



**BOARD OF SUPERVISORS
AGENDA LETTER**

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

Agenda Number:

**Submitted on:
(COB Stamp)**

Department Name: County Executive Office
Department No.: 012
Agenda Date: June 9, 2026: First Reading
June 23, 2026: Second Reading
Placement: Departmental Agenda
June 9, 2026
Administrative
June 23, 2026
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 Info: Brittany Odermann, Deputy CEO
SUBJECT: Amend Chapter 50 of the County Code – Licensing of Cannabis Operations Discussion

DocuSigned by:

41846F5C725B460...

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 June 9, 2026:

- a) Consider the introduction (First 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 pertaining to replacement of the County of Santa Barbara Sheriff Office (“Sheriff”) role in cannabis business licensing activities specific to site security plan review and live scan check responsibilities as required in §50-11 with staff from the Cannabis Licensing Division;
- b) Read the title and waive further reading of the Ordinance in full; and
- c) Set a hearing on the Administrative Agenda for June 23, 2026 to consider recommendations, as follows:

Board of Supervisors

June 3, 2025

Page 2 of 5

On June 23, 2026:

- 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 pertaining to replacement of the County of Santa Barbara Sheriff Office (“Sheriff”) role in cannabis business licensing activities specific to site security plan review and live scan check responsibilities as required in §50-11 with staff from the Cannabis Licensing Division; 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:

This amendment recommends changes to Chapter 50 of the Santa Barbara County Code, Licensing of Commercial Cannabis Operations to address: 1) replacement of the County of Santa Barbara Sheriff Office (“Sheriff”) role in cannabis business licensing activities specific to site security plan review and live scan check responsibilities as required in §50-11 with staff from the Cannabis Licensing Division. The Sheriff’s Office would continue to promote a culture of compliance via site visits and desk audits; and conduct enforcement activities.

Discussion:

Staff recommends this ordinance change to further right-size the Cannabis Licensing process given the maturity and stabilization of the program, budgetary constraints and the need to reduce duplicative efforts and staff time associated with administering the program. The proposed amendment will remove the County of Santa Barbara Sheriff Office (“Sheriff”) from licensing activities in Chapter 50, §50-11, of the Santa Barbara County Code, Licensing of Commercial Cannabis Operations. CEO staff recommends an amendment reducing the number of County Departments directly involved in cannabis business licensing review and approvals to simplify the application process. Presently the following eight departments are part of the cannabis business license application process: the Agricultural Commissioner’s Office, the County Executive Office (CEO), County Health - Environmental Health Services (EHS), Fire, Planning and Development (P&D), Sheriff,

Board of Supervisors

June 3, 2025

Page 3 of 5

Community Services Department - Sustainability Division, and the Treasurer-Tax Collector's Office (TTC). Upon program inception in 2018, staff crafted robust regulatory requirements with overlapping cross-departmental reviews to ensure compliance. In response to program stabilization and maturation staff has identified opportunities to adjust the program according to current needs and budgetary constraints. In coordination with the Sheriff's Office, staff developed this option regarding Sheriff's Office licensing activities removal.

Presently Chapter 50, §50-11, "application review by the Sheriff's Office and ongoing requirements" lists the Sheriff as the lead reviewer for all applications and compliance or renewal site visits of cannabis business licenses for distributor and retail operations including microbusiness. In addition, the Sheriff's Office participates in reviewing site security plans and criminal history backgrounds for all cannabis business license applications and renewals. Cannabis business license activities fall into two categories: licensing and compliance. Staff recommends removal of the Sheriff's Office from licensing activities for the following reasons: 1) site security plans are reviewed and approved during the Planning and Development Department land use entitlement process prior to initial cannabis business licensure; 2) criminal background checks are no longer required for all permanent employees and third-party labor; live scans are only required for business owners with greater than 20% ownership. Because the number of owner required live scans has declined proportionally with the decline in new cannabis business license applications dedicated staff is not required for this activity.

This reduction in responsibilities eliminates the Sheriff role in licensing activities. Cannabis Licensing Division staff will assume site security plan and live scan coordination responsibilities. The Sheriff will continue their cannabis compliance activities via 2 full-time employees (FTEs) funded by the Proposition 64 Grant Program as Cohort 3 awardees from the California Board of State and Community Corrections (BSCC). This 5-year grant to the Sheriff's Office totaling \$2,997,976.00 for cannabis compliance activities is active for the award period commencing on May 1, 2023, and continuing through April 30, 2028. The grant-funded compliance team detectives provide an extra layer of oversight to reaffirm that security systems pertaining to fencing, gates, doors, and cameras are working as designed and approved by Planning and Development staff. Cannabis business licensing fees will decrease proportionately upon removal of Sheriff from the licensing process.

The Cannabis Regulation and Licensing Division is currently administered through the County Executive Office (CEO). The CEO Cannabis Division is responsible for upholding the regulations set forth by the Licensing of Cannabis Operations Ordinance ([Chapter 50](#)) of the Santa Barbara County Code of Ordinances, encouraging a well-regulated cannabis industry. The Cannabis Division functions as lead coordinator for the cannabis business licensing and compliance review process. Cannabis Division staff review cannabis business license applications, collaborate with other county licensing departments and compliance staff for review, site inspections, and license issuance.

The Board has taken several actions over the years to moderate cannabis program growth and implement guardrails to accommodate the needs of community members, industry and the County of Santa Barbara as a whole. Due to program stabilization and maturation, there are fewer issues of concern requiring Sheriff Office involvement in cannabis licensing activities. As legal cannabis normalizes and efforts are made at the Federal level to reschedule cannabis, staff proposes transition to Cannabis Division staff review of site security plans and criminal history backgrounds.

The proposed change is intended to right-size Chapter 50 requirements to reflect current constraints, practices, and organizational needs. Over the program's eight-year history, several ordinance

Board of Supervisors

June 3, 2025

Page 4 of 5

amendments have been adopted to adjust, stabilize and improve the program. Longstanding and knowledgeable staff and operators reliably implement and follow the regulations. Staff will continue to look for program efficiencies to reduce duplicative activities and evaluate the ongoing necessity of each department's participation in Chapter 50 and the cannabis business licensing process.

The proposed Chapter 50 amendment includes the following:

Replace the Sheriff Chapter 50 Licensing Activities Role with Cannabis Licensing Staff

Replace the County of Santa Barbara Sheriff Office ("Sheriff") role in cannabis business licensing activities specific to site security plan review and live scan check responsibilities as required in §50-11 with staff from the Cannabis Licensing Division. Maintain Sheriff role in conducting compliance activities via site visits and conduct enforcement activities. Remaining cannabis licensing participants would include the following seven departments: the Agricultural Commissioner's Office, the County Executive Office (CEO), County Health - Environmental Health Services (EHS), Fire, Planning and Development (P&D), Community Services Department – Sustainability Division, and the Treasurer-Tax Collector's Office (TTC).

Background:

In May 2018, the Board adopted Chapter 50 of the Santa Barbara County Code, Licensing of Cannabis Operations. 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 since been amended in April, August, December of 2019, January 2020, February, November of 2021, March, November of 2022, July 2023, April 2025, and August 2025. At the June 3, 2025 Board hearing, the Board approved reductions in cannabis tax revenue spending across cannabis enforcement line items totaling \$1.4 million in savings for FY 2025-26.

At the June 17, 2025 Board hearing, the Board reallocated the remaining Sheriff Cannabis Enforcement Team monies to other critical public safety and community needs. During the June 2025 Budget Hearings, the Board indicated that countywide FY 2026-27 budget cuts would be required to offset future budget deficits. With this in mind, staff identified replacement of the Sheriff Office role in cannabis business licensing activities as one efficiency and cost saving measure to meet this need. Staff presently proposes reducing the number of departments involved in the licensing process. The current recommendation is timely as it optimizes efficiencies and reallocates dwindling resources.

Fiscal Analysis:

In the current fiscal year, the Board approved one-time cannabis tax revenue of \$150,800 for Sheriff licensing activities; the proposed changes will result in cannabis tax revenue savings of \$150k in FY 2026-27. Changes to the ordinance transferring responsibility of the Sheriff cannabis licensing activities to Cannabis Licensing Division staff will eliminate Sheriff staff time allocated to cannabis business license reviews and approvals. The proposed associated cannabis fee amendment will reduce cannabis licensing fees that currently provide revenue to the Sheriff's Department for these activities. Cannabis Licensing Division staff will absorb these responsibilities, and their time will continue to be covered by existing cannabis license fees and tax revenue.

Special Instructions:

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

Board of Supervisors

June 3, 2025

Page 5 of 5

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 County Code (Redlined)

Attachment C – CEQA Findings

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

Authored by:

Carmela Beck

Cannabis Program Manager

cbeck@countyofsb.org