



Contra
Costa
County

To: Board of Supervisors
From: Anna Roth, Health Services Director
Date: August 7, 2018
Subject: Cannabis Health Ordinance

RECOMMENDATION(S):

ADOPT Ordinance No. 2018-23 to require a county health permit for commercial cannabis activities.

FISCAL IMPACT:

The impact on the County General Fund is anticipated to be minimal if regulatory and inspection fees are adopted to off-set the true cost of implementation and enforcement of local health regulations. There were costs associated with the preparation of this Ordinance.

Contra Costa Health Services anticipates some cost related to addressing and treating physical and behavioral health needs as the use of cannabis becomes more prevalent with subsequent increase in related injury, health impacts and substance misuse. The adoption of a cannabis health ordinance is, in part, intended to help address the influence of the commercial cannabis industry on youth.

BACKGROUND:

On July 18, 2017, the Board of Supervisors received a report on local policy and regulatory considerations in the wake of voter approved Proposition 64 (Prop 64), which legalized

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **08/07/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I
Supervisor
Diane Burgis, District III
Supervisor
Karen Mitchoff, District IV
Supervisor
Federal D. Glover, District V
Supervisor

ABSENT: Candace Andersen, District II
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: August 7, 2018

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Dan Peddycord,
925-313-6712

cc:

adult recreational use of marijuana. During this presentation, information was provided that highlighted some of the health concerns related the use of cannabis.

BACKGROUND: (CONT'D)

Of particular interest to Contra Costa Health Services is the ability to locally regulate the manufacture and retail sale of cannabis and consumer products which contain cannabis. Adopting a local health ordinance will also allow county staff to inspect, regulate and enforce appropriate state and local laws pertaining to the cannabis industry.

In light of the newness of regulating the commercial cannabis industry and the evolving landscape of cannabis regulation, Contra Costa Health Services recommended a cautionary approach to local regulation that emphasizes protections for consumers, the public, and at-risk groups such as youth and individuals challenged with substance use disorders.

On April 24th, 2018, the Board of Supervisors approved the final draft of a framework for regulating cannabis in the unincorporated areas of the County. The Board directed the Department of Conservation and Development to prepare a land use ordinance to regulate the commercial cannabis industry based on the framework. The Board also directed Contra Costa Health Services to provide a report to the Board at the May 8, 2018 Board Meeting with recommendations for a health ordinance to further regulate the commercial cannabis industry and address the associated health concerns in the unincorporated areas of the County.

On May 8, 2018, the Board of Supervisors accepted the Contra Costa Health Services' staff report with recommendations for a health ordinance to regulate commercial activity associated with recreational adult use cannabis. The Board directed staff to prepare a health ordinance for the Board's consideration.

On June 26, 2018, the Board of Supervisors adopted cannabis land use Ordinance Nos. 2018-18 and 2018-19 to regulate commercial cannabis activities and personal cannabis cultivation in the unincorporated county, including requiring land use permits to engage in commercial cannabis activities.

On July 24, 2018, the Board of Supervisors adopted Ordinance No. 2018-22 to impose a general tax on commercial cannabis activities and Resolution No. 2018/227 calling an election on November 6, 2018 for voters to consider imposing that tax in the unincorporated county area, and introduced Ordinance No. 2018-23 to require a county health permit for commercial cannabis activities.

Ordinance Summary

The Commercial Cannabis Health Permit Ordinance, attached, would require all persons engaged in commercial cannabis activities in the unincorporated county to obtain a county health permit in addition to all other licenses and permits required by the County and the State. Under the attached ordinance, any person required to obtain a land use

permit for a commercial cannabis activity must also obtain a county health permit.

The attached ordinance provides that the Director of Environmental Health would review applications, issue commercial cannabis health permits, and administer revocation proceedings or other enforcement actions for violations of the permit terms, the health permit ordinance, or other State or local laws and regulations.

The attached ordinance establishes general health standards that apply to all commercial cannabis activities. Every commercial cannabis activity with a health permit must comply with all State and local laws; maintain a valid State license, County land use permit, and County business license; remain closed between 9:00 p.m. and 8:00 a.m. the following day; and control odors. In addition, no cannabis or cannabis product may be smoked, ingested, or consumed on the premises of a commercial cannabis activity. The attached ordinance also includes standards that apply specifically to manufacturing (e.g., the use of volatile solvents is prohibited), retail sale (e.g., transaction limits on edible cannabis products, requirements for consumer warnings), and retail delivery (e.g., delivery employees are required to examine government-issued identification cards upon delivery). Consistent with the County's tobacco control ordinance, the attached ordinance would also prohibit the sale or delivery of flavored cannabis products for which the primary use is to be smoked or used in electronic smoking devices.

The attached ordinance would also require a commercial cannabis delivery business located outside the unincorporated area of the county to obtain a commercial cannabis health permit prior to delivering cannabis or cannabis products to any location in the unincorporated area of the county. The delivery business would be required to comply with the general health standards and the retail delivery standards in the Commercial Cannabis Health Permit Ordinance.

CONSEQUENCE OF NEGATIVE ACTION:

Failure to consider and adopt a local Commercial Cannabis Health Permit Ordinance may delay implementation of provisions intended to help protect youth from the influences of the commercial cannabis industry in the unincorporated areas of the County.

CHILDREN'S IMPACT STATEMENT:

The use of cannabis by youth has been documented to impact both cognitive and behavioral development. Development of a local Commercial Cannabis Health Permit Ordinance is, in part, intended to help provide additional protections for youth and sensitive populations. Adoption of a local ordinance would support the following Board of Supervisors' community outcomes: "Children Ready For and Succeeding in School;" "Families that are Safe, Stable, and Nurturing;" and "Communities that are Safe and Provide a High Quality of Life for Children and Families," primarily in that the ordinance reflects proposals to prohibit products and flavors that are appealing to youth and recommends specific warnings.

ATTACHMENTS

