



**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: Planning and Development (P&D)
Department No.: 053
Agenda Date: March 18, 2025
Placement: Departmental Agenda
Estimated Time: 1 hour
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director: Lisa Plowman, (805) 568-2068
Contact Info: Errin Briggs, Deputy Director, Energy, Minerals & Compliance Division
(805) 568-2047
SUBJECT: Cannabis Odor Ordinance Amendments

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:

Consider the County Planning Commission (CPC) recommended ordinance amendments to the County Land Use and Development Code (LUDC) and Article II, Coastal Zoning Ordinance (CZO) to clarify existing cannabis odor control regulations by revising development standards and Odor Abatement Plan (OAP) procedures, implementing a 12-month compliance period, and establishing an odor threshold in the Coastal Zone to more efficiently identify, evaluate, and enforce cannabis-related nuisance odors.

The Board's actions should include the following:

- a) Make the required findings for approval of the zoning code amendments, including California Environmental Quality Act (CEQA) findings, included as Attachment A to this Board letter;
- b) Determine that adoption of the CZO (24ORD-00012) amendments are exempt from CEQA pursuant to CEQA Guidelines Sections 15265 included as Attachment B to this Board Letter;
- c) After considering the Final Program Environmental Impact Report (PEIR) adopted for the Cannabis Land Use Ordinance and Licensing Program (Cannabis Program) (17EIR-00000-00003) (Attachment B-1), determine that as reflected in the CEQA findings (Attachment A), no subsequent environmental document shall be prepared for this project pursuant to CEQA Guidelines Section 15162; and adoption of the LUDC Amendment (Case No. 24ORD-00011) is within the scope of the program approved earlier, and the Final Program EIR adopted for the Cannabis Land Use Ordinance and Licensing Program (17EIR-00000-00003) (Attachment 2)

adequately describes the activity for the purposes of CEQA pursuant to CEQA Guidelines Section 15168(c)(2);

- d) Adopt the ordinances to amend to the CZO (Attachment C, Case No. 24ORD-00012) and LUDC (Attachment D, Case No. 24ORD-00011);
- e) Adopt a resolution (Attachment E) authorizing P&D to submit the amendment (Attachment C, Case No. 24ORD-00011) revisions to existing cannabis ordinance to the Santa Barbara County Local Coastal Program (LCP) to the California Coastal Commission (CCC) for review and certification; and
- f) Direct the P&D Department to transmit the adopted resolution to the Executive Director of the CCC.

Summary Text:

Pursuant to the Board's April 23, 2024 and January 14, 2025 direction, this Board item recommends ordinance amendments to the County LUDC and CZO to clarify and revise existing development standards for commercial cannabis facilities that include the following:

- Revisions to OAP requirements to (1) require Multi-Technology Carbon Filtration, or equivalent; (2) certification by a California-licensed professional engineer; and (3) require specific reporting, such as run-time data;
- Require that operators phase out the use of vapor phase systems;
- Require annual odor control inspections after quarterly inspections are complete;
- Establish an implementation period of 12-months from Board adoption or upon Coastal Commission certification, whichever is longer, for operators to comply with these new requirements; and
- Allow operators to apply for time extensions to the implementation period

Additional amendments specific to the Coastal Zone include:

- Establish an objective odor threshold to be measured at the property line and describing a method of how and where to measure cannabis odor;
- Develop a standard process to be used for responding to cannabis odor complaints and violations; and
- Provide that any changes to existing OAPs to include these new requirements are considered a minor change to the existing land use entitlement

Background:

On April 23, 2024, P&D staff coordinated with the County Executive Office (CEO) staff to brief the Board on OAP compliance, odor abatement system inspections and monitoring requirements, odor complaints, staffing, and the successes and challenges of odor abatement to date. At the hearing, the Board directed P&D staff as follows:

- Develop a new objective odor threshold;
- Develop a standard to be used as a trigger for verifying odor complaints;
- Determine where odor measurements should be taken;
- Determine what tool(s) will be used to measure the odor;
- Require annual inspections after quarterly inspections are complete;
- Require "run-time" meters be used on all OAP equipment to verify operation; and

- Adopt a ministerial path in the Coastal Zoning Ordinance for amendments to OAPs improving the odor abatement systems without re-issuing a permit; and
- Study power supply.

In response to the Board's direction, P&D staff retained an engineering consultant, Geosyntec to assist in evaluating odor issues including an effort to review existing regulations, identify challenges related to verifying and enforcing cannabis-related nuisance odor complaints, and conduct an odor study in the Carpinteria area to support the development of a threshold value for measuring odors associated with cannabis operations. A discussion of the Odor Abatement Study findings and recommendations can be found in Attachment G to this Board Letter.

P&D staff presented overviews of the odor study and draft CZO amendments to the County Planning Commission (CPC) on September 25, 2024 and November 6, 2024. Additionally, staff briefed the CPC during these hearings on ongoing coordination with Geosyntec and Southern California Edison to study the power supply and demands in the Carpinteria area related to the installation of carbon filtration or similar equipment. Coordination and discussions among staff are ongoing as they review availability and load demand.

On January 14, 2025, the Board provided additional direction to P&D staff regarding the ongoing cannabis odor ordinance amendments. The additional directives included changes to the CZO, and directed staff to include similar changes to the LUDC. These new directives will require operators to:

- Phase out the use of vapor phase systems and utilize Multi-Technology Carbon Filtration, or equivalent, in all OAPs;
- Require OAPs be certified by a California-licensed engineer and no longer by a certified industrial hygienist; and
- Establish a 12-month implementation period for compliance with potential for an extension under certain circumstances (e.g., supply chain delays).

In response to the Board's direction, staff returned to the CPC on January 29, 2025 and February 19, 2025 to provide an overview of these new changes for the CPC's consideration and inclusion. Detailed summaries of the proposed amendments are discussed in Section 1.1, below. The proposed amendments can be found in Attachments C-1 (CZO) and D-1 (LUDC).

1.1 Summary of Proposed Amendments to the Cannabis Regulations Presented to the Planning Commission

1.1.1 Mandate Multi-Technology Carbon Filtration

Under this directive, OAP's for existing mixed-light cannabis cultivation operations would be required to install and maintain Multi-Technology Carbon Filtration, such as carbon filters, photocatalytic oxidation (PCO) and/or other equivalent technologies. Consistent with current practice, operators will need to specify in their OAP the number of units required to adequately maintain effective odor control for their facilities. Each OAP will consider site-specific factors, including facility capacity and the volume of growing and processing spaces as well as the capacity of the chosen control technology.

Multi-Technology Carbon Filtration (MTCF) is defined as:

Air filtration technology that utilizes activated carbon, which may include carbon filters, photocatalytic oxidation (PCO) units and/or other equivalent technologies that utilize carbon filtration.

In addition to the requirement for operators to utilize MTCF or equivalent technology, operators will be required to discontinue the use of vapor phase, or misting systems. Operators that currently rely on vapor phase/misting technologies to reduce odors will need to update their OAPs to rely on MTCF (or equivalent) to achieve compliance with odor abatement thresholds.

1.1.2 Cannabis Odor Threshold (Coastal Zone)

Currently, the existing cannabis regulations require that an OAP must prevent odors from being experienced within residential zones, as determined by the Director. The existing regulations also set forth criteria for how the Department will take action if verified complaints are received. The current regulations create challenges for staff to identify, verify, and enforce complaints related to cannabis odor. The proposed cannabis odor threshold, shown below, will give the Department the tool needed to determine if a commercial cannabis facility is emitting nuisance odors. Currently, no specific odor threshold is proposed for outdoor cultivation and processing in inland areas due to the challenges of determining an exceedance outdoors compared to indoors.

Staff presented the following for the CPC's consideration:

"Measurements of cannabis odor from commercial cannabis activities shall not equal seven (7) D/T for the duration of a consecutive three-(3) minute period as measured at the property line of a commercial cannabis facility. The operator shall implement corrective actions as determined by the Department if a facility is found non-compliant with the cannabis odor threshold."

1.1.3 Complaints and Corrective Actions

Once the Department evaluates nuisance odor complaints it may require corrective actions to be implemented in response to nuisance odors. If the following complaint-related thresholds are met, the Department will require a series of corrective actions until compliance is achieved:

- Three complaints (filed with the Department's complaint form) received from individuals within a 60-day period and the Department determines cannabis odor measured at the property line exceeds the threshold; or
- Complaints (filed with the Department's complaint form) are received from five or more individuals in a 24-hour period and the Department determines cannabis odor from the facility exceeds the threshold.

Corrective actions would be required in the following order until compliance can be demonstrated and confirmed by the County's technical consultant:

- The operator shall submit a written statement that verifies operational compliance with the approved OAP, or actions taken to achieve operational compliance with the approved OAP.

- The operator shall conduct diagnostic testing of the existing approved OAP equipment and submit a written statement describing the results of the testing and corrective actions taken to eliminate or reduce the cannabis-related nuisance odors.
- If the operator (or facility) is unable to comply with the cannabis odor threshold following diagnostic testing and development of corrective actions using existing equipment, the operator will conduct an assessment and develop a revised OAP to be re-certified by a California-licensed Professional Engineer, which may require a minor change to the existing Coastal Development Permit or a new Coastal Development Permit.

1.1.4 Odor Abatement Plan and Compliance Monitoring

The proposed changes add provisions that require: (1) OAP equipment to be equipped with run-time meters which demonstrate when odor abatement equipment is, and is not functioning; (2) operators to submit run-time data to the Department annually and upon request; (3) annual inspections for the life of the project for which an Odor Abatement Plan is required; and (3) clarify that OAPs are required to be certified by a California registered Engineer and no longer a Certified Industrial Hygienist. These changes will provide tools to allow P&D compliance staff to verify compliance with OAPs.

1.1.5 12-Month Implementation Period and Extensions

The ordinance amendment requires operators to achieve full compliance with the proposed changes—including any necessary OAP revision and the installation and operation of carbon filters—within a 12-month timeframe following the Board’s adoption or upon Coastal Commission certification, whichever is later. The ordinance also provides that extensions may be requested. Reasons for extensions may include, but not be limited to, supply chain delays, on-site/off-site power upgrades and availability, or other circumstances as determined by the Director.

The proposed amendments specify that an initial extension may be granted by the Director for up to 12 months. Extensions may be considered by and appealed to the Board. Requests to extend beyond an initial extension must be submitted 90 days prior to the expiration and approved by the Board.

1.1.6 Minor Changes to Coastal Development Permits for Commercial Cannabis Cultivation

The proposed amendments further streamline the process for existing operations to revise their OAPs with improved methods without the issuance of a new Coastal Development Permit. This will streamline the permitting process such that operators may revise their existing permit through a non-appealable permit revision.

1.2 Planning Commission Recommendations

Over a series of four hearings, staff briefed and presented the Cannabis Odor Ordinance Amendments to the CPC (September 25, 2024, November 6, 2024, January 29, 2025, and February 19, 2025). On February 19, 2025, the CPC voted to recommend the Board adopt the proposed LUDC and CZO amendments with recommended changes for the Board’s consideration detailed below.

- Require that operators utilize Multi-Technology Carbon Filtration, or equivalent technologies, in all OAPs;

- Require that operators phase out the use of vapor phase systems;
- Require OAPs be certified by a California-licensed professional engineer and no longer by a certified industrial hygienist;
- Establish an implementation period of 12-months or upon Coastal Commission certification, whichever is later, for operators to comply with these new requirements;
- Allow operators to apply for time extensions to the implementation period; and
- Provide that any changes to existing OAPs in the Coastal Zone to include these new requirements are considered a minor change to the existing land use entitlement.

Additionally, the CPC recommended the Board consider and adopt the following changes to the proposed amendments:

- In the CZO, revise the odor threshold to “below seven (7) D/T” so that an operation cannot operate with a level of 7 D/T for a 3-minute time period at the property line. In the event 7 D/T for a consecutive 3-minute time period is measured, the operation would be considered non-compliant. This effectively means the operation would need to maintain 4 D/T or lower in order to remain below 7 D/T.
- Require extensions be under the jurisdiction of the Director and appealable to the Planning Commission and then to the Board, which would act as the final decision-maker.
- Allow for additional extensions beyond the initial, to start at the expiration of the previous extension. The CPC did not make a recommendation for a decision-maker or appeal process for additional extensions.

Staff is seeking direction from the Board regarding the extension process after the initial 12-month implementation period that the Planning Commission discussed on February 19th. The following are extension and decision-maker options for the Board to consider:

1. How many extensions should be granted?

- a. Allow one extension to the 12-month implementation time period for up to 12 months;
- b. Allow one initial extension to the 12-month implementation time period for up to 12 month, and one additional extension; **OR**
- c. Allow one initial extension to the 12-month implementation time period for up to 12 month and additional extensions to the 12-month implementation period (CPC recommendation)

2. Decision-maker and appeal process for extension requests.

- a. Decision-maker and appeal process for initial extension:
 - i. Director, PC, and BOS (CPC recommendation)

- ii. Director, no appeals
 - iii. Director, BOS
 - iv. PC, BOS
 - v. BOS with recommendation from Director
- b. Decision-maker and appeal process if additional extensions are allowed:
- i. Director, PC, BOS (standard appeal process)
 - ii. Director, PC
 - iii. Director, BOS
 - iv. BOS with a recommendation from Director

1.3 Next Steps

Upon action by the Board, the amendments to the LUDC will take effect in 30 days and become operative 12 months following Board action. Because the amendments to the CZO constitute an amendment to the County's certified Local Coastal Program, the amendments will take effect following Coastal Commission certification of the CZO amendments, and become operative either 12 months following Board action or upon Coastal Commission certification, whichever is later.

Fiscal and Facilities Impacts:

Funding for this project is budgeted in P&D's Long Range Planning Budget Program on page 321 of the County of Santa Barbara Fiscal Year (FY) 2024-25 Adopted Budget. There are no facilities impacts.

Special Instructions:

P&D will fulfill noticing requirements.

The Clerk of the Board shall provide a copy of the signed ordinances and resolution, and minute order, to P&D, attention: Corina Venegas-Martin.

Coastal Zoning Ordinance (24ORD-00012) shall not be sent to Municode for codification until requested by P&D staff.

Attachments:

Attachment A – Findings for Approval

Attachment B-1 – Notice of Exemption

Attachment B-2 – Final Program Environmental Impact Report (link)

Attachment C – CZO Amendment for Adoption (Case No. 24ORD-00012)

Attachment C-1 – CZO Amendment with Changes Shown

Attachment D – LUDC Amendment for Adoption (Case No. 24ORD-00011)

Attachment D-1 – LUDC Amendment with Changes Shown

Attachment E – Resolution of the Board of Supervisors to Submit Amendments to the CCC

Attachment F – County Planning Commission Action Letter and Resolutions (Case Nos. 24ORD-00011, -00012) Hearing of February 19, 2025

Attachment F-1 – County Planning Commission Memo, dated February 12, 2025

Attachment G – County Planning Commission Staff Report dated, September 25, 2024 and Final Technical Memo prepared by Geosyntec dated, September 10, 2024

Authored by:

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