



BOARD OF SUPERVISORS AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Submitted on:
(COB Stamp)

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|---------------------------|---|
| Department Name: | County Executive Office |
| Department No.: | 012 |
| Agenda Date: | August 19, 2025 (First Reading) August 26, 2025 (Second Reading) |
| Placement: | Departmental Agenda |
| Estimated Time: | 20 MINUTES |
| Continued Item: | No |
| If Yes, date from: | |
| Vote Required: | Majority |

TO: Board of Supervisors
FROM: Department Director(s): Mona Miyasato, County Executive Officer
Contact: Brittany Odermann, Deputy CEO
SUBJECT: Amend Chapter 50 of the County Code – Licensing of Cannabis Operations

Signed by:

Wade Horton

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County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors on August 19, 2025:

- 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 Cannabis Operations to reduce the cultivation acreage cap to 134 acres in the Carpinteria Agricultural Overlay ("Carpinteria Overlay") and to 1,417 acres in the Unincorporated area outside of the Carpinteria Overlay ("Unincorporated area");
- b) Read the title and waive further reading of the Ordinance in full;
- c) Set a hearing on the Administrative Agenda for August 26, 2025 to consider recommendations, as follows:

On August 26, 2025:

- a) Consider adoption (Second Reading) of an Ordinance of the Board of Supervisors of the County of Santa Barbara amending Chapter 50 to the Santa Barbara County Code, Licensing of Cannabis Operations to reduce the cultivation acreage cap to 134 acres in the Carpinteria Overlay and to 1,417 acres in the Unincorporated area; and
- b) Determine for the purposes of CEQA that:

- i. Pursuant to CEQA Guidelines section 15168(c) these actions are within the scope of the Cannabis Land Use Ordinance and Licensing Program, and the Cannabis Land Use Ordinance and Licensing Program Final Programmatic Environmental Impact Report (PEIR) [Case No. 17EIR-00000-00003, State Clearinghouse No. 2017071016] adequately describes this activity for the purposes of CEQA.
- ii. Pursuant to CEQA Guidelines section 15162(a), after considering the PEIR certified by the Board of Supervisors on February 6, 2018, that no subsequent EIR or Negative Declaration is required because: i) no substantial changes are proposed which require major revisions of the PEIR due to the involvement of new significant environmental impacts or a substantial increase in the severity of previously identified significant effects; ii) no substantial changes have occurred with respect to the circumstances under which the ordinance is undertaken which require major revisions of the PEIR due to the involvement of new significant environmental impacts or a substantial increase in the severity of previously identified significant effects; and iii) no new information of substantial importance concerning the ordinance's significant effects or mitigation measures, which was not known and could not have been known with the exercise of reasonable diligence at the time that the PEIR was certified, has been received that shows any of the following situations elements of CEQA Guidelines Section 15162(3) apply.

Summary Text:

This amendment will make changes as directed by the Board of Supervisors at its June 3, 2025 meeting to Chapter 50 of the Santa Barbara County Code, Licensing of Commercial Cannabis Operations to implement reductions to the cultivation acreage caps in the Carpinteria Agricultural Overlay ("Carpinteria Overlay") and Unincorporated area outside of the Carpinteria Overlay ("Unincorporated"). The amendment proposes a reduced cap of 134 acres, a reduction of 52 acres or 28% in the Carpinteria Overlay area; and a reduced cap of 1,417, a reduction of 158 acres or 10%, in the Unincorporated area. This cap limits cultivation acres only; total capped cultivation acres, which excludes processing, would be 1,551 acres. Both caps were calculated by confirming the total acreage of all submitted, approved and issued cannabis cultivation land use entitlement applications submitted to the Planning & Development Department as of June 3, 2025.

Discussion:

Chapter 50 currently limits the Carpinteria Overlay to 186 acres of cannabis cultivation activity and limits the Unincorporated area to 1,575 acres of cannabis cultivation activity. On June 3, 2025 the Board directed reductions to the acreage cap to include all issued, approved and submitted land use entitlement permits for cultivation acres using the current definition in County Code Chapter 50 which excludes areas for processing.

On March 18, 2025, the Board directed staff to provide options to reduce the Carpinteria Overlay and Unincorporated area cultivation acreage caps. When considering a cap acreage reduction, there are three categories of acres to be considered: acreage with *issued* land use entitlements; acreage with *approved* land use entitlements; and acreage that has been *submitted* in a land use entitlement application and in the permitting process but has not yet received an approval.

On June 3, 2025, staff presented three options for the Board's consideration.

1. **Cap Option 1:** Status Quo (186 acres in Carpinteria Overlay; 1,575 acres in Unincorporated),
or

2. **Cap Option 2:** Existing acreage for which land use entitlements have been issued and approved, or

3. **Cap Option 3:** Existing acreage for which land use entitlements have been issued, approved, and submitted, or

4. Other direction as appropriate.

The Board provided direction to return with amendments reflecting Cap Option 3 to reduce the acreage caps to include currently issued, approved and submitted cultivation acreage in the queue and directed staff to return with an ordinance amendment. The current definition of activities limited by the cap excludes processing and the Board did not provide direction to change the activities limited by the cap. This option takes into consideration that some applicants submitted their land use entitlement applications with the Planning & Development Department based on space being available in the cap and many have been working through the application process for several years.

NEW ACREAGE CAP STATUS BY AREA – LAND USE ENTITLEMENT PROCESS

| Region | Existing Cap | Issued* | Approved** | Submitted*** | REDUCED CAP Issued, Approved and Submitted (Rounded to the nearest whole number) |
|-----------------|--------------|----------|------------|--------------|---|
| Carp Ag Overlay | 186 | 131.55 | 0 | 1.9 | 134 (28% reduction) |
| Unincorporated | 1,575 | 1,313.72 | 49.97 | 52.73 | 1,417 (10% reduction) |
| Total | 1,761 | 1,445.27 | 49.97 | 54.63 | 1,551 (12% reduction) |

**Issued acres: total acres with an issued land use entitlement.*

***Approved acres: total acres with an approved, but not yet issued, land use entitlement.*

****Submitted acres: total submitted cannabis cultivation acres in the permit application process pending land use entitlement approval and issuance.*

Cap Option 3 results in a proposed reduced cap of 134 acres, a reduction of 52 acres or 28% in the Carpinteria Overlay area; and a reduced cap of 1,417, a reduction of 158 acres or 10%, in the Unincorporated area. Total capped cultivation acres, excluding processing, would be 1,551 acres.

Background:

In May 2018, the Board adopted Chapter 50 of the Santa Barbara County Code, Licensing of Cannabis Operations. The original adopted ordinance included a cap of 186 acres of indoor or mixed light cannabis in the Carpinteria Overlay. In August 2019, the Board approved the Unincorporated cap area at 1,575 acres. Both caps were calculated by confirming the total acreage of all pending cannabis cultivation applications submitted to the Planning & Development Department. Limits were established to avoid visual impacts and nuisances associated with significant concentrations of cannabis cultivation.

Since the effective date of the cannabis ordinances (June 2018 in the Unincorporated area, November 2018 in the Carpinteria Overlay zone), cannabis operations have been applying for County cannabis land use permits and business licenses.

On June 3, 2025 the Board directed staff to draft ordinance amendments to Chapter 50 of the County Code – Licensing of Cannabis Operations to reduce the Carpinteria Overlay and Unincorporated area acreage caps.

Since the effective date of the cannabis ordinances (June 2018 in the inland area, November 2018 in the coastal zone), cannabis operations have been applying for County cannabis land use permits and business licenses. Chapter 50 has been amended in April, August, December of 2019, January 2020, February, November of 2021, March, November of 2022, July 2023, April and June 2025.

CEQA Determination:

Adoption of the proposed ordinance is within the scope of the Cannabis Land Use Ordinance and Licensing Program, and the (17EIR-00000-00003, State Clearinghouse No. 2017071016).

Fiscal and Facilities Impacts:

Changes to the acreage cap could impact the number of cannabis operations in the County, and potentially the amount of cannabis tax revenue. However, cannabis tax revenues have witnessed a decline over the last few years therefore it would be a reduction in the opportunity, but not actual, cannabis tax revenue. Staff anticipate no fiscal or facilities impacts as a result of the Board's action on this matter.

Special Instructions:

The Clerk of the Board shall publish the ordinance in accordance with Government Code section 25124.

Attachments:

Attachment A – Ordinance Amending Chapter 50, Licensing of Cannabis Operations, To the Santa Barbara County Code (Non-Redlined)

Attachment B – Ordinance Amending Chapter 50, Licensing of Cannabis Operations, To the Santa Barbara Code (Redlined)

Attachment C – CEQA Findings dated 8.26.25

Attachment D – Link to the Program Environmental Impact Report for the Cannabis Land Use Ordinance and Licensing Program, 17EIR-00000-00003:

<https://cosantabarbara.app.box.com/s/o9fp2865sykaqn98s0702plaa96xi7t5/folder/72887579662>

Attachment E – PEIR Statements of Overriding Consideration

Contact Information:

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