



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: April 4, 2017
Placement: Departmental
Estimated Time: 60 minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Director(s) Mona Miyasato, County Executive Officer, 805-568-3400
Contact Info: Dennis Bozanich, Deputy County Executive Officer, 805-568-3400

SUBJECT: **Proposed Ordinance Establishing a Non-personal Cannabis Cultivation and Related Operations Registry Program**

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

As to form:

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- a. Consider the introduction (first reading) of an “Ordinance of the County of Santa Barbara, establishing a limited term non-personal cannabis cultivation and related operations registry program within the unincorporated areas of Santa Barbara County” and waive further reading of the Ordinance; and
- b. Set a hearing on the Administrative Agenda of April 11, 2017, to consider adoption (second reading) of an “Ordinance of the County of Santa Barbara, establishing a limited term non-personal cannabis cultivation and related operations registry program within the unincorporated areas of Santa Barbara County;” and
- c. Receive and provide comments on the Registration Form to implement the Registry Program; and
- d. Find that the proposed actions are organizational and administrative activities of the County, which will not result in direct or indirect physical changes to the environment and are therefore not a “project” as defined for the purposes of the California Environmental Quality Act (CEQA) under CEQA Guidelines sections 15378(b)(5). In addition, the proposed actions are exempt from CEQA pursuant to CEQA Guidelines section 15061(b)(3) as covered by the general rule

that CEQA applies only to projects which have the potential for causing a significant effect on the environment, and where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment, the activities are not subject to CEQA.

Summary Text:

On February 14, 2017, the Board received a report and public testimony on impacts of the November approval of the Adult Use of Marijuana Act (Proposition 64) and efforts to address the impacts of medical marijuana (Cannabis) cultivation within Santa Barbara County.

The Board directed staff to return with a registry program for: a) those currently engaged in the cultivation of medical cannabis that are compliant with the terms of County Code Section 35-1003 A.2 and, b) other commercial operations that are not currently functioning but have a site and the intent to cultivate or manufacture cannabis or cannabis-based products. This registry is not intended for those individuals cultivating cannabis for *personal* medical use in compliance with County Code Section 35-1003 A.1 or cultivating only six cannabis plants in compliance with Health and Safety Code section 11362.2. The Board may consider establishing the registry program through the proposed ordinance and set a hearing to adopt the ordinance on April 11th. In addition, a proposed registry form, which will be used to implement the registry program if adopted by the Board, is attached and the Board may provide comments on the form, which the CEO's office will amend and finalize for use in the Registry Program.

Background:

The goals of the registry program are to:

- Collect data on past, current and planned cannabis cultivation or related operations in the unincorporated area of the County,
- Inform future cannabis studies, including, but not limited to, a California Environmental Quality Act (CEQA) environmental impact analysis and possibly a separate economic impact analysis, and
- Establish a pool of registrants that may receive priority review when they submit an application for the cultivation of cannabis or related cannabis operations in the unincorporated area of Santa Barbara County after the adoption of the County's potential cannabis ordinance(s).

In January 2016, the Board approved a legal nonconforming use exemption for existing medical cannabis cultivation operations that were compliant with state laws. No registration of those exempt as a legal nonconforming use was established in January 2016. The Board has discretion in allowing or prohibiting various cannabis related business activities, including establishment of local regulations, business licensing, and land use permitting, in combination with state regulation and licensing through California's medical cannabis statutes and the statutes approved by California voters through Proposition 64.

This registry program would allow individuals to provide basic information on the scale of their past or current medical cannabis cultivation operation or intended future medical or non-medical cannabis operations through an online registration tool. Staff will not be proactively verifying whether the registrants' operations are, in fact, legal nonconforming, pursuant to your Board's direction regarding the registry at the Board's hearing on February 14, 2017. The registry program will also allow individuals interested in future commercial cannabis operations that are not currently functioning but have a site and the intent to cultivate or manufacture cannabis or cannabis-based products to register their intent.

The registry program would be open from April 17, 2017 to June 30, 2017. Early registration before the effective date of the ordinance will be allowed. Pursuant to the Board’s direction on February 14, 2017, the registry will not be used to collect information regarding those who are cultivating cannabis for personal use as allowed by County Code and state law.

Performance Measure:

Contract Renewals and Performance Outcomes:

Fiscal and Facilities Impacts:

Budgeted: No

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State			
Federal			
Fees			
Other:			
Total	\$ -	\$ -	\$ -

Narrative:

Costs for developing the online registration tool are relatively low (<\$1,000). Given the relative low costs to provide the registry program and the additional costs of collecting and administering fee revenues, no fees will be collected from those participating in the registry program.

Key Contract Risks:

N/A

Staffing Impacts:

Legal Positions:

FTEs:

Special Instructions:

The Clerk shall publish a summary of the ordinance in the *Santa Barbara News-Press* in accordance with Government Code section 25124.

Attachments:

- Attachment 1- Ordinance
- Attachment 2- Draft County Registration Form
- Attachment 3- Notice of Exemption

Authored by: Dennis Bozanich, Deputy County Executive Officer, 805-568-3400

cc: