

CHAPTER 50

Licensing of Cannabis Operations Ordinance Amendments

Board of Supervisors
November 1, 2022



Background

- Board adopted Chapter 50, Licensing of Cannabis Operations, in May 2018
- Cannabis operators have been applying for cannabis land use permits and business licenses since cannabis ordinances became effective in June 2018 (inland) and November 2018 (coastal zone)
- Chapter 50 has been amended several times to address unanticipated issues identified over time
- Proposed amendments will address cannabis cultivation operations that reserved acreage in the acreage cap but were not cultivating all the acreage reserved
- The amendment also accommodates requests for fallowing, allowing operators to not grow for up to one year with restrictions

Proposed Amendments

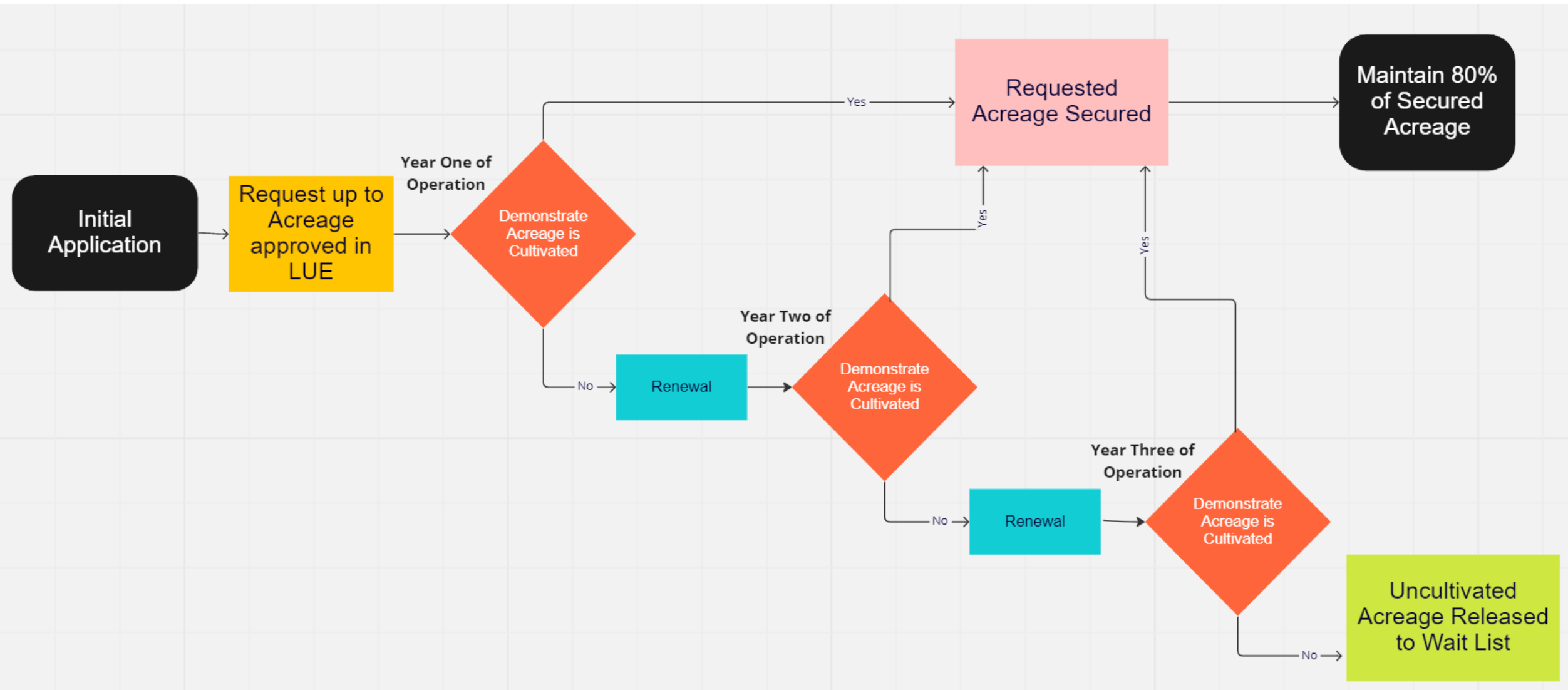
Issue Area	Proposed Amendment	County Code
Definitions	Updates the definition of State Licensing Authorities to reflect the State's consolidation of several agencies into the Department of Cannabis Control	§ 50-2
License Requirements for Distributors	Clarifies that an approved land use entitlement may not be necessary for all business license types, i.e. Distributor for operators located outside the county.	§ 50-6

Proposed Amendments

Issue Area	Proposed Amendment	County Code
Maintenance of Requested Acreage	<p>Requires licensed cultivators to secure their requested acreage by demonstrating that they reached that amount in actual cultivation activities upon the second renewal (year three of operation) or risk losing the unused acreage on the eligibility list.</p> <p>Allows licensed cultivators to request to fallow for up to one year, once the requested acreage has been reached and or maintained for at least three consecutive years.</p>	§ 50-7

Maintenance of Requested Acreage

- Currently, business license applicants request acreage up to the amount approved in the associated land use entitlement
- Amendment gives applicants 3 years to phase in cultivation operations to reach the acreage in the original license application
- If operator is unable to reach the total requested acreage in year three of operation the unused acreage is removed from their reserved acreage
- Freed up acreage would be offered to the next person on the Wait List
- Acreage approved in the land use entitlement continues to be permitted and the operator may be placed on the Wait List to secure that lost acreage at a future date
- Requirement that operators maintain cultivation of at least 80% of licensed acreage for subsequent renewals once the total acreage amount is established



Requests for Fallowing

- Operators requested that County allow for an operation to fallow, or take time off from cultivation activities
- Amendment allows operators a request to fallow once the operation reach the number of acres reserved and is maintained for at least 3 consecutive years
- Requests can be for up to 12 months of fallowing and new requests are allowed no more than once every 3 years
- Pauses in cultivation between crops during a license period will not be considered fallowing

Recommended **Actions**

That the Board of Supervisors:

- a) Consider the introduction (First Reading) of an Ordinance of the Board of Supervisors of the County of Santa Barbara amending Chapter 50 of the Santa Barbara County Code, Licensing of Commercial Cannabis Operations in the unincorporated area of the County;
- b) Read the title and waive further reading of the Ordinance in full; and
- c) Set a hearing on the Administrative Agenda for March 1, 2022 to consider the Second Reading and CEQA determination for amendments to Chapter 50.