



**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

**Department Name:** CEO  
**Department No.:** 012  
**For Agenda Of:**  
**Placement:** Departmental on  
2/2/2021  
Administrative on  
2/9/2021  
**Estimated Time:** 1 hour on 2/2/2021  
**Continued Item:** No  
**If Yes, date from:** NA  
**Vote Required:** Majority

**TO:** Board of Supervisors

**FROM:** Department: Mona Miyasato, County Executive Officer  
Director(s)  
Contact Info: Bernard Melekian, Deputy County Executive Officer

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**SUBJECT: Chapter 50 - Licensing of Commercial Cannabis Operations Ordinance Amendments**

**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: NA

**Recommended Actions:**

**That the Board on the Departmental Agenda of February 2, 2021:**

- 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 (Attachment 1 and 2);
- b) Read title: “An Ordinance Amending Chapter 50, Licensing of Commercial Cannabis Operations, of The Santa Barbara County Code,” and waive reading of the Ordinance in full;
- c) Set a hearing on the Administrative Agenda for February 9, 2021 to consider the adoption (Second Reading) of an Ordinance Amending Chapter 50 of the Santa Barbara County Code, Licensing of Commercial Cannabis Operations; and
- d) Make the required CEQA findings and determine for the purposes of CEQA that:
  - i. 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; ii) no substantial changes have occurred with respect to the circumstances under which the ordinance is undertaken which require major revisions of the PEIR; 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 the Board on Administrative Agenda of February 9, 2021:**

- 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 Commercial Cannabis Operations; and
- b) Make the required CEQA findings and determine for the purposes of CEQA that:
  - i. 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; ii) no substantial changes have occurred with respect to the circumstances under which the ordinance is undertaken which require major revisions of the PEIR; 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.

**Summary Text:**

In May 2018, the Board adopted Chapter 50 of the Santa Barbara County Code, Licensing of Commercial 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, and December of 2019.

Over the past year as the business licensing process continues implementation, staff received feedback from the cannabis stakeholder community including residents, department staff, and business license applicants on the process. These proposed amendments seek to address some of the inefficiencies and inconsistencies in the process.

The purpose of this agenda item is for Board consideration of an ordinance amending Chapter 50, Licensing of Commercial Cannabis Operations to reflect desired changes in the business licensing and land use permitting processes. Significant revisions are summarized below.

**Background:****Proposed Amendments to Cannabis Licensing Ordinance**

<b>Issue Area</b>	<b>Proposed Amendment</b>	<b>County Code section</b>
Definitions	1. Add and revise various definitions as needed	County Code § 50-2
Business License Required	2. Require that applicants submit business license applications within 15 days of approval of a land use entitlement	County Code § 50-3
Business License Exemptions	3. Clarifies requirements and circumstances under which legal, non-conforming sites may continue to operate without a business license	County Code § 50-5
Application Content	4. Requires that applicants submit consistent information across all processes(local and state), and requires a P&D approved Premises Diagram be submitted with the business license application	County Code § 50-8(a) and 50-8(b)
Criminal History and Security Plan	5. Revises and further clarifies the employers' responsibilities for criminal history checks 6. Adds a new class of seasonal and temporary employees with transferable IDs and live scan verifications valid between operations 7. Requires an approved Site Security Plan submittal with the business license application	County Code § 50-11(b) and 50-11(c)
License Issuance by the Treasurer-Tax Collector's Department	8. Defines tax delinquency to include failure to file a quarterly tax report with the County or failure to pay any required taxes	County Code § 50-16(b)
Change in Ownership	9. Requires timely notification of change in ownership	County Code § 50-23(b)
Procedure for Denial, Suspension, or Revocation	10. Clarifies appeal procedures and limits cannabis operations if an operator requests to continue a hearing more than 60 days	County Code § 50-27(c)

The specific amended Chapter 50 sections are provided in Attachment 1 (Non-redlined) and Attachment 2 (Redlined).

**Performance Measure:**

NA

**Contract Renewals and Performance Outcomes:**

NA

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

NA

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**Narrative:**

The cost of making and implementing the amendments to Chapter 50 will not increase or decrease the anticipated costs of the cannabis business-licensing program. Expenses for Cannabis Business Licensing expenses are offset by Business License fee revenue.

**Key Contract Risks:**

NA

**Attachments:**

Attachment 1 – Ordinance Amending Chapter 50, Licensing of Commercial Cannabis Operations, To the Santa Barbara County Code (Non-redlined version)

Attachment 2 – Ordinance Amending Chapter 50, Licensing of Commercial Cannabis Operations, To the Santa Barbara County Code (Redlined version)

Attachment 3 – CEQA Findings

**Special Instructions:**

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

**Authored by:** Bernard Melekian, Deputy County Executive Officer, 805-568-3400

Brittany Heaton, Principle Analyst, Cannabis