802 Chair Mastrodonato: I thought we were going down to one minute. We'll let you finish up in a few seconds
803 here. Go ahead, real quick.

804
805 Ms. Traci Sheehan: Since land zoned Residential Ag [Agriculture] do not allow commercial cannabis
806 farming, it would make sense to utilize this established and transparent rezoning pathway and remove the
807 Exclusion Zone Amendment. Thank you for your time.

808
809 Chair Mastrodonato: Thank you, Tracy.

810

811 Ms. Maggie Phillips-Bourne (*sp?*): Hello, Planning Commissioners. My name is Maggie Phillips-Bourne
812 (*sp?*). I own property and live on Owl Creek Road in District Four. I'm the head of the Jones Bar Firewise
813 Community, which spans over 200 parcels. Some are BLM [Bureau of Land Management], some are state
814 parks, many homes, and some are small local commercial businesses, including two vineyards, one that is
815 open to the public some days of the week, and four licensed cannabis farms. In 2020, when the Jones Fire
816 devastated part of our community, it was noted afterwards by fire personnel that the fire requirements,
817 things like clearing, water storage and hookups, turn around spaces, etc., required by one of the cannabis
818 farms was one of the saving graces for immediate neighbors and played a critical role in the fire not being
819 worse than it was, overall. Supporting small businesses like cannabis farms that actively engage in fire-
820 safe land stewardship like this is a positive, both for our neighborhoods and the entire County. I also have
821 been intimately following the cannabis industry and local policy for the past six-plus years, and I want to
822 remind us all [that] Nevada City is a really wonderful example, especially for issuing permitting for various
823 types of cannabis businesses, like what's being proposed today, in light industrial zoning. These cannabis
824 businesses are an essential part of the local industry. They provide support to local farmers who are farming
825 on Ag Zone land. These are the distributors, manufacturers, testing lab - that portion of what's being
826 proposed today. The proposal before you specifies industrial M1 zoning for these types of businesses
827 specifically having to be stand-alone buildings. Regardless of the type of building, wouldn't the logical
828 solution be for individual property owners to decide if they want to lease to a cannabis business or not?
829 That maintains private property rights, it helps really squash the elephant in the room of destigmatizing
830 cannabis and giving the local industry an opportunity to be successful. Let's be honest, there are very few,
831 probably less than five, stand-alone buildings in M1 zoning in unincorporated areas. That means, without
832 the terminology itself, this is sort of banning those businesses from being able to operate. Nevada City,
833 again, has a really wonderful example: they use multi-tenant buildings; they've been doing this for many,
834 many years without any incidents. If a property owner doesn't want to rent to a cannabis tenant, they simply
835 don't do that. All to say, the cannabis industry is actually a fiscally very important part of our County, and
836 it's really struggling statewide. Part of that is because of the lack of a functioning supply chain statewide,
837 a bottleneck from the lack of retail outlets and opportunities for farmers and manufacturers to innovate and
838 get quality products to those who want them. Supporting these opportunities...

839
840 Chair Mastrodonato: Thank you.

841
842 Ms. Barbara Jones: Barbara Jones from District Four. My husband, Brian, and I have lived on the Ridge
843 for 35 years. We built our own home, raised two successful children. Now we raised miniature donkeys
844 and have a cannabis farm: "voodoo" farm. "Voodoo" is a family word that means putting your best into
845 whatever you do. And we do our best. Besides farming, Brian is a general contractor, and I work producing
846 events at the San Juan Ridge Community Library. You can ask me about my next event later; it's super
847 fun. We also own a production company, Voodoo Productions, that produces Ridgestock Music and
848 Sustainability Expo on the ridge. We are regular volunteers for Circle, many of their events. I love
849 producing events that bring our community together and pull everybody out of their homes. I'd like to be
850 part of creating cannabis events that bring awareness to our community and allow farmers to celebrate and
851 share their hard work. As a river ambassador for Circle, I speak to hundreds of people on the weekend. I
852 am well aware that most river visitors are from out of the area and do not spend tourist dollars. Cannabis
853 events and appropriate venues on the Ridge will provide economic development opportunities, not only for
854 farmers, but existing businesses, like the gas station, the restaurants, mercantile. Events such as this will
855 attract a tourist to stop and participate in this opportunity and learn the history of the area, as well as
856 contribute to our economy. The Activities and Improvement Center in North San Juan, or the Community
857 Center, is a great location for such events. It's zoned appropriately, is already designed for classes, farmers
858 markets, and festivals. I ask that you recommend to the Board of Supervisors to add this location for zoning
859 events. Lastly, have any of you been to the Mandarin Festival in Auburn? The Mandarin milkshakes are
860 fantastic. All the farmers get to show up all their Mandarin stuff that they took care of over the year, and
861 all the community gets to come out and appreciate what they enjoy. Cannabis farmers are just like that.
862 We love what we do, we work hard, and we are proud of our results. We want to celebrate our work with
863 our community and other farmers. Please consider our events in our community.

864

865 Chair Mastrodonato: Thank you, Barbara.

866

867 Ms. Patricia Rockwell: Since we're on events, I will go next. Good afternoon. Members of the Planning
868 Commission. My name is Patricia Rockwell. I live in District 4 and have been a proud member of the
869 Penn Valley MAC for three years. My three children and I co-own Green Gift Gardens, which is a small,
870 10,000-square-foot cannabis farm. Nearly 28% of all organically grown cannabis in the state of California
871 is located in Nevada County, and we are proud to be one of those OCal-certified farms. Nevada County
872 has a rich history of organic farming, and it is so rewarding to carry on the tradition. As a small-craft farm,
873 we face many challenges and continue to look for ways to expand our market and streamline the ways we
874 can do business. One of the ways we can do so is to interact directly with our consumers. At this point,
875 Green Gift can only sell directly to distributors, who then will take our product to retail customers. We are
876 excited by the potential impact of our farm being able to interact directly with our customers. We have
877 participated in the Hall of Flowers in Sonoma County a couple of years and saw a notable impact on our
878 sales as a result of talking directly to people. We would like to have that same opportunity here in Nevada
879 County where we live. For example, as to what Barbara was speaking to, it'd be so cool to host a cannabis
880 medical summit on the Ridge, which is our County's hub for legacy cannabis expertise. We could have
881 local speakers of medicinal qualities of cannabis, seminars, and have local cannabis sold. An ideal location
882 for an event like this would be the Community Center on the Ridge. However, it is zoned Residential Ag
883 and thus restricted according to our Ordinance, to my understanding. My ask is for the Community Center
884 to be in an allowable parcel for cannabis events. I'd like to share some successful cannabis events that are
885 hosted in other counties. Mendocino has used cannabis events as a fundraiser to benefit organizations, like
886 the Mendocino Land Trust and Cancer Resource Center of Mendocino, where cannabis was auctioned off
887 and sold. In Sonoma County, where at the Emerald Cup is held is an educational conference and a cannabis
888 competition. We could have our own Nevada County Cup here on the Ridge. Events like this would bring
889 a lot of economic development to our area. In good faith, Green Gift, along with other small craft farms,
890 have done the necessary due diligence to become legal farms. We are here today to support the language
891 that allows the ability to host cannabis events, which will be another tool to put in our toolbox as we navigate
892 the road to success. Today I am requesting that we be able to state it succeed as farmers, that we need the
893 opportunities that are given to all farmers of all kinds of products. Today I'm requesting that you consider
894 opening the pathway for our farm to participate in events, such as the example above. Thank you so much.

895

896 Chair Mastrodonato: Thanks, Patricia.

897

898 Mr. Christopher Ring: Good afternoon. My name is Christopher Ring. I live on Johnston Drive in
899 unincorporated Grass Valley. I want to say thank you for everybody here, including staff and the Council
900 for reviewing this issue. I think it's important, and I think that other counties would be do best to do
901 something similar to review this issue and truly understand it from all facets. I attended the ERC Economics
902 Summit just a couple weeks ago. We had a UC Berkeley professor of Economics tell us that we should
903 embrace cannabis as a County. It is an agricultural product [with which] we should do something similar
904 to France, where we have a boutique product related to specific area that will say, "This is a product
905 specifically from here," and you can guarantee its quality because of where it's from. I've grown up here.
906 I've lived here a long time. I own a house here. I think that whether this is a legal process or not, we need
907 to understand that cannabis is a very prevalent product that comes out of our County, and I commend
908 anybody that tries to go from the black market to the legal process to get it done. It is expensive, and with
909 that in mind, I would also recommend reducing entries to barriers: barrier entries into this field. To me,
910 when I hear, "Regardless of what industry you're in, you don't have to pay your taxes or get your taxes
911 current to get a permit; but if you're in the cannabis business, you do." That seems a little discriminatory,
912 and I think that everybody deserves a fair shake. If you're willing to go legal in this process, where the
913 black market quite frankly flourishes, I think there should be a reduction in barriers to try and facilitate that
914 process. Thank you.

915

916 Chair Mastrodonato: Thank you, Christopher.

917

918 Ms. Holly Lusk: Hello, my name is Holly Lusk. I live over on Auburn Road in an unincorporated area of
919 Grass Valley. I've lived here in Nevada County since 1979. I raised two children in this county, and I have
920 6 grandchildren who are being raised in this County. I'm a property owner, and I was in the title industry
921 business for 25 years. Cannabis has long been a subject for lively discussion, both pro and con. But I'm
922 not here to debate that issue. The voters determined that issue some time ago, and it is legal and allowable
923 to both consume and grow by law, but only if you confine yourselves to the legal restrictions. Our legal
924 cannabis farmers have spent hundreds of thousands of dollars maintaining that to conform to these laws,
925 which has resulted in considerable revenue for our County. This includes growing on Commercial Ag Zone
926 property, only. This is exactly what the zoning is meant for: farming. The primary goal of Ag land zoning
927 is to preserve agricultural land and prevent incompatible land uses that may hinder agriculture. To exclude
928 a specific type of farming is discriminatory, a road which our country has been down before. For example,
929 it was common in the early 20th century to exclude buyers of certain races or religions from purchasing in
930 specific areas. As we all know, those exclusionary deeds were thrown out by the Supreme Court. There is
931 another solution for those who wish to confine cannabis farming: by petitioning to have property rezoned
932 to Residential Agriculture, where it already is not allowed. I don't think anyone disagrees that this County
933 needs revenue, and the cannabis industry is providing this. It is simply unfair to place an Exclusion Zone
934 for cannabis in Ag Zone land where other commercial activity is allowed, including other types of farming
935 or commercial livestock. I would respectfully request the Commissioners to remove the provision for
936 Cannabis Exclusion Zones in their recommendation that goes to the Board of Supervisors. Thank you very
937 much.

938
939 Chair Mastrodonato: Thank you.

940
941 Mr. Abraham Volinsky. Good afternoon, Commissioners and County Staff. My name is Abraham
942 Volinsky. I'm from District Four, and I'm proudly one of the first legal farms in the County. My wife and
943 I own and operate a 15,000-square-foot certified organic cannabis farm. We raise our three children on the
944 land, and we also farm fruit trees. I'm also Vice President of the Wolf Mountain Road Association. I'll be
945 speaking today about the proposed Ordinance about property tax and Exclusion Zones. The proposed
946 Ordinance states that all property tax must be paid in current before all permits are issued to any cannabis
947 business. This policy is discriminatory, as it will apply only for cannabis businesses and not to other
948 businesses sectors. I see this as bad policy. Why is the cannabis industry treated differently? Equality for
949 all business should be the policy from the County's perspective. I'm not supportive of an Exclusion Zone
950 either, just for cannabis. In my neighborhood, we have vineyards and horse boarding. Each of these
951 businesses has people that come to the farm, pick up the harvest, or staff the farms. Our zoning allows for
952 commercial businesses. Cannabis is no different. In fact, farms are micro-farms compared to the other Ag
953 operations. Cannabis should not be excluded as Ag operations. An Ag product is Ag Zone land, which is
954 intended for commercial farming activities. If neighbors do not like commercial activity, they should
955 potentially rezone. I urge this Commission not to support requiring property taxes on cannabis permits and
956 not to support the Cannabis Exclusion Zones. We need to treat the cannabis industry like any other farming
957 business in the County. Thank you.

958
959 Chair Mastrodonato: Thank you.

960
961 Mr. David Cooper: Good afternoon, Commission. My name is David Cooper, District Four. My brother
962 and I own and operate Hill Craft Farms, which is a small family farm in District Four. We have been part
963 of the 1st wave of legal farms in our County. I'm a proud father of four boys and an active member in this
964 community and take pride in sponsoring local nonprofit events, such as the Wild and Scenic Film Festival.
965 As we move further down the path of being legitimate, recognized business that brings value to our
966 community, we expect to be treated the same as any other business here in Nevada County. The path to
967 compliance hasn't been easy, and the fight to continue doing what we love, which is farming, is constant.
968 We face many obstacles at a state level, as well as federally, yet we continue to find a way forward. We
969 are part of the movement that is building something unique in Nevada County. It's an industry of craft
970 cannabis farmers that farm the land respectfully and organically. We're continuing the legacy of cannabis
971 growing that has been a part of this culture for almost six decades. I stand before you today to ask for equal

972 opportunity, as every other business here, and to be treated with the same respect when considering
973 regulations. I'm speaking directly to the proposed requirement to pay a land tax before issuing or reissuing
974 cannabis-related permits. Yet no other farm or business in our County has been held to this. We are running
975 a business just like any other business and expect to adhere to the same standards and not to be singled out.
976 This is not an exception, and we ask that we be treated the same way as the industries in this County. While
977 for the majority of us cannabis farmers, property taxes are up to date, I must speak out about this just
978 because of principle: that we cannot be the only ones that are singled out in this County for that. Thank
979 you.

980
981 Chair Mastrodonato: Thank you.

982
983 Mr. John Foley: Good afternoon, commissioners. My name is John Foley. I own River Star Ranch, a
984 licensed and certified organic cannabis farm here in the County, and I also serve as the Board Chair of the
985 Nevada County Cannabis Alliance. I grew up in Nevada County, went to grade school in high school here.
986 My wife and I continue to raise our children here. We live a rural lifestyle where we grow gardens and
987 orchards, and raise chickens and beef cattle along with cannabis. My wife volunteers her time at Clear
988 Creek School where our children go, and I have volunteered countless hours advocating on behalf of myself
989 and fellow farmers with the Cannabis Alliance to advance common-sense policy to have a functioning and
990 regulated cannabis program here. I'm not alone in my story, obviously; many of my other licensed farmers
991 here in the County are operating in the exact same fashion as myself: raising their families, running a
992 legitimate business, and being a productive member of their community. I say this today because I was
993 concerned and disappointed by some of the language used in the written public comment on the proposed
994 Ordinance Amendments, calling those in the cannabis industry "undesirables" and "drug users." Those
995 voices would like to go as far as creating an Exclusion Zone to remove those types from their presence.
996 Now, the First Amendment certainly entitles people to have those opinions, and I support that, but its other
997 function is to challenge those opinions with stronger ideas and arguments. Clearly, these terms used during
998 written public comment do not accurately describe our licensed cannabis farmers here. I would argue
999 instead that personal biases and existing stigmas toward cannabis are alive and well. And again, I respect
1000 that. Decades of prohibition do not wash away those views overnight. However, we are not only talking
1001 about personal opinions and biases, we are talking about those things, by shaping public policy, that will
1002 have lasting effects on our community. I believe that is where we must draw a line as a community, and
1003 instead shape public policy from fact. The fact of the matter is, since 2019, over 180 new businesses have
1004 started in Nevada County, providing economic opportunity and growth. And while it has not been perfect,
1005 as no other new industry is, it has by all accounts been a success. Contrary to the opposition's beliefs, out
1006 of those 180 new businesses, there have been just a small handful of neighbor-to-neighbor issues. I ask
1007 today that we put personal biases aside and instead use common sense to support the very reasonable
1008 amendments presented today, affording our farmers the tools necessary to continue their entrepreneurship.
1009 Thank you very much.

1010
1011 Chair Mastrodonato: Thanks John.

1012
1013 Ms. Elise Timony Jackson: Good afternoon. I'm Elise Timony-Jackson, a born and raised resident and NU
1014 [Nevada Union High School] grad of 1998, and I'm the cofounder and business director of Sierra Kind, a
1015 licensed 10,000-square-foot cannabis grow in South County. In addition to sitting on the Board of the
1016 Nevada County Cannabis Alliance, I'm a member of the Farm Bureau, and I also sit on the Board of the
1017 Nevada County Jewish Community Center, chairing the Social Action Committee. In the past five years,
1018 I've organized a community blood drive, as well as hosted specific drives for the Interfaith Food Ministry,
1019 the Nevada County Food Bank, the Diaper Project, the Cinderella Project, and most recently Casa, which
1020 is an organization for local foster youth. My children attend the local schools, and my daughter just showed
1021 a lamb at fair through FFA. My husband, whom I met at Magnolia last century, and I run our small farm
1022 with my father, and my one part-time employee is my husband's long-term growing partner and also a local
1023 high school grad. As a cannabis farmer, I am here to support cannabis events in both North San Juan and
1024 Soda Springs. The number of events allowed should align with current County regulations regarding
1025 special events, which is capped at eight events per property, per year. There's no reason to fix what is not

1026 broken. Over the past few years, we have all witnessed the contraction of our local businesses, and while
1027 Mill and Broad Street are rebounding, these outlying regions desperately need economic development.
1028 Cannabis events in North San Juan will stimulate tourism, and not just on the Ridge; they will have a trickle-
1029 down effect for the rest of the County: local hotels, eating out, or even simply buying gas at the Sierra
1030 Stop. The Ridge has been a cannabis hub for decades, stretching back at least 50 years. We have the
1031 opportunity to allow North San Juan to take its rightful place as a famous, and California, historical cannabis
1032 destination. Cannabis events could include anything from medical and/or sustainable cultivation
1033 conferences with local speakers, fundraisers, movie screenings, or even a cannabis farmers market. As per
1034 state guidelines, no alcohol would be served, no one under 21 would be allowed, and it would allow us
1035 legal farmers another outlet to reach out and build relationships, not just with our local customers, but with
1036 tourists as well. The North San Juan Community Center is an ideal location to host some of these events.
1037 As a long-time, upstanding community member, my legal farm and chosen industry deserve to be treated
1038 as any other legal business. I ask you to recommend the Board of Supervisors support Cannabis events and
1039 to allow eight events per property, per year, as an alignment with existing events policy. Thank you.

1040
1041 Chair Mastrodonato: Thanks, Elise.

1042
1043 Mr. Robert Myers: Good afternoon. My name is Robert Myers. I reside in Smartsville. I do own a
1044 cannabis testing facility in Marysville, California. I commend Nevada County for trying to bring the better
1045 rules up to better accommodate where our regulations are now, where our cannabis industry is now. The
1046 problem that we have is a lack of education to the consumers, and that's what I'm here to talk about. The
1047 flea market approach is [what] we should consider. You guys should consider being able to let allow the
1048 usage of onsite consumption and also food and beverages, non-alcoholic beverages, because what the flea
1049 market is designed to draw is the consumers who are curious about the medical sides of cannabis, which is
1050 the fastest growing part of the industry, but the stigma in cannabis is still about smoking. The Cheech and
1051 Chong and everything. Those days are gone now, with the consumption for therapeutics is the biggest and
1052 fastest growing in the marketplace. I believe that we're missing the opportunity because of the lack of
1053 education. The only way to get a formal education is through the market approach that brings all the people
1054 together, allows them to ask questions to the very specific growers, and be able to sample therapeutic
1055 products or medical-grade products onsite, under the regulations of DCC and requirements. And that'd be
1056 the fastest and best opportunity to bring consumers into the marketplace in Nevada County from the outside
1057 of the services. So, I do ask you guys if you could actually think about that, consider it, look at onsite
1058 consumption, look at cafe models, as it is in any other business, be able to treat cannabis no different than
1059 alcohol, bars, restaurants, vineyards. You know, it's a big opportunity and I think you guys should embrace
1060 it and I commend the County on cannabis, for looking ahead and trying to figure out better ways of bringing
1061 the marketplace up. I thank you guys very much and appreciate your time.

1062
1063 Chair Mastrodonato: Thank you, Robert.

1064
1065 Ms. Gamzon: Hi, and Commissioner Mastrodonato. I will have 5 minutes, because I'm going to answer
1066 some questions through this that came up. Hi everyone, Diana Gamzon, Executive Director of the Nevada
1067 County Cannabis Alliance. I'm here today representing over 180 local licensed cannabis businesses. We
1068 support the proposed amendments and its representation to economic development here in Nevada County.
1069 The proposed language represents a balanced approach to regulating and is based on public comments
1070 received. Amendments have included reducing the locations where cannabis events and dispensaries are
1071 allowed and shows the County's commitment to serving the needs of the entire community. I'm going to
1072 make some comments about some specific items within the Ordinance. The first is Exclusion Zones. As a
1073 matter of principle, our organization opposes Exclusion Zones for cannabis farming. The intent of Ag
1074 zoning from a General Plan perspective is commercial activity and farming is the primary use. Our industry
1075 is farming in the same zoning to similar businesses that are allowed: commercial crop farms, orchards,
1076 vineyards, horse boarding, ranchers, commercial livestock. How is it logical to exclude one commercial
1077 activity over another that has a similar use? The only common-sense pathway is for those that do not want
1078 to live in an area that allows cannabis to rezone to Residential Agriculture where cannabis is not allowed.
1079 The next item: our organization is very supportive of utilizing M1 zoning for commercial cannabis

1080 licensure. We have seen successful implementation of this policy in Nevada City, which has nearly a dozen
1081 businesses in similar zoning. However, the proposed language to allow these businesses in stand-alone
1082 structures only is essentially a ban. Let's call it what it is. An estimate of less than about 5% of structures
1083 in M1 zoning would qualify as stand-alone, so this is just bad policy. We recommend that the language be
1084 struck, so that the discretion to rent to cannabis businesses can be left to the property owner, just as it is in
1085 Nevada City. The proposed language that all property taxes need to be paid before any permit associated
1086 with a cannabis project is issued is simply unfair. All business owners in the County should be treated the
1087 same, period. We recommend that this language is struck from the Ordinance. There was a question about
1088 how this came up, and so I just wanted to share my perspective. There was a neighbor-to-neighbor issue
1089 in a specific area, 6B Ranch. A cannabis applicant who ended up pulling their application, so it's no longer
1090 a project. That property owner did not have their property taxes paid. This caused quite an uproar amongst
1091 many individuals within that neighborhood. So, there was a lot of public comment to supervisor Hoek
1092 requesting that property taxes be paid. That's where those comments came from, and since then, that permit
1093 has been pulled. We are excited about the prospect of having cannabis sales at events. These types of
1094 events may include seasonal farmers markets (these are very common in regions like Humboldt and
1095 Mendocino), educational trade shows, and conferences like the ones in Sonoma County that Pat mentioned.
1096 We recommend including the parcel for the North San Juan Community Center and bringing that into the
1097 zoning. It really is ideal for hosting cannabis educational events. I also wanted to talk about a question
1098 that came up about cannabis events. When we talk about the enforcement and the security, when licensed
1099 cannabis licenses are issued by the Department of Cannabis Control, it is the premise that is being approved
1100 and that premise must have some sort of fence around it. Some other additional requirements are: anything
1101 that is approved, the premise that is approved, is within that premise where enforcement for things like
1102 ensuring there's no consumption, which is proposed in the Ordinance, as well as making sure that all
1103 cannabis is locked. That's all included within the DCC requirements and adherence to track and trace. My
1104 last point is, we are very supportive of the language that requires local products to be sold at on-farm retail.
1105 To be clear, this policy already exists, as Brian mentioned, based on last year's approval from the
1106 supervisors. What is being presented is simply codifying this in the Ordinance. What's really important is
1107 that this is modeled after the existing local farm stand policy, which supports local agriculture. So, it's
1108 modeled after...

1109
1110 Chair Mastrodonato: Thank you, Diana. Anyone else?

1111
1112 Director Foss: Mr. Chair, we do have one write-in comment that I can read into the record that we received.
1113 This is a comment from Matthew Coulter. He says, "I was the first person to be felony prosecuted after
1114 Proposition 215 was enacted in 1996, and less legal is more, because these "Draconians" affect people their
1115 entire lives. Choose wisely, because it affects people their entire lives."

1116
1117 Chair Mastrodonato: Thanks, Brian. At this time, I will close the public hearing.

1118
1119 Chair Mastrodonato closed public hearing at 4:13 p.m.

1120
1121 Chair Mastrodonato: I just have to mention, Robert, there was a Cheech and Chong reference. I'm not so
1122 sure there's a lot of folks in this room that have been around that long. Thank you. I will now open it up
1123 to the Commissioners, if we have any further questions for Staff. Diana has availed herself to us if we have
1124 any questions for her as well, and I think we can allow that. Commissioner Garst, do you have anything?

1125
1126 Commissioner Garst: Yes. An issue was brought up about the single, individual buildings being a
1127 requirement in the provision for expanding into industrial zones. I'm thinking about buildings like the New
1128 Mohawk space and the buildings around where Elevation is located. Or, would buildings like that be
1129 excluded by this language in this Ordinance, where a single property owner could rent to multiple tenants
1130 and have clustering of these businesses within multiple spaces?

1131
1132 Director Foss: The language of the Ordinance is intended that, yes, it's a standalone building for cannabis-
1133 related activities. However, multiple cannabis-related businesses could be located in a building that had

1134 condo-type units. So, you could have a testing laboratory, a cultivation site, or manufacturer all in the same
1135 building, but unless it's related to cannabis, then the way the Ordinance was written, it would have to just
1136 be a stand-alone building. Multiple cannabis businesses could share a building.

1137
1138 Commissioner Garst: So, it would be either all cannabis or no cannabis?

1139
1140 Director Foss: Right.

1141
1142 Commissioner Garst: OK, and is that based on feedback from property owners? Where did that come
1143 from?

1144
1145 Director Foss: It was based on some feedback from Loma Rica property owners, the industrial area. It
1146 wasn't all of them, by any means, but there were a couple of comments that there was concerned mostly
1147 related to the odor and just the effect on other tenants. You know, I agree that there is control by the
1148 landlord; they could choose. However, based on some of those comments and discussion with the ad hoc
1149 committee, that was included in the Ordinance for consideration.

1150
1151 Commissioner Garst: If there were, in these new buildings or spaces that would be used within the industrial
1152 zone, there would be regulations that apply to the building requirements, such as carbon filters and things
1153 like that?

1154
1155 Director Foss: Yes, the Ordinance does include odor filtration type system to be installed for any cannabis-
1156 related business to help ensure owners odors do not seep outside.

1157
1158 Commissioner Garst: Those are my questions.

1159
1160 Chair Mastrodonato: Commissioner McAteer.

1161
1162 Commissioner McAteer: Yes, and Diane, if you don't mind coming on up, I'd like to chat with you too.
1163 Tell me about, Brian, about the North San Juan Community Center. I know North San Juan actually like
1164 the back of my hand, having schools up there and all, so why is it that it's by far the best facility in that few
1165 blocks that would be available for indoor activities and outdoor activities.

1166
1167 Director Foss: This is the parcel right here, I believe, that's on the screen. It's based on its zoning. Its
1168 zoning is Residential Agriculture, and so those types of uses generally aren't consistent with the baseline of
1169 Residential Ag, and it's difficult in writing Ordinances to identify specific sites that have unique
1170 characteristics for certain allowed uses. One potential solution would be a rezone of that property to a C1
1171 type of a Zone District to make it eligible. That would be an option, because then it would fall in and meet
1172 the criteria as outlined in the Ordinance. If it was the Commission's direction to include that as a
1173 recommendation to the Board... It's a fairly limited area; we started out, as I mentioned, with kind of four
1174 areas, a lot of parcels. We've narrowed it down to a fairly identified location, so it could probably be
1175 accommodated and built into the Ordinance as specifically identified. I'd have to think a little bit exactly
1176 how to describe it. I guess one way [is] you could potentially even just allow RA properties, which would
1177 bring this property and these properties into the equation for events. I don't know if these are feasible
1178 properties necessarily.

1179
1180 Commissioner McAteer: Yes, I know all those properties. Let's be honest; there's very few properties in
1181 the North San Juan area that are, you know, standing, safe. And even those ones across the street there,
1182 [which] you've excluded because there this church that's a couple blocks away. I tend to think that we want
1183 to make this accessible, we want to make it thrive, but I'm not so sure that the current lots are the best, and
1184 so I happen to be swaying towards the Community Center and maybe even some other properties there. I
1185 have a deep-seated problem with that we're asking people to pay taxes before, and nobody else has that.
1186 And so, I just want to make that clear. Diana, can you talk again about the youth? Let's just use the North
1187 San Juan Community Center for an example. So, there's an existing fence around it, and if I'm 17, 18, 19,

1188 and I want to come to this... I know at the County Fair, you get a little wristband that shows that I can buy
1189 booze at the... whatever place. Is there something that? You feel that would be a best practice in that?
1190

1191 Ms. Gamzon: Yes, it's pretty standard how it happens. I've been to many of these events in other
1192 jurisdictions. The entire premise is blocked off, mainly with a gate or a fence. If there is consumption
1193 allowed, the DCC requires for that fence to be opaque, so they have the slots in the fence, so you can't see
1194 through. The only in and out is usually one or two entryways in, and there's security at either of those
1195 entryways. These are requirements from the DCC to have age check verification at all the points of entry.
1196 It would be like going into a bar, for a child or a youth to try to get into a bar. There's that point of contact
1197 at the entrance. And if it was inside, the premise would most likely, if it's the Community Center where it's
1198 a smallish room, there also is that age verification at the door.
1199

1200 Commissioner McAteer: Yes. A gentleman here was talking about food and drink and all. Can you buy
1201 food and drink at these events, and who... is it your organization that looks to be putting these on? Who
1202 do you see putting these events on?
1203

1204 Ms. Gamzon: Well, now we get into fun of the DCC and how complicated things are sometimes. The
1205 individual or organization that is required to host a cannabis event must actually get a separate cannabis
1206 event organizer's license from the Department of Cannabis Control. That means that they are legally
1207 responsible for making sure all of the compliance requirements are in place at the event. They have to make
1208 sure that all the track and trace requirements, all the vendors that are participating, meet all the requirements.
1209 So, they actually have to get their own license. Then once they have their own DCC event organizer's
1210 license, then that individual will go to the local jurisdiction to get approval and go to the State to get approval
1211 for a separate event license.
1212

1213 Commissioner McAteer: So again, who do you see doing this?
1214

1215 Ms. Gamzon: In other jurisdictions, there are event organizers that put these types of events on. There are
1216 nonprofits that have put these on.
1217

1218 Commissioner McAteer: Do you see your organization doing that?
1219

1220 Ms. Gamzon: I think it's a conversation that we may have with our Board of Directors, but it might be a
1221 little bit more complicated, because we have to...
1222

1223 Commissioner McAteer: So, what I'm hearing is possibly XYZ does this in Sonoma County, Napa County,
1224 and they already have this permit, and so they're going to come to Nevada County and say, "We do these
1225 flea market events, and so we're going to put this on here in Nevada County."
1226

1227 Ms. Gamzon: What we would hope [for] is growth from within. I don't mean to put you on the spot,
1228 Barbara, but someone like Barbara Jones, who's here in the [hearing]. I have no idea if you're interested in
1229 this, but Barbara has an events company already. An individual like herself could apply to the State to get
1230 an event organizer's license to put on these events.
1231

1232 Commissioner McAteer: OK. Another person commented about eight events per site instead of eight
1233 events per area. Would you like to make a comment on that?
1234

1235 Ms. Gamzon: Absolutely. We support that. We always like to see consistent regulations without cannabis
1236 being singled out. So, if it was eight events per property, just as it is with the regular events or Ordinances,
1237 we would support that.
1238

1239 Commissioner McAteer: OK. Brian, can you talk about... I know this is a crazy concept, but I kept thinking
1240 of... we're out in Ag, and Cannabis is Ag, and so a guy wants to come, he buys a property, and he wants to
1241 have a pig farm. So, his pig farm had, I don't know how many pigs you can put on a farm. I don't know

1242 what the requirements are on that, but as we know, pig farms are horrendous and smell. Are there
1243 requirements afoot in the Ag zoning that limit certain agricultural activities in the amount of space or pigs
1244 per acre?

1245
1246 Director Foss: Commissioner, there are, like Use Permit requirements, for certain, even Ag-related
1247 activities. Cannabis is not considered an Ag product at this time. It is kind of treated as more of a
1248 commercial-type product that is regulated through a Use Permit, so some...

1249
1250 Commissioner Duncan: My recollection on the classification is that it was the Ag Commission who
1251 forwarded that premise, and it has been adopted locally, that cannabis is not an Ag product.

1252
1253 Director Foss: It's in the code that it's not currently considered an Ag product.

1254
1255 Commissioner Duncan: Right, and I think is important for everyone to understand why the distinction
1256 occurs. Perhaps that can be revisited at some point in the future, but right now, that's the limitation that
1257 they're dealing with.

1258
1259 Commissioner McAteer: Yes, thank you very much. I had no knowledge of that. So, that really helps
1260 understand that the County has already put that in some special category that's not with pigs and cows. OK,
1261 Diana, I gather two things. This is sort of off the main topic, but I'm just sort of interested in the whole
1262 industry, because I know that the industry has had troubles. The governor signed an emergency piece of
1263 legislation about hemp and its sale and all, because it was making huge inroads and huge problems for your
1264 legal industry. Is that something that will have a positive impact upon your community?

1265
1266 Ms. Gamzon: What was approved with the Emergency Regulation was restriction of THC hemp products
1267 that were available at gas stations and 7-11s, wherever, convenience stores, and we're very supportive of
1268 that. That helps protect our children. There was a previous version of this bill which we opposed, and we
1269 opposed that because it allowed for the integration of hemp into the state of California's cannabis supply,
1270 both from in-state hemp that was grown, and from out-of-state hemp that was grown. We oppose that
1271 because we felt that it would significantly diminish the offering of the cannabis industry with product that
1272 we grow by incorporating hemp from out of state. So, that was it was a very big concern.

1273
1274 Commissioner McAteer: OK. And secondly, I gather there's been a step up of enforcement relative to
1275 illegal grows in the County. Is that a fair assessment from your perspective? Things are moving in the
1276 right direction relative to that?

1277
1278 Ms. Gamzon: Yes.

1279
1280 Commissioner McAteer: Great. Those are my questions for right now. Thank you.

1281
1282 Chair Mastrodonato: OK. Commissioner Duncan?

1283
1284 Commissioner Duncan: Yes, I just have a couple of comments. I think the Staff Report was very well
1285 prepared and quite thorough in its view. My first question is related to the special events. We make a
1286 distinction about only offering local grown product, but that would that also apply to only legally grown
1287 product? We've been looking at all these issues, like at least be current with your property tax or whatever
1288 in relation. But does this say then that the only products that can be showcased at an event must be from
1289 a legal operation licensed in the County?

1290
1291 Director Foss: Commissioner Duncan, yes, that's definitely the assumption and the intention of the
1292 Ordinance. There are metrics and track and trace procedures that can verify that those products come from
1293 a legal source. I think those would not be checked [with] every product, every time, but if there was an
1294 indication that there was illegal product, then not only would our code or cannabis Staff research that, but
1295 DCC would also be heavily involved, and there's serious consequences for illicit product being sold.

1296
1297 Commissioner Duncan: Right. For clarification, so that it levels out the playing field, I think it's important
1298 for that specifically to be detailed, that [it's] only from legal operations. Maybe that's an inducement to
1299 those guys operating outside of the law - to comply, to want to participate as you go forward. I think that
1300 really does it. Terry made a great delve into many of my questions, so thank you.

1301
1302 Chair Mastrodonato: Commissioner Milman?

1303
1304 Commissioner Milman: Thank you. Going back to the number of licenses in the County: we currently
1305 have two operating dispensaries, and we're allowing for two additional ones. Are there more licenses out
1306 there? Do we know?

1307
1308 Director Foss: Commissioner Milman, I don't know that there's a finite number of licenses that can be
1309 issued from the State. Many jurisdictions limit the number of licenses that can be issued, and that's per
1310 jurisdiction. One thing that we haven't talked about is that we did receive a grant from the State to prepare
1311 this Ordinance, because Nevada County was identified as an area that had not as much available access to
1312 retail cannabis than other areas, or per capita; I'm not sure the criteria, so there was a recognition that there
1313 could be more licenses for dispensaries issued in the in the County, and so we do have a grant to prepare
1314 this Ordinance in order to potentially allow greater retail access to cannabis product.

1315
1316 Commissioner Milman: In terms of the farm stands, is it de facto? If you have a farm that is legally
1317 growing, then you can also have a farm stand?

1318
1319 Director Foss: No, you would have to have a micro business and be permitted for retail sales to sell product
1320 at the site, whether outside in a farm stand type environment or within a structure. Again, we only have
1321 one of those currently in the County, and that's through the Use Permit, and that's called the micro business.
1322 These events would be different than those, because they're not allowed on the cultivation site; they're
1323 potentially allowed in the commercial and industrial zones. The reasoning for that is for the traffic, the
1324 noise, and not having these types of events out on farms, because we already do hear about noise and traffic
1325 issues from just cultivation activities. The idea was to put them in more commercially zoned areas that had
1326 infrastructure to support larger amounts of people.

1327
1328 Commissioner Milman: There's a letter that came in from the elevation president or somebody involved
1329 in that business. It said that there were currently nine licenses, and they were not supporting this because
1330 it was going to allow so many more. Do we know what he's referencing?

1331
1332 Director Foss: I don't know specifically. There may be nine licenses for, like, non-storefront retail,
1333 including the storefront retail. That's kind of a delivery type of a system. I believe there's a person in the
1334 eastern County that has a delivery type of business, and so he may be referencing those license types.
1335 Again, that's kind of why I brought up the grant, that Nevada County was identified by the State as being
1336 not saturated with retail dispensary locations.

1337
1338 Commissioner Milman: And you feel that this has enough limits on it that it would not be saturated either
1339 in the way that some other areas are?

1340
1341 Director Foss: I do, because that's kind of how we designed it. That's why we did not consider locations
1342 around the cities. There are commercial areas and things like that, available zoning in order to spread these
1343 out. When we originally looked at it, we looked at Penn Valley, South County, and these two areas, and
1344 further narrowed it down, as I mentioned, based on comments. So, these were looked at as rural areas that
1345 could potentially support a business and not provide as much direct competition, but competition's not
1346 necessarily something we look at, but it does spread them out and tries to avoid that saturation in one
1347 specific area. That's also why we're limiting it to one per area.

1348

1349 Commissioner Milman: We looked at the Community Center building in upon the Ridge. Is there an
1350 obvious building that would be used for this in Soda Springs?
1351

1352 Commissioner McAteer: My understanding is there's a lot of retail space that's available on that site. I go
1353 up there an awful lot also. On that South side, there's a lot of open retail available.
1354

1355 Director Foss: I think the old Soda Springs store is available. They moved across the street and built a new
1356 building, and I was just up there last week. I believe there's a space within the structure here which is the
1357 old store, and there might be some space kind of down toward the blinking light in a couple of those
1358 buildings as well, yes.
1359

1360 Commissioner Milman: Back to the property tax: this is the only place where we are requiring that your
1361 property taxes be paid before you apply for something else in the County?
1362

1363 Director Foss: As it relates to land Use Permits, I don't know another department or if there's a social
1364 service, something that requires property taxes, but from a Zoning Ordinance and Land Use perspective,
1365 yes, this would be the only permit type that would have that requirement.
1366

1367 Commissioner Milman: I have a problem with that one. OK, so going to the number of events: is this
1368 designed to be eight events total in the entire County per year or per site or per city?
1369

1370 Director Foss: The way it's written is eight events per area, so eight events in Soda Springs and eight events
1371 in North San Juan per year. The Outdoor Event Ordinance that has been referenced does allow eight events
1372 per site. The reason is that this is a very focused area, and so just moving it one parcel over and potentially
1373 having 200 events might be an overtaxing of the area. So, while eight events per parcel is allowed on
1374 remote Residential Ag properties for private events, those typically are spread out, and you're not going to
1375 have the same event right next door on a multiple-day basis. That was the thinking: to line up the number,
1376 and essentially, it's on one area. It's basically one location, because of the limited options. So that was the
1377 thinking behind it.
1378

1379 Commissioner Milman: That makes sense to me. Thank you.
1380

1381 Chair Mastrodonato: Brian, we talk often about the one outstanding Use Permit, and I assume just for
1382 clarification, we're talking about the Dencob operation?
1383

1384 Director Foss: Correct.
1385

1386 Chair Mastrodonato: And under that Use Permit that was approved up here, can they do eight events a
1387 year as well?
1388

1389 Director Foss: They actually had an event recently. It was not an event where cannabis product was sold.
1390 It's kind of a gray area, because obviously they have a storefront. The event itself did not sell cannabis
1391 product, but they do sell it on the site. The way the Ordinance is proposed is, that type of event is not
1392 allowed in that zoning district, so they would not be able to have an event that sold product, but they already
1393 have a storefront to sell their product. So, in a way, they can have an event, and it's more of an informational
1394 [event regarding] benefits and medicinal uses, and to gather information; whereas these events would allow
1395 product to actually be sold, not from a storefront retail. So, very similar but also different.
1396

1397 Chair Mastrodonato: I kind of understand that. Just to be clear, there are opportunities for other folks to
1398 apply for this type of Use Permit throughout the County?
1399

1400 Director Foss: Yes, correct. That's available to anyone that has the proper zoning and can meet the
1401 requirement. Some of the hindrances [include] dead-end road standards; that comes up a lot, because we

1402 do require secondary access, so some of the farms are out pretty far and can't meet that criterion, but there's
1403 no limit currently on the number of licenses for retail sales at cultivation sites.
1404

1405 Chair Mastrodonato: Yes, and because I often refer to them as being a model of what's available out there
1406 for folks. OK. Two things: the Exclusion Zones and the tax issue just kind of make me think. I think we're
1407 on the right path here. The State and the County has gone forward with this. It's been years now, since
1408 2019, so we're going on five years and the horse has left the barn. Trying to close the gate on these folks
1409 seems a little restrictive to me. That's all I have. Anyone has anything else?
1410

1411 Commissioner McAteer: Let's see if we can have a compromise here. I'd like to suggest going down
1412 through the [Staff Report Recommendations] 1 through 6. I think I'm just fine with No. 1 - allowing two
1413 retail dispensaries. I'm not OK with the manufacturing restriction. I think it should be all M1 allowing for
1414 the property owner to make the decision of who they want to rent to. While I understand your concerns
1415 about the Exclusion Zones, I also realize that the \$5,000 is going to be a great limiting factor. I also think
1416 the supervisors who live in some of these rural communities and support these rural communities are being
1417 pushed on that. I'm allowing for that to exist. I think that allowing the eight events a year in those two
1418 areas and adding the North San Juan Community Center and asking the Staff to come back with
1419 recommendations to the Board of Supervisors on how to add that up in North San Juan. I think we should
1420 nix the property tax requirement. That's where I stand currently, and let the rest of the Commission banter
1421 over that.
1422

1423 Commissioner Milman: I would differ with you on a couple of those. I don't think the Exclusion Zone is
1424 necessary, and I think it's a strange thing to do; I don't like that one. On the Industrial, I don't have as much
1425 of a problem of requiring it to be a freestanding building. I don't feel as strongly about that one as I do
1426 about No. 3.
1427

1428 Commissioner Garst: I agree with most of your positions. I also do not like the Exclusion Zone. Like
1429 Mike said, I think it is a huge step backwards from where we are, and it just kind of feels discriminatory
1430 and exclusionary to me. That doesn't sit well with me. Beyond that, I agree with all of your other positions.
1431

1432 Commissioner Milman: The other two things I would add into the mix is some sort of a rezone or
1433 something for the San Juan Community Center to be included in some way, and language that it's not only
1434 Nevada County grown, but Nevada County legal, for the products that are being sold.
1435

1436 Commissioner McAteer: Yes, I think I'm right with you on those.
1437

1438 Commissioner Garst: Would that be the correct route - to recommend a rezone of that parcel? Also, can a
1439 parcel have.... I think parcels can be multiple zoning districts simultaneously, is that correct?
1440

1441 Director Foss: They can be split zoned, but not necessarily two zonings at once. You could have the front
1442 half be one zoning, and the back half be a different zoning.
1443

1444 Commissioner Duncan: [Regarding] the Exclusion Zones, it seems really discriminatory...well, I wouldn't
1445 say discriminatory, but it's a property owner's choice, and I think there's an attempt here to work with some
1446 of the ones in the community who have a problem with cannabis production, but I think it's an onerous
1447 burden for them to come up with the money and to go through the process of doing so. To me, it seems
1448 like it's sort of self-canceling. I mean, it's not a giveaway that automatically they're going to be able to do
1449 it and they can go out and sign all their neighbors up. This is a lengthy, costly process. I think that maybe
1450 they do deserve an opportunity to voice their objections.
1451

1452 Commissioner Milman: But don't they have that already, in terms of the control that they have over what
1453 happens on their own property? Nothing about an Exclusion Zone allows them to force somebody else to
1454 exclude it on their property, on their neighbor's property. It seems like a strange carve out to allow
1455 somebody to make a stand when they already have that legal ability to do that on their own property.

1456
1457 Commissioner Duncan: Right. Based on the comments that were received during the public comment
1458 period, the letters that we've reviewed, it looks like there were a number of HOAs that were concerned
1459 about what was going on within their developments, and that there was not one person, but maybe more
1460 than one. This is an opportunity for people to band together, to feel like, well, "I'll protect you, you protect
1461 me," type of thinking. They have to be willing; they don't have to do it. And they have to pay for that
1462 ability, that right to do it. I just don't see this as being that detrimental to what we're trying to accomplish
1463 today, in terms of getting the Ordinance refined. When it was originally adopted, I think it was a recognition
1464 that it wasn't perfect, and as time went on, we would understand better what we're looking at here in Nevada
1465 County. I think we're getting there. Is this perfect yet? Probably not, but I think we're headed in the right
1466 direction. For me, exclusion doesn't pose a major obstacle at this point.

1467
1468 Commissioner Milman: Can we look again at that particular piece of it: if somebody new buys the
1469 property, under what mechanism does the exclusion drop off of that particular property?

1470
1471 Director Foss: It would be through a rezoning process. An application to rezone their property, essentially
1472 to remove the CE suffix, basically.

1473
1474 Commissioner Garst: This is what I don't like about it: it's not just a property owner taking a stand of their
1475 property, it's then them excluding future owners from participating in an allowed use in that zoning district.
1476 I don't really like that layer of control over [it].

1477
1478 Commissioner McAteer: I think on the other hand, it allows a Supervisor to be able to turn to the person
1479 who's complaining, like a barking dog, and give them some sense of an out, and then the person looks at it
1480 and says, "Oh God, it's \$5,000, forget it." You know, I just think that it allows the elected representatives
1481 who get complaints about cannabis being grown in their area, or whatever else, the opportunity to say,
1482 "Well, here's an avenue for you. I don't think it's the greatest thing going either, but I do think that it, like
1483 Laura says, it's not that big a deal. Some of the other changes that we are being proposed are bigger deals
1484 than this item.

1485
1486 Commissioner Garst: In all fairness, 10 properties getting together, it's \$500 apiece. That feels like a pretty
1487 low barrier to entry, or a little low for...

1488
1489 Commissioner McAteer: They get it for five years, and then they got to come up with another \$5,000.

1490
1491 Commissioner Garst: But that's not the case. It's not that it's zoned for five years; it's that if somebody
1492 wanted to remove the Exclusion Zone, they would apply for rezoning, and then it would take five years for
1493 that to come off of the property. But it would be the burden of the next owner to remove that. They would
1494 have to pay to have it removed, and it would take five years. Is that correct?

1495
1496 Director Foss: Yes, it's not good just for five years; it runs with the land in perpetuity until it's changed by
1497 a future property owner, a current property owner, whoever.

1498
1499 Commissioner Duncan: So, there is a mechanism to correct the course of the land, going into the future. I
1500 guess I don't see this really that differently from instances where we approve projects that part of the
1501 Conditions that get imposed is that they can't keep livestock on land that normally, if it wasn't part of this
1502 development project, they should be able to. We do have restrictions like that that apply. Also, I guess I
1503 also fall back on the fact that buyers have their eyes wide open when they go in; they don't have to buy that
1504 particular piece of property or they can understand what the limitations are, similar to when they're going
1505 into a development, an HOA. For me, I guess the exclusion doesn't seem to be a major stumbling block
1506 right now to taking some action today and getting this in front of the Board of Supervisors.

1507
1508 Commissioner Milman: I'm still struggling with the exclusion. We're talking about such a specific thing.
1509 It's not like you can go to the County and say, "I would like to exclude that my property has a kennel,

1510 because barking dogs bother me, and all my neighbors agree with me,” and then not only is it not going to
1511 happen now, but after I sell my property, then potentially it's still not going to happen for another five years.
1512 I just think that's a really...I don't know. If we can't come to an agreement, then I don't know that I would...
1513 I think the rest of this is doing really good things, but this feels like a kind of a large poison pill to me.

1514
1515 Commissioner McAteer: Brian, who are the two Supervisors that serve at this Advisory Group?
1516

1517 Director Foss: Supervisor Swarthout and Supervisor Schofield.
1518

1519 Commissioner McAteer: I just bring this again as a political thing, that we have two Supervisors who have
1520 already reviewed this and thought this was a fairly good idea, so I'm sort of leaning again [to] let the elected
1521 officials who have to deal with this on a day-to-day basis with their constituents. This is up to them. I
1522 suspect we will get hardly any applications in the near future.
1523

1524 Commissioner Garst: With all due respect, I don't think that we should be playing politics with policy.
1525

1526 Commissioner McAteer: Sorry, I'm just a realist.
1527

1528 Commissioner Garst: I don't think... that doesn't feel like a good reason. Politics doesn't feel like a good
1529 reason to put a policy into place. I also think it feels a little hostile to property owners who have gone
1530 through the legal process, spent a lot of money, and taken a lot of time to come into compliance (which is
1531 something that we're trying to do, that has been the task of this Ordinance), and then for their neighbors to
1532 kind of team up against them. It just feels a little bit hostile in that way. Talking about there being potential
1533 for “donuts” or “checkerboards.”
1534

1535 Commissioner McAteer: Jo, what if we agree to disagree and move on all the other items except the
1536 Exclusion Zone and let the Board of Supervisors make that decision?
1537

1538 Commissioner Garst: I think that's a great idea.
1539

1540 Commissioner Milman: I'm good with that.
1541

1542 Chair Mastrodonato: Yes, I too, because I can't support a recommendation with the Exclusion Zones in it,
1543 for three reasons. One, I think it sets precedent for...I don't know, what's next. Like you said, the dog
1544 kennels. Two, I think it's a zoning issue, and the zoning is in place. If we can choose to kick the can back
1545 to the Supervisors, I'm OK with that as my last official act.
1546

1547 Director Foss: So, Commission, I will note and carry that forward on that specific issue: that there was a
1548 bit of discussion, there wasn't a complete consensus, and essentially three were against and two were
1549 generally for, at least for letting the Board make the final call.
1550

1551 Chair Mastrodonato: I think that's a fair analogy of that.
1552

1553 Commissioner McAteer: OK, so can we hammer it out? Are we all OK on Item No. 1 there, the two retail
1554 dispensaries?
1555

1556 *[Commissioners all nod]*
1557

1558 Commissioner McAteer: OK. Let's move to No. 6, removing the property tax issue?
1559

1560 *[Commissioners all nod]*
1561

1562 Commissioner McAteer: And what about cannabis sold to be Nevada County grown? We're fine with No.
1563 5? Grown and legal. Thank you. And then No. 4 is adding the temporary events and eight in each location,

1564 and adding the North San Juan Community Center, however the County Staff wants to write that in. Are
1565 we OK with that?
1566
1567 *[Commissioners all nod]*
1568
1569 Commissioner McAteer: Our only other item is No. 2, which is about distribution in M1 areas. I had
1570 proposed allowing the property owner to make a decision as to who he leases to.
1571
1572 Commissioner Duncan: Are you going to make a proposal?
1573
1574 Chair Mastrodonato: So, anybody that wants to jump in and help with this motion, that needs to be made...
1575 and Commissioner McAteer, are you stepping up to make this motion?
1576
1577 Commissioner McAteer: Yes, I am. I guess I'm talking myself through this, Brian, which is to approve
1578 No. 1 and approve No. 2, with the caveat that the Commission could not come to a complete consensus on
1579 the item of the Exclusion Zone. Is that a fair way to go about this?
1580
1581 Director Foss: Yes, I think that works. I think there are a few more items in there. I think with the Industrial
1582 Zoning, that you would recommend removing the stand-alone building requirement?
1583
1584 Commissioner McAteer: Yes.
1585
1586 Director Foss: OK. Next, including the Community Center for temporary cannabis events in North San
1587 Juan, adding legal product only in addition to Nevada County grown, and removing the property tax
1588 requirements.
1589
1590 Chair Mastrodonato: Yes Sir. Quick question: the tax issue. Stand-alone building: I guess you just kind
1591 of gravitate towards that being owned by the business, but it can be leased as well, so, I guess my question
1592 really doesn't make any sense. I was thinking about leasing a storefront in a strip mall. Who are we worried
1593 about the taxes with - the lessee or the lessor?
1594
1595 Director Foss: I think they're two separate issues. The stand-alone building just applies to...or. the way
1596 it's worded, would just require that cannabis only occupy one building. It really doesn't have much to do
1597 with the taxes, other than property taxes are required to be current, and it's probably more applicable to the
1598 cultivation sites rather than the industrial sites, although it could apply to industrial sites.
1599
1600 Chair Mastrodonato: OK, I'll accept that as clearing it up.
1601
1602 Commissioner Milman: I want to double back to the industrial zone. The way that it stands, as you brought
1603 it to us, is it needs to be a stand-alone building. *[To Commissioner McAteer]* But you're proposing...
1604
1605 Commissioner McAteer: I'm proposing that to not, so it will allow the landlord to make a decision as to
1606 whom he or she wants to lease to.
1607
1608 Commissioner Garst: So, in this case, it would be striking the proposed Section J1B from the Draft
1609 Ordinance. Is that correct?
1610
1611 Commissioner McAteer: My view is to look for you, Brian, to tell me what to say.
1612
1613 Chair Mastrodonato: Do we just do we change that or just strike it?
1614
1615 Commissioner Garst: Can we just strike it?
1616
1617 Director Foss: Yes, I think it would just be stricken.

1618 Commissioner Garst: I did write down each of these sections, I believe. The property tax is the one that I
1619 didn't get down, if you want me to try to stumble through this.
1620
1621 Director Foss: It's G1.21 or 21, or XXI. It's on page 22 of Attachment 1.
1622
1623 Commissioner Garst: I think I have all of the other sections written down here. I wonder if the
1624 recommendation to rezone the North San Juan Community Center would be a third recommendation?
1625
1626 Director Foss: Well, I think the direction I heard was to include that property in some shape or form, either
1627 through a rezone or modifying the Ordinance to bring it into the fold.
1628
1629 Commissioner Garst: But would that be a third recommendation, in addition to the two already stated
1630 here?
1631
1632 Director Foss: Yes, I think it seems like almost all of those six items have some tweak to them, so I think
1633 that would just be part of the motion. I can repeat those things, and someone can say, "So moved."
1634
1635 Commissioner Garst: So, what we would do is make a motion for both of these recommendations
1636 simultaneously, is that correct?
1637
1638 Director Foss: Yes, with all those changes proposed changes.
1639
1640 Commissioner McAteer: So, Brian, it's over to you.
1641
1642 Director Foss: So, I believe the direction that was given was [as follows]: (1) no changes to No. 1, to allow
1643 maximum of two retail dispensaries through the competitive selection process; (2) to make a change to
1644 proposal No. 2, to strike the requirement for a stand-alone structure in the M1 Zoning to accommodate
1645 those different license types; (3) that there was extensive discussion regarding the Exclusion Zone and not
1646 a complete consensus, with three Commissioners recommending the removal of the Exclusion Zone, two
1647 Commissioners generally supportive of the Exclusion Zone, with the consensus being the Board of
1648 Supervisors makes the final decision; (4) No. 4, allow temporary cannabis events and include the
1649 Community Center as an available location either through rezoning or another method to make it allowable;
1650 (5) require all cannabis to be sold in Nevada County, to be Nevada County grown only, and add additional
1651 language that it must be legal and come from a legal source; and (6) strike require all property taxes to be
1652 paid.
1653
1654 **Motion made by Commissioner McAteer to approve the Recommendation as described by Director**
1655 **Foss.**
1656
1657 **Second by Commissioner Duncan.**
1658
1659 Chair Mastrodonato: OK, we have a motion and a second. And are we voting on six items or one?
1660
1661 Director Foss: That would be the first. Basically, one item: the recommendation of adoption of the
1662 Ordinance with those changes. [Next], there's a second recommendation for the Resolution for the
1663 competitive selection. So, you'll be making two.
1664
1665 Commissioner Milman: Do you want to put that on our screen? The second one?
1666
1667 Chair Mastrodonato: So, the motion and second...?
1668
1669 Commissioner McAteer: ...is to Item One.
1670
1671 Chair Mastrodonato: ... is to Item One, pertaining to the Ordinance with the changes as stated.

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Motion carried on a voice vote of 5/0.

Motion made by Commissioner McAteer to adopt the Resolution to Approve the Competitive Application Selection Process for up to two retail storefront commercial cannabis dispensaries in the establishment of the retail commercial Cannabis Application Evaluation Committee.

Second by Commissioner Duncan. Motion carried on a voice vote of 5/0.

Counsel Sims: Lastly, through the Chair, I would advise that you make a Recommendation on your environmental determination: that the project is categorically exempt from CEQA.

Director Foss: That will be included in the Ordinance language, but for the record, that is the Recommendation.

Chair Mastrodonato: So, we'll need a separate motion on the Environmental?

Counsel Sims: I would advise it, yes, I would make a separate motion.

Commissioner McAteer: Could you put that in wording, please?

Counsel Sims: I would recommend that the Commission make a motion to determine that the project is categorically exempt pursuant to Sections 15162, 15061(b)(3) and 15308 of the California Environmental Quality Act.

Motion made by Commissioner McAteer to find the project Categorically Exempt pursuant to Sections 15162, 15061(b)(3) and 15308 of the California Environmental Quality Act.

Second by Commissioner Duncan. Motion carried on a voice vote of 5/0.

Chair Mastrodonato: Thank you all.

Commissioner McAteer: Thank you very much.

Chair Mastrodonato closed public hearing at 5:06 p.m.

INFORMATIONAL ITEMS & ON-GOING PROJECT UPDATES:

The Commissioners discussed the Holiday Gas Station and the progress on South County project

Director Foss: Commissioners, we have a scheduled meeting in two weeks, on October 24. There might be a Consent Item as well, but the main Item is the Tiny Homes on Wheels Ordinance, to be heard in two weeks. Beyond that, we don't have a set meeting in November that has been scheduled. One could come up. If I know more on the 24th, I'll report that, but currently we don't have anything beyond the 24th scheduled. I did also want to mention that the Board did uphold the approval of your Planning Commission's approval of the Alpenglow Sawmill project on Tuesday.

Chair Mastrodonato: That was appealed?

Director Foss: That was appealed. It was heard a couple days ago up in Truckee, and the Board did deny the appeal and uphold the decision.

Commissioner Garst: Was it unanimous?

1726 Director Foss: It was unanimous.

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1728 Planning Staff and Commissioners recognized Chair Mastrodonato, thanked him for his service on the
1729 Planning Commission, and presented him with a plaque.

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1731 **Chair Mastrodonato adjourned the meeting at 5:10 p.m.**

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1733 There being no further business to come before the Commission, the meeting was adjourned at 5:10 p.m.
1734 to the next meeting, to be held on October 24, 2024, at 1:30 p.m. in the Board Chambers, Eric Rood
1735 Administration Center, 950 Maidu Avenue, Nevada City, California.

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Passed and accepted this day of , 2024.

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Brian Foss, Ex-Officio Secretary

DRAFT