

**ORDINANCE NO. \_\_\_\_**

**AN ORDINANCE AMENDING SECTION 13.10.650(C) OF THE  
SANTA CRUZ COUNTY CODE REGARDING NON-RETAIL  
COMMERCIAL CANNABIS OPERATIONS**

The Board of Supervisors of the County of Santa Cruz (the “Board”) hereby finds and declares the following:

WHEREAS, the Board directed the Cannabis Licensing Office (“CLO”) to prepare amendments to Santa Cruz County Code (“SCCC”) Chapters 7.128 and 13.10 in order to increase the cannabis cultivation canopy allocation for operators who remain in good standing; and

WHEREAS, on November 14, 2023, the Board reviewed a letter emphasizing sustainable growth, economic development, and responsible cannabis regulation, in alignment with the 2023 Sustainability Plan updates. The Board discussed this letter and directed the CLO to conduct public meetings across various districts to collect public opinion; and

WHEREAS, on June 4, 2024, CLO staff presented the results of its public outreach to the Board. The Board directed the CLO to draft ordinances related to the items in the November 14, 2023 letter while incorporating feedback from the public meetings and to then return to the Board for further consideration and direction; and

WHEREAS, on September 10, 2024, the Board reviewed ordinance options and directed CLO staff to finalize changes and bring the ordinance to the Planning Commission for consideration; and

WHEREAS, on November 13, 2024, the Planning Commission recommended the Board approve the proposed amendments to SCCC section 13.10.650(C); and

WHEREAS, the proposed amendments to the SCCC are exempt from the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15301 and 15304, as the proposed amendments involve negligible or no expansion of use for existing facilities (CEQA Guideline 15301) and involve minor alterations in the condition of land, water, and/or vegetation (CEQA Guideline 15304); and

WHEREAS, the Board has found and determined that the proposed amendments are consistent and compatible with the Santa Cruz County General Plan and all components of the Local Coastal Program implementing ordinances;

NOW, THEREFORE, the Board of Supervisors of the County of Santa Cruz hereby ordains as follows:

## **SECTION I**

Section 13.10.650(C) of the Santa Cruz County Code is hereby amended to read as follows:

### **13.10.650 Non-retail commercial cannabis uses.**

#### **(C) Commercial Cannabis Cultivation.**

(1) Zoning. Subject to the limitations set forth in subsections (C)(2), (3) and (4) of this section, commercial cannabis cultivation uses may be permitted in the following zones: CA (Commercial Agriculture), A (Agriculture), RA (Residential Agriculture), C-4 (Commercial Services), M (Industrial), TP (Timber Production), and SU (Special Use) where the General Plan designation of the parcel is “R-R” (Rural Residential), “R-M” (Mountain Residential), “AG” (Agriculture) or “I” (Heavy Industry).

#### **(2) Minimum Parcel Size.**

(a) The minimum parcel size for commercial cannabis cultivation in the CA zone is one acre.

(b) The minimum parcel size for commercial cannabis cultivation in the A zone is 2.5 acres (Class CG license only) or 10 acres (Class A license).

(c) The minimum parcel size for commercial cannabis cultivation in the RA zone is 2.5 acres (Class CG license only) or five acres (Class RA license).

(d) The minimum parcel size for commercial cannabis cultivation in the TP zone is 2.5 acres (Class CG license only) or five acres (Class TP license).

(e) The minimum parcel size for commercial cannabis cultivation in the SU zone is 2.5 acres (Class CG license only) or 10 acres (Class SU license) for parcels with a General Plan designation of R-M, R-R or AG; there is no minimum parcel size for parcels in the SU zone with a General Plan designation of I.

#### **(3) Restrictions.**

(a) Commercial cannabis cultivation shall not be permitted inside the Coastal Zone or within one mile beyond the Coastal Zone, except in the CA, A, C-4 and M zones.

(b) Commercial cannabis cultivation shall not be permitted within the Urban Services Line or the Rural Services Line, except in C-4 and M zones and in CA and A zones located inside the Coastal Zone and within one mile beyond the Coastal Zone.

(c) Inside the Coastal Zone, and within one mile beyond the Coastal Zone, commercial cannabis cultivation may only be permitted: 1) in CA and A zones outdoors; or 2) in structures existing on the effective date of the ordinance adopting this section. No new structures, including hoop houses (defined as agricultural shade structures exempt from building permits under SCCC [12.10.315](#)), shall be allowed.

(d) No outdoor (including hoop house) commercial cannabis cultivation shall be permitted in zones C-4 and M.

(i) Exception: In the M-3 zoning district, where quarry operations have ceased, outdoor cultivation (including hoop house cultivation) may be permitted in conjunction with the adoption or amendment of a reclamation plan.

(e) Commercial cannabis cultivation may be permitted in SU zones only if the General Plan designation of the parcel is “R-R” (Rural Residential), “R-M” (Mountain Residential), “AG” (Agriculture) or “I” (Heavy Industry), subject to the restrictions of SCCC [13.10.382](#). In the SU zone district, on parcels with a General Plan designation of R-R, R-M or AG, permits authorizing non-retail commercial cannabis activities may be granted only on parcels of at least 20 acres, except for those applicants who cultivate on parcels of at least 10 acres where sufficient evidence exists that cannabis was being cultivated as of January 2013, and the use permit is granted no later than December 31, 2020.

(f) Commercial cannabis cultivation with a Class CG license may be permitted within the CA, A, RA, TP zoning districts and in the SU zoning district on parcels with a General Plan designation of R-R, R-M or AG on parcels of at least 2.5 acres in size where all requirements under SCCC [7.128](#) applicable to a Class CG license are met.

(g) Indoor cultivation of immature plants (starts and seedlings) may only take place within legal structures existing as of the effective date of the ordinance adopting this section, or it shall be accommodated in a new permitted structure without requiring the addition of any square or cubic footage (such as by vertical stacking or shelving).

(h) Total cannabis cultivation area on any parcel shall not exceed the limit applicable under the currently valid license for cultivation on the parcel, subject to approval of the Licensing Official, as follows:

Zone/Class	Total Applicable Cultivation Area Description
CA/Class CA *	<p>On parcels where cultivation is conducted outdoors or requires new structural development, up to 5 percent of the size of the parcel may be utilized for canopy, immature plant growth areas and/or nursery operations. An additional 2.5 percent of the size of the parcel may be utilized for nursery operations or immature plant growth areas or some combination of both.</p> <p>After three years of continuous operations, canopy limits may be expanded up to 15 percent of the size of the parcel at the discretion of the Licensing Official. An additional 10 percent of the size of the parcel may be utilized for nursery operations or immature plant growth areas or some combination of both.</p> <p>On parcels where cultivation takes place solely within structures existing as of November 2016, cannabis cultivation area limits will be set by the Licensing Official.</p>
A/Class A	<p>On parcels smaller than 20 acres, up to 3 percent of the size of the parcel, not to exceed 10,000 square feet total among all licensees.</p> <p>On parcels 20 acres or larger, up to 1.5 percent of the size of the parcel, not to exceed 22,000 square feet among all licensees.</p>
RA/Class RA	<p>On parcels between five and 10 acres in size, up to 1.25 percent of the size of the parcel, not to exceed 5,100 square feet.</p> <p>On parcels larger than 10 acres, up to 1.25 percent of the size of the parcel, not to exceed 10,000 square feet.</p>

C-4/Class C-4 M/Class M	Canopy may not to exceed 22,000 square feet. Immature plant growth area may not exceed 11,000 square feet. Inside the Coastal Zone, cultivation area shall not exceed 22,000 square feet.
TP/Class TP**	Up to 1.25 percent of the size of the parcel not to exceed 10,000 square feet.  After three years of continuous operations canopy limits may be expanded up to 10 percent of the size of the parcel at the discretion of the Licensing Official.
SU-AG, SU-R-R, SU-R-M/Class SU	Up to 1.25 percent of the size of the parcel, not to exceed 10,000 square feet.  After three years of continuous operations, canopy limits may be expanded up to 10 percent of the size of the parcel at the discretion of the Licensing Official.
SU-I/Class SU	Up to 1.25 percent of the size of the parcel, not to exceed 22,000 square feet.  After three years of continuous operations, canopy limits may be expanded up to 10 percent of the size of the parcel at the discretion of the Licensing Official.
CG (CA, A, RA, TP and SU- R-R, R-M or AG)/Class CG	500 square feet.
<p>* The Cannabis Licensing Official may set a larger cannabis cultivation area in CA zone districts, subject to the following criteria (see also SCCC <a href="#">7.128</a>):</p> <p>(i) Cultivation occurs on a single parcel, indoors, not inside the Coastal Zone or within one mile beyond the Coastal Zone.</p> <p>(ii) Development, including all site disturbance necessary to construct, reconstruct or remodel the building(s) and infrastructure to serve the buildings, including but not limited to parking, access, turn around, water supply, equipment, and storage, occurs only where the ground is covered with existing impermeable surface. The impermeable area where development will occur must have been duly permitted or be legally non-conforming pursuant to SCCC <a href="#">13.10.260</a>, <a href="#">13.10.261</a>, and <a href="#">13.10.262</a>, and must have existed prior to April 18, 2019.</p> <p>(iii) Development of an indoor cultivation structure on a CA parcel will include additional conditions of approval to ensure protection of agricultural resources.</p>	

**\*\*** With a TP license, canopy may only be expanded on eligible sites to the maximum size identified in (i) and (ii) above upon specific application to expand, and only in conjunction with the additional restrictions set forth in subsection (B)(9)(b) of this section.

(4) Setbacks.

(a) Commercial cannabis cultivation shall not be allowed within 600 feet of (i) a municipal boundary; (ii) a school, a day care center, or youth center; (iii) a library; (iv) an alcohol or drug treatment facility; or (v) any park other than a State park located within the urban area defined by the Urban Services Line.

(b) Commercial cannabis cultivation shall not be allowed within one-quarter mile of a school if pesticides may be applied using aircraft, air blast sprayers, sprinklers, dust, powder, fumigants, or any other method which may cause the pesticide to travel outside of the property boundary.

(c) Commercial cannabis nursery operations, including both indoor and within an enclosed cultivation (such as an agricultural shade structure as defined by SCCC 12.10.315(A)(11)) within the CA zone district shall not be allowed within 50 feet of any habitable structure on a neighboring parcel. Indoor commercial cannabis cultivation shall not be allowed within 200 feet of any habitable structure on a neighboring parcel except in the CA zone district where indoor commercial cannabis cultivation shall not be allowed within 100 feet of any habitable structure on a neighboring parcel. Outdoor commercial cannabis cultivation shall not be allowed within 400 feet of any habitable structure on a neighboring parcel.

(d) Commercial cannabis cultivation shall not be allowed within 300 feet of a State park located within the urban area defined by the Urban Services Line.

(e) On parcels ranging in size from one to five acres, commercial cannabis cultivation shall not be allowed within 100 feet of a public right-of-way. This setback does not apply when the cultivation is entirely indoors.

(f) On parcels ranging in size from five to 10 acres, commercial cannabis cultivation shall not be allowed within 200 feet of a public right-of-way. This setback does not apply when the cultivation is entirely indoors.

- (g) On parcels over 10 acres in size, commercial cannabis cultivation shall not be allowed within 300 feet of a public right-of-way. This setback does not apply when the cultivation is entirely indoors.
- (h) Commercial cannabis cultivation shall not be allowed within 100 feet of a perennial stream.
- (i) Commercial cannabis cultivation shall not be allowed within 50 feet of an intermittent stream or within the setbacks required by SCCC [16.30](#) (Riparian Corridor and Wetlands Protection) or SCCC [16.32](#) (sensitive habitats).
- (j) Commercial cannabis cultivation shall not be allowed within 50 feet of an ephemeral stream or within the setbacks required by SCCC [16.30](#) (Riparian Corridor and Wetlands Protection) or SCCC [16.32](#) (sensitive habitats).
- (k) Commercial cannabis cultivation shall not be allowed within 100 feet of the high-water mark of a lake, estuary, lagoon, or natural body of standing water.
- (l) For purposes of this section, “school” means any licensed preschool or any public or private school providing instruction in kindergarten or grades one to 12, inclusive, but does not include any private school in which education is primarily conducted in private residences.
- (m) For purposes of this section, “park” means any playground, hiking or riding trail, recreational area, beach, community center or building, historic structure or facility, conservation land, biological mitigation area, or open space owned, managed or controlled by any public entity or conservation entity such as a nonprofit land trust.
- (n) The distance specified in this subsection for municipal boundaries, schools, day care centers, youth centers, libraries, and drug treatment facilities shall be the horizontal distance measured in a straight line from the municipal boundary, school, library, park, and drug treatment facility to the closest property line of the parcel on which cannabis is being cultivated, without regard to intervening structures.
- (o) The distance specified in this subsection for public rights-of-way, streams, and habitable structures shall be the horizontal distance measured in a straight line from the public right-of-way, streams and water areas, or habitable structure and the growing area on the cultivation site, without regard to intervening structures.

(p) Exceptions.

(i) Excluding setbacks required by SCCC [16.30](#) or [16.32](#), exceptions to the setback rules set forth herein may be allowed subject to a Level 5 approval process with a finding, upon recommendation of the Licensing Official, that the exception is appropriate because physical conditions specific to the cultivation site (such as topography, intervening structures or vegetation, etc.) reduce the setback distance necessary to protect the subject public interest. Notwithstanding the foregoing, no exception shall be granted allowing a setback of less than 100 feet from a habitable structure on a neighboring parcel, except that in the M-1 and C-2 zone districts, the setback from a legal nonconforming habitable structure on a neighboring parcel may be reduced to below 100 feet or eliminated, subject to a Level 5 approval process under this subsection (C)(4)(p).

(ii) Exceptions to the setback rules set forth herein may be allowed for indoor cultivation operations in the C-4 and M-1 zone districts within the Rodeo Gulch Area Zoning Overlay subject to a recommendation of the Licensing Official that an exception is appropriate because physical conditions specific to the cultivation facility (such as topography, intervening vegetation or structures, etc.) reduce the setback distance necessary to protect the subject public interest.

(5) Height.

(a) New cannabis related structures in the A zoning district shall not exceed 28 feet in height.

## **SECTION II**

The adoption of this ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 15301 and 15304, as the proposed amendments involve negligible or no expansion of use for existing facilities (CEQA Guideline 15301) and involve minor alterations in the condition of land, water, and/or vegetation (CEQA Guideline 15304).

## **SECTION III**

The Board of Supervisors further finds and determines in its reasonable discretion on the basis of the entire record before it that the proposed amendments to Santa Cruz County Code section 13.10.650(C) are consistent and compatible with and will not frustrate the objectives,



policies, general land uses, and programs specified in the General Plan and Local Coastal Program.

#### **SECTION IV**

Should any section, clause, or provision of this Ordinance be declared by the courts to be invalid, the same shall not affect the validity of the Ordinance as a whole, or parts thereof, other than the part so declared to be invalid.

#### **SECTION V**

This ordinance shall take effect in areas outside the Coastal Zone on the 31st day after the date of final passage and shall take effect in areas within the Coastal Zone on the 31st day after the date of final passage, or upon certification by the Coastal Commission, whichever is later.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_ 2024, by the Board of Supervisors of the County of Santa Cruz by the following vote:

AYES: SUPERVISORS

NOES: SUPERVISORS

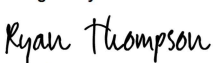
ABSENT: SUPERVISORS

ABSTAIN: SUPERVISORS

\_\_\_\_\_  
Chairperson of the Board of Supervisors

ATTEST: \_\_\_\_\_  
Clerk of the Board

APPROVED AS TO FORM:

Signed by:  
  
\_\_\_\_\_  
Office of the County Counsel



## Certificate Of Completion

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Sam LoForti

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### Timestamp

Ryan Thompson

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Sent: 12/10/2024 11:04:04 AM

Ryan.Thompson@santacruzcountyca.gov

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Signature Adoption: Pre-selected Style

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## In Person Signer Events

### Signature

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## Editor Delivery Events

### Status

### Timestamp

## Agent Delivery Events

### Status

### Timestamp

## Intermediary Delivery Events

### Status

### Timestamp

## Certified Delivery Events

### Status

### Timestamp

## Carbon Copy Events

### Status

### Timestamp

## Witness Events

### Signature

### Timestamp

## Notary Events

### Signature

### Timestamp

## Envelope Summary Events

### Status

### Timestamps

Envelope Sent

Hashed/Encrypted

12/10/2024 11:04:04 AM

Certified Delivered

Security Checked

12/10/2024 11:09:08 AM

Signing Complete

Security Checked

12/10/2024 11:10:57 AM

Completed

Security Checked

12/10/2024 11:10:57 AM

## Payment Events

### Status

### Timestamps

## Electronic Record and Signature Disclosure

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If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

### **How to contact County of Santa Cruz:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: [nada.algharib@santacruzcounty.us](mailto:nada.algharib@santacruzcounty.us)

### **To advise County of Santa Cruz of your new email address**

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at [nada.algharib@santacruzcounty.us](mailto:nada.algharib@santacruzcounty.us) and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

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### **To request paper copies from County of Santa Cruz**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to [nada.algharib@santacruzcounty.us](mailto:nada.algharib@santacruzcounty.us) and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

### **To withdraw your consent with County of Santa Cruz**

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to [nada.algharib@santacruzcounty.us](mailto:nada.algharib@santacruzcounty.us) and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

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To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

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- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify County of Santa Cruz as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by County of Santa Cruz during the course of your relationship with County of Santa Cruz.