# Types of Commercial Marijuana Licenses

### Outdoor Commercial Cultivation (no use of artificial light)



#### License types based on size of grow operation:

<u>Type 1</u> – up to 5,000 square feet of total canopy size on one premises, or up to 50 mature plants on non-contiguous plots

Type 2 – between 5,001 and 10,000 square feet of total canopy on one premises

Type 3 - between 10,001 square feet to 1 acre of total canopy size on one premises

Type 5 – greater than 1 acre of total canopy size on one premises (no state licenses to be issued prior to Jan.1, 2023)<sup>1</sup>

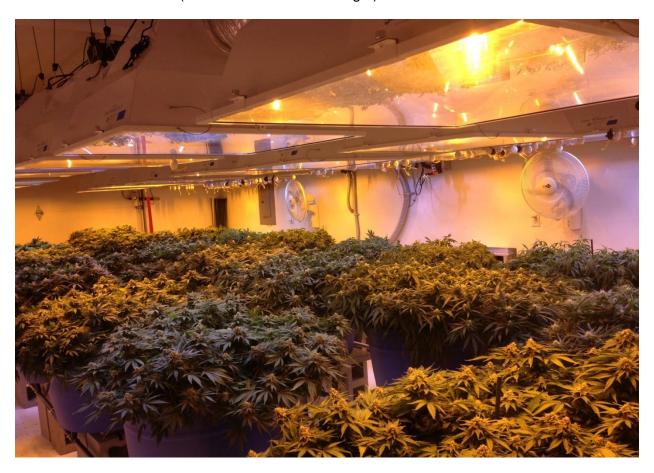
**Pro**: Plants should be grown outdoors; much less energy usage than indoor grows; economic opportunity

**Con**: High potential for nuisance impacts (smell, crime, trespassing); high water usage; potential to increase costs of ag land; waste processing

Staff recommendation: Ban all outdoor cultivation in the unincorporated County

<sup>&</sup>lt;sup>1</sup> Use of italics indicates it is a part of the Adult use of Marijuana Act, Proposition 64.

### Indoor Cultivation (exclusive use of artificial light)



#### License types based on size of grow operation:

Type 1A – up to 5,000 square feet of total canopy size on one premises

Type 2A – between 5,001 and 10,000 square feet of total canopy on one premises

Type 3A - between 10,001 square feet to 22,000 of total canopy size on one premises

Type 5A – greater than 22,000 of total canopy size on one premises (no state licenses to be issued prior to Jan.1, 2023)

Pro: Minimize nuisance impacts (smell, crime, trespassing); economic opportunity

Con: High energy usage; need to re-circulate or otherwise "clean" nutrient-rich water; waste processing

**Staff recommendation**: Allow with use permit, indoors, up to 10,000 sq. feet in Industrial and Manufacturing zones.

**Mixed-Light Cultivation** (combination of natural and supplemental lighting at a maximum threshold to be determined by the State)



#### License types based on size of grow operation:

Type 1B – up to 5,000 square feet of total canopy size on one premises

Type 2B – between 5,001 and 10,000 square feet of total canopy on one premises

Type 3B - between 10,001 square feet to 22,000 of total canopy size on one premises

Type 5B – greater than 22,000 of total canopy size on one premises (no state licenses to be issued prior to Jan.1, 2023)

**Pro**: Economic opportunity; less energy use than indoor only

**Con**: High potential for nuisance impacts (smell, crime, trespassing); high water usage; potential to increase costs of ag land; waste processing; high energy usage; light pollution

Cultivation includes trimming, drying, and curing marijuana "buds"





Page **4** of **10** 

### **Nursery**



<u>Type 4</u> – produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of medical marijuana. Can transport marijuana plants without a transporter license.

Because this type of cultivation primarily takes place indoors, it has the same impacts as indoor cultivation

**Pro**: Minimize nuisance impacts (smell, crime, trespassing); economic opportunity

Con: High energy usage; need to re-circulate or otherwise "clean" nutrient-rich water; waste processing

**Staff Recommendation**: Allow with use permit, indoors, up to 10,000 sq. feet in Industrial and Manufacturing zones.

### Manufacturing



Type 6 - Manufacturing Level 1

Production of medical cannabis products using nonvolatile substances

**Pro**: Economic opportunity, potential for few neighborhood nuisance impacts while fostering small businesses

**Con**: Marijuana not a food or a drug and unknown what regulations state will impose; potential for nuisance impacts due to storage of raw and finished marijuana products; waste product issues

Staff recommendation: Allow with use permit in manufacturing and industrial zones

Type 7 - Manufacturing Level 2

Production of medical cannabis products using volatile substances. State will limit the number of these licenses. Volatile solvents mean volatile organic compounds, including explosive gasses, such as Butane, Propane, Xylene, Styrene, Gasoline, Kerosene, O2 or H2, and dangerous poisons, toxins or carcinogens, such as Methanol, Iso-propyl Alcohol, Methylene Chloride, Acetone, Benzene, Toluene, and Tri-chloroethylene.

Pro: Economic opportunity

**Con**: Potential for explosion/fire if not done correctly; potential for nuisance impacts due to storage of raw and finished marijuana products; waste product issues

# **Testing Laboratories**



<u>Type 8</u> – Testing of all commercial cannabis and cannabis products.

Pros: Potentially low-profile marijuana business with minimal nuisance impacts; economic opportunity

**Cons**: Some amount of traffic from transporters; potential for crime due to storage of small amounts of marijuana and marijuana products; waste issues

**Staff recommendation**: Allow with use permit in select zones

# **Distributors**



<u>Type 11</u> – Only entity that can distribute marijuana and marijuana products from manufacturers/cultivators to dispensaries. A distributor must also hold a transporter (Type 12) license.

Pro: Economic opportunity

**Con**: Potential target for crime, given the storage of large quantities of marijuana and marijuana products

# **Transporter**



<u>Type 12</u> – Transports cannabis and cannabis products between licensees. *No transporter licenses in Prop 64.* 

**Pro**: Economic opportunity; good location with proximity to major road systems and population centers

Con: Potential for noise and traffic; potential that criminals would target

### **Microbusiness**



<u>Type 12 -</u> Cultivation of marijuana (indoors or outdoors) on an area less than 10,000 square feet, level 1 manufacturer, distributor and retailer. Can deliver marijuana to retail customers and on-site consumption may also be allowed. Allows for vertical integration for a marijuana business.

**Pro**: Economic opportunity

**Con**: Potential for nuisance impacts (smell, crime, trespassing); requires operator to be knowledgeable about regulations across many different marijuana activities