

# Cannabis Business License Ordinance & Cultivation Cap Options

Santa Barbara County  
Board of Supervisors  
March 20, 2018

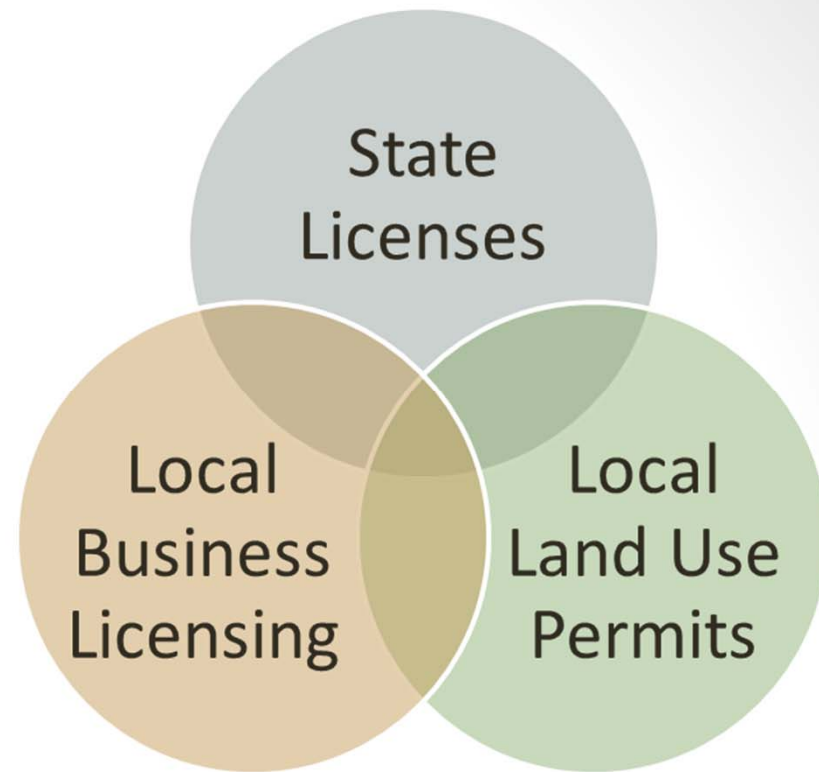


# Purpose

- Consider introduction of an ordinance to establish a local annual cannabis business license
- Consider options for establishing cannabis cultivation caps
- Receive an update on State temporary cannabis cultivation licenses in Santa Barbara County

# Background

- Local land use zoning and permitting ordinances to address **where** and **how** commercial cannabis operations should be allowed, if any; and
- Local annual business license ordinance to address **who** would be operating and **what** types of commercial cannabis operations should be allowed, if any; and
- State annual licensing of cannabis operations



Objective:  
**LOCAL COMPLIANCE**

# Cannabis Business License Goals

- Leverage subject matter expertise from multiple departments
- Align licensing requirements with State license requirements and local land use requirements
  - See Attachment 2
- Provide industry with clarity & certainty on compliance environment
- Build trust with residents that excesses of the past will be addressed locally

# Cannabis Business License Ordinance

- Attachment 1
- Adds Chapter 50 to the County Code
- Requires a local Cannabis Business License
- Requires Cannabis Business Licenses to be renewed every year and are non-transferable;
- Establishes that a license is required for each entity conducting a cannabis operation on each parcel;
- Establishes the cannabis retail license cap and a selection process for those that may seek a cannabis retail license;
- Requires licensees to maintain their operations in compliance with their land use permits, state cannabis licenses and requires that they pay their taxes;



# Cannabis Business License Ordinance

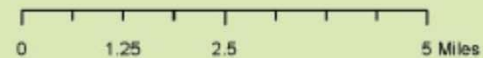
- Establishes clear roles and procedures for cannabis businesses, and county departments
- Establishes a multi-departmental cannabis compliance team from Planning & Development, Sheriff, Agricultural Commissioner, Fire, and Public Health to support the County Executive approving or rejecting applications and renewals and the Treasurer-Tax-Collector in issuing the cannabis business license or noticing the applicant of a denial
- Establishes standards for operations, compliance reviews, as well as, enforcement and penalties for failure to comply with cannabis business license requirements





# Cultivation Cap Options

- Requested by the Board on February 27, 2018
- Can be added to Business License Ordinance like retail cap
- Option 1 - Coastal Zone Cap:
  - Lessens potential visual impacts noted in EIR
  - See Attachment 3
- Option 2 - Carpinteria Greenhouse Overlay Boundary Cap:
  - Caps cultivation at the place of greatest concentration & impact
  - See Attachment 4
- Option 3 – Williamson Act Restriction Cap:
  - “Compatible Use” does create a limit; Item #3 today
- Option 4 – The Market Cap:
  - Economics will self-limit cultivation

Attachment 3, Figure 1

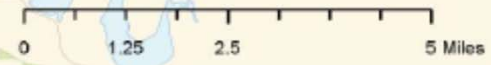



-  Coastal Zone
-  Supervisory Districts





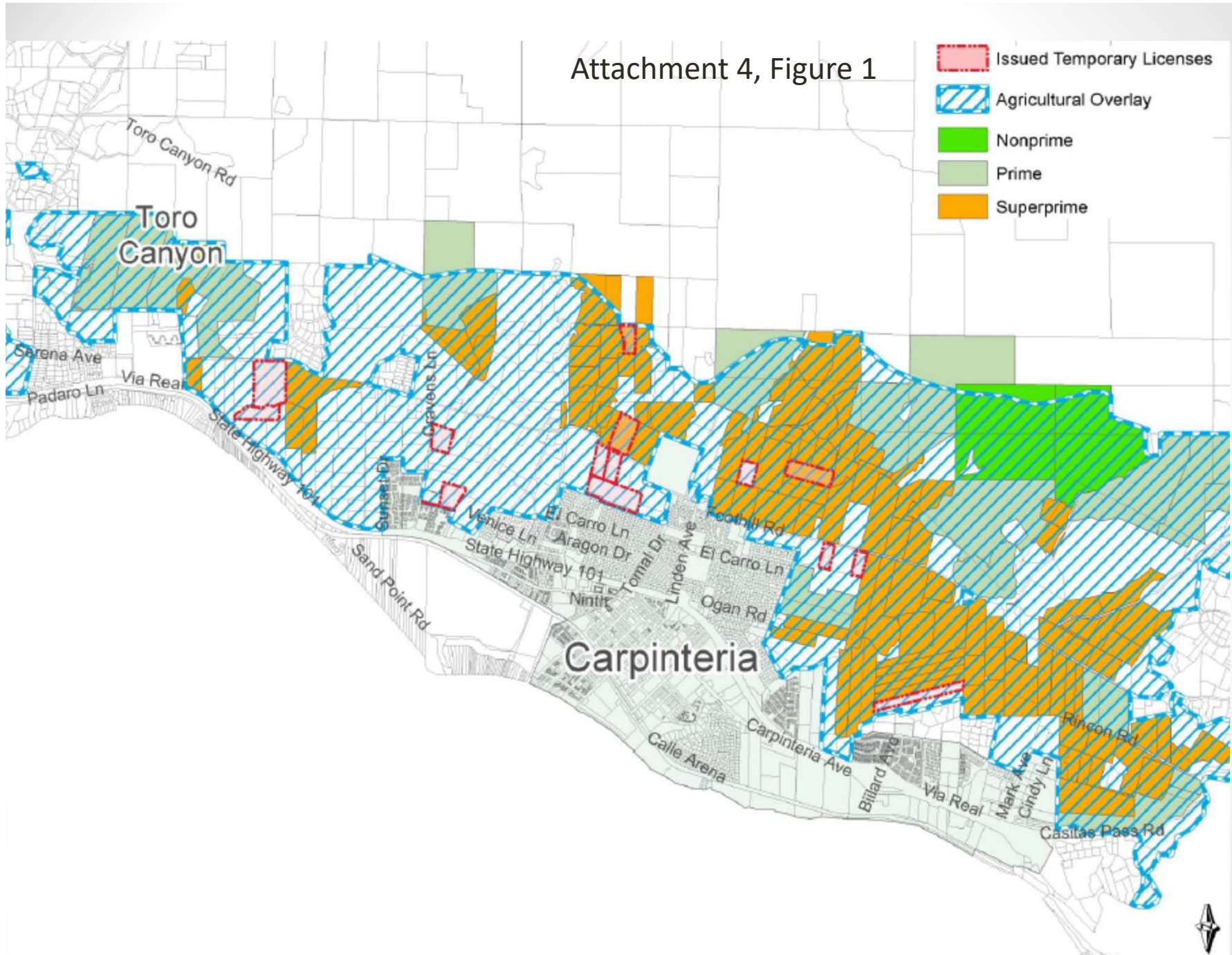
Attachment 3, Figure 2



-  Coastal Zone
-  Supervisorial Districts



Attachment 4, Figure 1



# Update of State Temporary Licenses

- Board directed staff to provide a County letter based on an affidavit & a non-adjudicated claim of legal, non-conforming
- Santa Barbara County has the most State temporary cannabis cultivation licenses (See Maps at Attachment 5)
- According to Mark Lovelace, these licenses in SB represent over 20% of the California cannabis market
- Letters provided since December = 124
- “Current” operators from registry = 240
- Individuals or entities receiving letters = 99
- Parcels identified in letters = 105
- Total approved State Temporary cultivation licenses = 482
- Maximum acreage of those licenses countywide = 119 acres

# Recommended Actions Today

That the Board:

- Consider the introduction (First Reading) of an Ordinance of the Board of Supervisors of the County of Santa Barbara adding Chapter 50
- Read title and waive reading of the Ordinance in full;
- Receive and consider options from staff and provide direction, as necessary, on the establishment of cultivation and/or retail caps or limits;
- Receive an update on state temporary medical cannabis cultivation licenses in Santa Barbara County;
- Set a hearing on the Administrative Agenda for April 3, 2018 to consider the adoption (Second Reading) of an Ordinance adding Chapter 50 and
- CEQA findings