

## **State and County of San Diego Cannabis Regulation Timeline**

In 1996, California voters passed [Proposition 215](#), or the Compassionate Use Act (CUA). Under the CUA, medicinal-use cannabis was permitted for patients with medical recommendations from their physicians.

On June 23, 2009 ([Item #20](#)), the County Board of Supervisors (Board) directed staff to amend the County Zoning Ordinance to prohibit illegal, non-medical marijuana dispensaries from operating within the unincorporated areas.

On August 5, 2009 ([Item # 6](#)), the Board adopted an interim urgency ordinance enacting a moratorium on the establishment of medical marijuana facilities. The interim urgency ordinance was adopted to allow County staff the time needed to study how medical marijuana facilities should be permitted and determine the appropriate regulations for such uses.

On June 23 and 30, 2010 ([Item # 5](#)), the County Board of Supervisors amended the County's Regulatory Ordinance and Zoning Ordinance to provide licensing and operational requirements relating to the establishment of medical cannabis facilities. The ordinance implemented the 1996 CUA by establishing regulation and licensing requirements that allowed patients and primary caregivers to cultivate cannabis for medical purposes while protecting public health, safety, and welfare of communities within the unincorporated area.

In 2015, the State of California passed [Assembly Bill 266](#), [Assembly Bill 243](#), and [Senate Bill 643](#), that collectively established a comprehensive state regulatory framework for the licensing and enforcement of cultivation, manufacturing, retail sale, transportation, storage, delivery, and testing of medicinal cannabis in California. The regulatory framework known as the Medical Cannabis Regulation and Safety Act (MCRSA), established three branches for licensing and regulating medicinal cannabis activity: [Bureau of Cannabis Control](#), [CalCannabis Cultivation Licensing](#), and [Manufactured Cannabis Safety Branch](#).

On February 3, 2016 ([Item # 7](#)), during public communication, speakers addressed the Board regarding their concerns about medical cannabis facilities. The Board referred the matter to staff, with a request to return with potential options available for regulating medical cannabis facilities.

On March 16, 2016 ([Item # 3](#)), the Board adopted an interim urgency ordinance enacting a moratorium on the establishment of new medical cannabis facilities for a 45-day period. The interim urgency ordinance prohibited the ability for new medical cannabis facilities to be established to the extent allowed by law. The Board also directed staff to return at a future date with various ordinance options to address the siting and enforcement of these facilities.

On April 27, 2016 ([Item # 2](#)), the Board extended the moratorium for an additional 10 months and 15 days.

On November 4, 2016 ([Item #1](#)) the Planning Commission considered the Amendment to Medical Marijuana Collective Facility Ordinance project. Based on the Board's direction, staff proposed different ordinance options for consideration. Commissioner Woods motioned to recommend option eight (8) to the Board of Supervisors, with noted modifications; Commissioner Brooks seconded the motion. All in favor; motion passed (6-0-1-0).

In November 2016, California voters passed [Proposition 64](#), or the Adult Use of Marijuana Act (AUMA). The AUMA legalized recreational cannabis for individuals over the age of 21. The act also permitted regulated businesses to sell cannabis beginning January 1, 2018.

January 25, 2017 ([Item # 1](#)), the Board directed staff to return with an ordinance to place a ban on all medical and non-medical marijuana facilities, collective facilities, and amend the County Zoning ordinance related to non-medical marijuana dispensaries.

On March 15, 2017 ([Item # 2](#)), and March 22, 2017 ([Item # 6](#)), the Board amended and repealed the County Zoning Ordinances related to medical and non-medical cannabis facilities within the unincorporated County. Consequently, the five existing medical cannabis facilities were ordered to close by 2022.

In June 2017, California established the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) through [Senate Bill 94](#). As a combination of its precursors, MCRSA and AUMA, the MAUCRSA became the single regulatory system for governing medicinal and adult-use cannabis in California.

In September 2018, California signed into law the California Cannabis Equity Act of 2018 through [Senate Bill 1294](#) and the [Budget Act of 2019](#). Under the California Cannabis Equity Act of 2018, the Bureau of Cannabis Control granted funding to local jurisdictions with equity programs that promote social equity and support individuals who are disproportionately affected by cannabis criminalization.

On January 27, 2021 ([Item #4](#)), the Board directed staff to amend the County Zoning Ordinance to allow for a suite of uses, including retail, cultivation, manufacturing, distribution, testing, or a combination of these uses, through a microbusiness license.

The Board also directed staff to develop a new Cannabis Permitting Program which will prioritize social equity, access, and business opportunities. The Social Equity Program will allow individuals with past cannabis arrests and/or convictions, of low-income, and of communities with high arrest rates or “Disproportionately Impacted Areas” to have greater opportunities for securing a county operating permit. A comprehensive list of the Board’s direction from January 27, 2021, can be reviewed in the [Minute Order](#).

On [March 3, 2021 \(Item #11\)](#), staff returned to the Board of Supervisors (Board) with a status update from the Board direction provided on January 27, 2021. The update included staff research, analysis of other jurisdictions’ program development, stakeholder input to date, and to seek Board direction on how the Program is built. The Board directed:

- The Office of Equity and Racial Justice to lead the development of the framework and strategy, including grant funding options, needed to launch a comprehensive Social Equity Program and coordinate this with the land use permitting system being developed by the Department of Planning & Development Services.
- Staff to return to the Board in 90 days with a progress report and return to the Board in 180 days with an update on stakeholder input, ordinance development, and Social Equity Program options for Board direction.
- Staff to prepare an analysis of a Programmatic Environmental Impact Report (PEIR), a mitigated negative declaration, and a negative declaration that includes pros and cons of each approach, along with timelines, which will allow for additional stakeholder engagement and potentially reduce the cost and time associated with permitting for future applicants, making the permitting process more equitable, with the objective of narrowly defining the CEQA needs, and expediting the permitting process including exploring ministerial permits, conditional use permits, or neighborhood use permits.
- The Chief Administrative Officer to work with stakeholders to modify the regulatory code to better facilitate sustainable operations by the existing permit holders and return to the Board in 90 days with options for Board direction.

On June 9, 2021 ([Item #2](#)), staff returned to the Board with a status update from the March 3, 2021, meeting and to provide the Board with information about the different options for environmental review to support development of the Program. The Board adopted the Standard Program Environmental Impact Review timeline, a roughly two-year long process, that allows for all potential commercial cannabis uses, such as indoor and outdoor cannabis, cultivation, distribution, testing,

retail, manufacturing, and microbusinesses. In addition, the Board of Supervisors (Board) directed PDS to prepare and return to the Board for further review and consideration with an ordinance under a CEQA exemption allowing existing permit holders to: sell cannabis for adult use, operate past the sunset date of April 14, 2022, sell edible and drinkable cannabis products, sell branded merchandise, expand up to 10,000 square feet, and transfer business licenses among existing permit holders.

On August 6, 2021 ([Item #1](#)), staff presented the ordinance amendments created to enact the Board's June 9 direction to the Planning Commission. At that meeting, the Commissioners recommended the Board adopt amendments allowing existing dispensaries to (1) continue to operate past the "sunset" date of April 14, 2022, (2) transition to commercial medical and commercial adult use cannabis sales, (3) transfer of Operating Certificates from existing Operating Certificate holders to others, (4) sell edible and drinkable cannabis products, and (5) sell of branded merchandise. The Planning Commission made its own recommendations regarding use of groundwater for cultivation and the use of a ministerial process for expansion of the existing dispensaries.

On October 6, 2021 ([Item #1](#)), staff presented ordinance amendments to several sections of the Zoning Ordinance and the Code of Regulatory Ordinances. These changes will impact the five existing dispensaries by (1) allowing them to continue to operate past the "sunset" date of April 14, 2022, (2) allowing for commercial medical and commercial adult-use cannabis sales, (3) allowing for building alterations and expansions up to 10,000 square feet through a ministerial building permit process, (4) exempting building alterations and expansions from the requirements of B Designator Community Design Review and S Designator Scenic, (5) allowing the transfer of Operating Certificates from existing Operating Certificate holders to others, (6) allowing the sale of edible and drinkable cannabis products, and (7) allowing the sale of branded merchandise. These ordinance amendments apply only to the five existing dispensaries that are currently in operation, and no new dispensaries will be permitted under these ordinance amendments.

On October 20, 2021 ([Item #8](#)), the Board heard a second reading of the proposed ordinance amendments presented on October 6, 2022, and voted to adopt the proposed ordinance updates to the County's Code of Regulatory Ordinances and the Zoning Ordinance related to the five existing dispensaries. Staff also presented an update on the overall Program's development including future Zoning Ordinance amendments, the Social Equity components of the Program, and the Cannabis Taxation Program.