

Cannabis Business License Fee Ordinance

Santa Barbara County
Board of Supervisors
May 8, 2018



Cannabis Biz License Fee Analysis

- Validated staff time estimates
- Estimated 150 cannabis business licenses
- Determined full cost recovery
- Staff is recommending three Cannabis Business Licensing fees:
 - Application Fee
 - Licensing and Compliance Fee
 - Renewal Fee
- Each will be based on hours actually worked by staff charged against a deposit

Cannabis Biz License Fee Analysis

- Validated staff time estimates (Attachment A)
 - Estimated time per license for departmental staff for 16 licensing/compliance activities
 - *Check New or Renewal Application for completeness*
 - *Review Information on business operation plan*
 - *Review Land Use Entitlement*
 - *Review State licenses of existing operations*
 - *Review Cultivation Plan, pesticide storage & use and waste program*
 - *Review Quality Control Plan*
 - *Review Energy Conservation Plan*
 - *Review Site Security Plans & Background Checks*
 - *Review Inventory Control Plans*
 - *Conduct site visit*
 - *Review recommendation from departments; Determine license issuance*
 - **License Issuance and tax compliance check**
 - **Respond to complaints, including site visits**
 - **Review compliance with Operating Requirements, including site visits**
 - **Review compliance, including site visits**
 - **Investigation of non-compliance**



Cannabis Biz License Fee Analysis

- Estimated 150 cannabis business license for FY 2018-19
- Based estimate on 129 County letters on 118 parcels
- Coastal Zone parcels/entities (~27-33) will likely be in land use consult process for most of FY 2018-19; so not eligible for local cannabis business licenses

Cannabis Biz License Fee Analysis

- Determined full cost recovery (Attachment B)

Department	Position	Staffing Full-cost Recovery Hourly rate	Application Estimated Hours per Application	License and Compliance Estimated Hours per License	Renewal Estimated Hours per Renewal Application	Application Estimated Costs per Application	License and Compliance Estimated Costs per License	Renewal Estimated Costs per Renewal Application
CEO	Enterprise Leader	\$ 134.00	4.20	1.00	4.45	\$ 562.80	\$ 134.00	\$ 596.30
Sheriff	Sheriff Deputy-Special Duty	\$ 112.00	12.20	8.60	12.60	\$ 1,366.40	\$ 963.20	\$ 1,411.20
Sheriff	AOP II	\$ 56.00	7.90	2.50	10.40	\$ 442.40	\$ 140.00	\$ 582.40
Public Health	Environmental Health Specialist	\$ 70.00	5.50	4.90	4.90	\$ 385.00	\$ 343.00	\$ 343.00
Ag/ Weights and Measures	Ag Bio/Weights & Measures Supervisor	\$ 90.00	5.50	4.90	5.40	\$ 495.00	\$ 441.00	\$ 486.00
Ag/ Weights and Measures	Ag Bio/Weights & Measures Inspector	\$ 72.00	11.30	9.50	9.50	\$ 813.60	\$ 684.00	\$ 684.00
Treasurer-Tax Collector	FOP Senior	\$ 78.00	0.00	5.20	5.20	\$ -	\$ 405.60	\$ 405.60
			46.60	36.60	52.45	\$ 4,065.20	\$ 3,110.80	\$ 4,508.50
			80% of estimated Full Cost Recovery			\$ 3,252.16	\$ 2,488.64	\$ 3,606.80
				Recommended Deposit		\$ 3,250.00	\$ 2,500.00	\$ 3,600.00



Cannabis Biz License Fees

- Cannabis Business License **Application** deposit of \$3,250
- Cannabis Business **License & Compliance** deposit of \$2,500
- Cannabis Business License **Renewal** deposit of \$3,600
- Each fee is based on actual hours worked per license by staff at their fully loaded hourly rate (Attachment B of the Ordinance)
- Deposit is 80% of estimated total
- Refunds for excess funds and invoices for additional hours

Land Use Permit & Consultation Fees

- In 2017, the Board adopted Ordinance No. 4991 which established a full cost recovery fee structure for the processing of land use entitlements and planner consultations
- No changes to the existing Planning and Development fee schedule are required to process and monitor compliance with cannabis land use entitlements, or to conduct planner consultations regarding proposed cannabis operations.

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 establishing a Cannabis Business Licensing Fee
- Read title: “An Ordinance Establishing the Cannabis Licensing Fee,” and waive reading the Ordinance in full;
- Set a hearing on the Administrative Agenda for May 15, 2018, to consider the adoption (Second Reading) of the Ordinance; and
- CEQA findings