




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: Sheriff
Department No.: 032
For Agenda Of: June 6, 2023
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Bill Brown Sheriff-Coroner 
Contact Info: Lieutenant Robert Minter (805) 681-4353
SUBJECT: Request to accept the Proposition 64 Grant Program, Cohort 3 from the California Board of State and Community Corrections (BSCC) 5- year grant to the Sheriff's Office, \$2,997,976.00 for Cannabis Compliance and Licensing

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Risk Management Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Accept a \$2,997,976 grant awarded to the Santa Barbara Sheriff's Office from the California Board of State and Community Corrections to expand Santa Barbara Sheriff's Office's cannabis licensing and compliance team for the award period commencing May 01, 2023, and continuing through April 30, 2028;
- b) Adopt a Resolution authorizing the Sheriff to submit the grant proposal to the California Board of State and Community Corrections and authorizing and ratifying the Sheriff to execute the Grant Agreement with the California Board of State and Community Corrections, including any amendments, to accept the Proposition 64, Cohort 3, Safety grant' and
- c) Determine that the activity is not a "Project" subject to California Environmental Quality Act (CEQA) review per CEQA Guideline Section 15378(b)(5), since the activity is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment.

Summary Text:

On April 13, 2023, the Santa Barbara Sheriff's Office received a 5-year grant award of \$2,997,976.00 to fund an expansion of the Santa Barbara County, Cannabis Licensing and Compliance Team. The grant will enhance the Sheriff's Office ability to process cannabis licenses and complete necessary compliance checks on operators within Santa Barbara County. The grant award period will begin May 01, 2023.

The 2023 grant designated for the Santa Barbara Sheriff's Office will be utilized to increase staffing for two full-time Sheriff's detectives who will up staff the licensing and compliance component of the Sheriff's Office Criminal Investigations Division, Special Investigations Bureau, Cannabis Compliance Team. The assigned Sheriff's detectives will assist with processing the current licensing backlog and accomplish the large task of completing quarterly compliance checks of licensed operators. Creating a robust, comprehensive compliance program will aid in the prevention and protection of the public from dangers affecting safety such as crime associated with the illegal market and underage access to cannabis.

Over the five-year grant period, the project will also provide funding to cover the operating costs for the vehicles utilized by the assigned investigators (\$249,807), reimbursement for safety equipment (\$15,198), and reimbursement for costs incurred while attending cannabis related trainings (\$50,000). Finally, the grant funding will pay for the services of a program evaluator who will conduct the data evaluations (\$150,000). Please refer to Attachment B for the specifics of the 5-year budget.

Ultimately, with new operators coming on board and getting licensed and the current illegal market for cannabis in Santa Barbara County thriving, the workload will continue to increase. The addition of the two detective positions will augment the existing Cannabis Compliance Team to distribute the workload and provide the necessary oversight to the cannabis operators within the county more effectively.

Background:

The purpose of the California Board of State and Community Corrections, Proposition 64 Public Health and Safety Grant Program, Cohort 3, was initiated to support the development and enhancement of public safety efforts to mitigate the impacts to the general public due to the legalization of cannabis. This program provides funding to law enforcement agencies for the purpose of enhancing cannabis compliance and licensing efforts within their jurisdictions. This is a highly competitive grant opportunity that was open to cities and counties throughout California.

Since the legalization of recreational cannabis and the creation of the Sheriff's Office, Cannabis Compliance Team, there has been an increasing number of land use and business license applicants. At the time of our grant application, there were 120 operators seeking to be licensed in Santa Barbara County. The increase in applications leads to a larger caseload for the current detectives on the licensing team. Based on the current application numbers, the County's Executive Office estimates there will be a total of 120 licensed cannabis operators in the county upon reaching the thresholds of the acreage cap. This creates a large task for the compliance detectives to conduct adequate quarterly compliance checks, while balancing the needs of the businesses still going through the licensing process.

On December 2, 2022, the Sheriff's Office applied for funding from the California Board of State and Community Corrections, Proposition 64 Public Health and Safety Grant Program, Cohort 3,

five-year grant. On April 13, 2023, the Sheriff's Office was informed that the grant application was approved and was awarded \$2,997,976.00. The effective date of the grant award is May 01, 2023, to April 30, 2028.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

<u>Funding Sources</u>	<u>FY 23/24</u>	<u>FY 24/25</u>	<u>FY 25/26</u>	<u>FY 26/27</u>	<u>FY 27/28</u>	<u>Total Grant</u>
General Fund						
State	\$ 655,800	\$ 611,002	\$ 611,002	\$ 611,002	\$ 509,169	\$ 2,997,976
Federal						
Fees						
Other:						
Total	\$ 655,800	\$ 611,002	\$ 611,002	\$ 611,002	\$ 509,169	\$ 2,997,976

Narrative:

The above noted grant award became available to the Sheriff's Office on May 1, 2023, and will continue through April 30, 2028, however expenses are not expected to begin until July 1, 2023. Throughout the entirety of this five-year grant project, the state funding will cover the ongoing costs of 2.0 FTEs of Deputy Sheriff Special Duty position, their corresponding services and supplies, and grant-required program evaluation. The FY2023-24 total cost is estimated at \$655,800, to include start-up services and supplies such as safety gear and equipment, tablets and phones. Ongoing annual cost for FY2024/25 through FY2026/27 is estimated at \$611,002, and a prorated 10-month cost of \$509,169 in FY2027/28, for a total Grant of \$2,997,976.

Due to the use of this grant beginning in FY2023/24, a Budget Journal Entry (BJE) for FY2022/23 was not created as the funds will be documented in the new budget year starting July 01, 2023.

Special Instructions:

Please send a copy of the Minute Order and the original signed Board Resolution (Attachment A) to Lt. Robert Minter, Special Investigation Bureau.

Attachments:

Attachment A: Santa Barbara County Board of Supervisors Resolution

Attachment B: Detailed Budget submitted to the Board of California State and Community Corrections during the grant application process.

Attachment C: Project Work Plan submitted to the Board of California State and Community Corrections during the grant application process.

Authored by:

Lt. Robert Minter, Santa Barbara Sheriff's Office, Special Investigations Bureau.

ATTACHMENT "A"

RESOLUTION

**RESOLUTION OF THE BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA**

IN THE MATTER OF ACCEPTING
GRANT FUNDS FROM THE CALIFORNIA BOARD OF STATE AND COMMUNITY CORRECTIONS RESOLUTION NO. _____

WHEREAS the County of Santa Barbara desires to participate in the Proposition 64 Public Health and Safety Grant Program funded through the California State and Local Government Law Enforcement Account and administered by the Board of State and Community Corrections (hereafter referred to as the BSCC).

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Santa Barbara, acting as the governing body of the County of Santa Barbara, as follows:

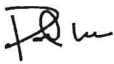
1. The Sheriff be authorized on behalf of the Santa Barbara County Board of Supervisors to submit the grant proposal for this funding and ratify and execute the Grant Agreement with the BSCC, including any amendments thereof.
2. Grant funds received hereunder shall not be used to supplant expenditures controlled by this body.
3. The County of Santa Barbara agrees to abide by the terms and conditions of the Grant Agreement as set forth by the BSCC.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, this 6th day of June 2023.

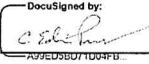
AYES:
NOS:
ABSTAIN:
ABSENT:

ATTEST:
CLERK OF THE BOARD

By: _____
Deputy Clerk

APPROVED AS TO FORM:
COUNTY COUNSEL
By:  _____

CHAIR Board of Supervisors
County of Santa Barbara

APPROVED AS TO FORM:
AUDITOR-CONTROLLER
By:  _____
Deputy

ATTACHMENT "B"

DETAILED BUDGET



Request for Proposals Section IV: Project Budget and Budget Narrative

Proposition 64 Grant Program Cohort 3 Applicant: Santa Barbara County Sheriff's Office

Project Budget: Enter estimated costs for reimbursement for the full five (5) year grant term.

Note: This top table will auto-populate based on the information entered in the sections below.

Budget Line Item	Grant Funds
1. Salaries and Benefits	\$2,407,591
2. Services and Supplies	\$15,198
3. Professional Services	\$0
4. Non-Governmental Organizations (NGO) Contracts	\$0
5. Equipment / Fixed Assets	\$249,807
6. Data Collection / Enhancement	\$0
7. Program Evaluation	\$150,000
8. Sustainability Planning	\$5,000
9. Other (include any travel and/or training costs)	\$50,000
10. Financial Audit (<i>Up to \$25,000 may be allocated for an end of project financial audit.</i>)	\$0
11. Indirect Costs/Administrative Overhead (<i>Costs may be charged at an amount not to exceed ten percent (10%) of the actual total direct project costs.</i>)	\$120,380
TOTAL	\$2,997,976

1. Salaries and Benefits

Title	(% FTE or Hourly Rate) & Benefits	Grant Funds
<i>Example (Hourly): Fiscal Manager</i>	<i>\$60/hour x 10 hours/month x 3 years = \$21,600 + benefits @ 22% = \$4,752</i>	<i>\$26,352</i>
<i>Example (FTE): Counselor</i>	<i>25 FTE @ \$60,000 x 3 years = \$45,000</i>	<i>\$45,000</i>
(FTE): Sheriff's Detective FY 22/23	2 FTEs @ \$18,386 = \$36,772 + 100% benefits	\$36,772
(FTE): Sheriff's Detective FY 23/24	2 FTEs @ \$225,071.50 = \$450,143 includes incremental increases + 100% benefits	\$450,143
(FTE): Sheriff's Detective FY 24/25	2 FTEs @ \$237,265.50 = \$474,531 includes incremental increases + 100% benefits	\$474,531
(FTE): Sheriff's Detective FY 25/26	2 FTEs @ \$246,308 = \$492,616 includes incremental increases + 100% benefits	\$492,616
(FTE): Sheriff's Detective FY 26/27	2 FTEs @ \$253,621 = \$507,242 includes incremental increases + 100% benefits	\$507,242
(FTE): Sheriff's Detective FY 27/28	2 FTEs @ \$223,143.50 = \$446,287 includes incremental increases +100% benefits	\$446,287
TOTAL		\$2,407,591

Salaries and Benefits Narrative:

These funds will be utilized to fund two Cannabis Compliance Detectives who will assist other county agencies in the cannabis licensing process. Currently there are 35 fully licensed operators within the county and 22 operators operating on provisional state licenses. The licensed operators also require quarterly compliance checks. In addition to this, there are currently 79 land use applicants and 110 business license applicants in the pipeline which is overloading our current staff. The county estimate once the county cannabis cap is reached is there will be approximately 120 licensed operators in the county which will all require quarterly compliance checks. These 2 FTEs will bring much needed oversight and accountability to the cannabis industry in Santa Barbara County.

Two Sheriff's Detectives- Civil Service, 2 FTE, fiscal year 22/23- \$18,386 * 2= \$36,772 annual salary and benefits (includes incremental increases plus 100% benefits and the total cost is reduced compared to other years because there are only two months in the fiscal year from when the grant is funded to the end of the fiscal year), fiscal year 23/24- \$225,071.50 * 2= \$450,143 annual salary and benefits (includes incremental increases plus 100% benefits), fiscal year 24/25- \$237,265.50 * 2= \$474,531 annual salary and benefits (includes incremental increases plus 100% benefits), fiscal year 25/26- \$246,308 * 2= \$492,616 annual salary and benefits (includes incremental increases plus 100% benefits), fiscal year 26/27- \$253,621 * 2= \$507,242 annual salary and benefits (includes incremental increases plus 100% benefits) and fiscal year 27/28- \$223,143.50 *2= \$446,287 annual salary and benefits (includes incremental increases plus 100% benefits and this year's total is also reduced due to the grant funding ending prior to the end of the fiscal year).

2. Services and Supplies

Description of Services or Supplies	Calculation for Expenditure	Grant Funds
Example: Supportive Services (bus passes, gas cards, office supplies, uniforms)	\$350 x 50 Participants for each of the 5 years	\$87,500
Purchase safety equipment	Raid vest, with vest armor x 2	\$3,933
Purchase safety equipment	Helmet x 2	\$2,190
Purchase safety equipment	Rifle x 2	\$1,955
Purchase electronics	Apple Iphone x 2 with cell service at the rate determined by the carrier x5	\$5,380
Purchase electronics	Apple Ipad x 2	\$1,740
TOTAL		\$15,198

Services and Supplies Narrative:
 This includes all the necessary safety gear that is required to complete the mission of a detective assigned to the cannabis compliance team. It also includes the necessary electronic items needed to efficiently complete compliance checks and communicate with teammates and cannabis operators.

3. Professional Services

Description of Professional Service(s)	Calculation for Expenditure	Grant Funds
Example: Contract with Social Marketing Firm to design content for website, social media channels and support.	Initial year \$50,000 for design and implementation Each subsequent year technical support and ongoing monitoring/maintenance for website. \$15,000 per year for 4 years.	\$110,000
TOTAL		\$0

Professional Services Narrative:
 N/A

4. Non-Governmental Organizations (NGO) Subcontracts

Description of Subcontract	Calculation for Expenditure	Grant Funds
Example: NGO Contract- To be identified	Cannabis Prevention Classes \$150 x 24 classes per year (x 5 years)	\$18,000

N/A

7. Program Evaluation

Description	Grant Funds
Example: Contract with ABC Researchers to develop Evaluation Plan, Final Report, and assist with Quarterly Progress Reports	\$25,750
Contract with UCSB for data collection and reporting x 5 years	\$150,000
TOTAL	\$150,000

Program Evaluation Narrative:

SBSO intends to partner and collaborate with Dr. Jill Sharkey from the University of California, Santa Barbara and a member of her team (graduate student) to develop and implement an evaluation plan and assist with data collection.

8. Sustainability Planning

Description	Grant Funds
Example: Room rental for quarterly strategic planning meeting for community & gov't partners to continue services post-award.	\$8,575
Venue rental for annual meeting with partnering agencies to discuss long-term sustainability strategies x 5 years	\$5,000
TOTAL	\$5,000

Sustainability Planning Narrative:

Host an annual sustainability meeting with collaborating partner agencies to review the data and effectiveness of the cannabis compliance efforts. Develop long-term sustainability strategies to sustain the compliance program after grant completion.

9. Other (Travel, Training, etc.)

Description	Calculation for Expense	Grant Funds
Example: Training Classes for Enforcement Officers	\$2,500/participant x 3 participants; includes training costs, travel, and per diem.	\$7,500
Training Classes for Cannabis Compliance Team	\$2,500/participant x 4 participants; includes training costs, travel, and per diem x 5	\$50,000
	TOTAL	\$50,000

Other (Travel, Training, etc.) Narrative:
 Travel and training covers cannabis classes relating to compliance, licensing, and enforcement of legal cannabis operations. These classes will help develop the compliance team and allow them to be more efficient and effective at their job.

10. Financial Audit		Grant Funds
Description		
Example: Contract with XYZ Certified Public Accountant to provide final fiscal audit		\$25,000
	TOTAL	\$0

Financial Audit Narrative:
 N/A

11. Indirect Costs		Grant Funds
Description: Indirect costs may be charged at an amount not to exceed ten percent (10%) of the actual total direct project costs.		
	TOTAL	\$120,380

Indirect Costs Narrative:
 Using 5% indirect costs

ATTACHMENT "C"

PROJECT WORK PLAN

**Prop 64 PH&S Grant Program
Project Work Plan**

Applicants must complete a Project Work Plan. This Project Work Plan identifies measurable goals and objectives, activities and services, responsible parties for those activities and services, and estimated timelines. Completed plans should (1) identify the project's top goals and objectives; (2) identify how the top goals will be achieved in terms of the activities, responsible staff/partners, and start and end dates; and (3) provide goals and objectives with a clear relationship to the need and intent of the grant. As this grant term is for five (5) years, the Project Work Plan must attempt to identify activities/services and estimate timelines for the entire grant term. Include data and sources that will be used to measure project outcomes.

Applicants must use the Project Work Plan provided below. You will be prompted to upload this document to the BSCC-Submittable Application.

(1) Goal:	> To reduce crime associated with the illegal sale of cannabis in Santa Barbara County through enhanced compliance checks of the licensed cannabis business		
Objectives (A., B., etc.)	> 1A: To reduce the circumstances that legally grown cannabis can be diverted to the illicit market through increased staffing, thus giving the detectives time to conduct thorough and frequent compliance checks of the fully licensed cannabis businesses in Santa Barbara County.		
Process & Outcome Measures:	> Increase the number of license/compliance detectives to the Cannabis Compliance Team by two. This will lower the case load for each individual detective from the 50 to 60 businesses each to a more manageable 20 to 30 businesses each. The reduction in case load will allow detectives to focus appropriate attention on either the licensing process or compliance checks. This will improve the licensing process and reduce the amount of businesses attempting to circumvent proper licensing procedures. This will also increase the amount of compliance checks detectives can accomplish on currently licensed businesses.		
Project activities/services that support the identified goal and objectives: > 1.1: Hire and train two additional detectives 1.2: Limit case loads for each detective to 20 to 30 licensed businesses and tracking the number of compliance checks completed and number of violations found for each business.		Responsible staff/ partners	Timeline
		> Cannabis Team Sergeant	Start Date: > May 2023 End Date: > June 2028
List data and sources to be used to measure outcomes: > This goal will be measured by the size of case load for each licensing/compliance detective			
(2) Goal:	> Increase the number of comprehensive and frequent compliance checks of the fully licensed cannabis businesses in the county		
Objectives (A., B., etc.)	> 2A: Change the format of conducting compliance checks on fully licensed businesses from whenever the two licensing/compliance detectives have time between licensing duties to having dedicated detectives assigned to the compliance function 2B: Educate and hold businesses accountable to maintain a fair market for all businesses in the cannabis industry in Santa Barbara County 2C: Combat cannabis product being diverted to the illicit market through frequent and comprehensive compliance checks		
Process & Outcome Measures:	> With the addition of two detectives, the licensing and compliance functions will be bifurcated. Two detectives will be dedicated to compliance. There are currently 35 licensed cannabis operators in the county. These businesses require regular and thorough compliance checks by compliance detectives to ensure they are meeting all of the necessary regulations of their licenses. Some cannabis operators have been found to maintain both a legitimate business, and an illicit business. Other operators have been found to be complicit in the stringent regulatory standards associated with growing, production or distribution. Routine and thorough compliance checks will ensure that operators maintain only legitimate licensed business practices, illicit operators are held accountable, and the product going to market meets the strict consumer standards and regulations.		

Project activities/services that support the identified goal and objectives: > 2.1: Hire and train two additional detectives 2.2: Divide the licensing/compliance duties into two groups and have detectives who focus exclusively on compliance 2.3: Track the number of cases generated from the compliance checks conducted for violations observed 2.4: Develop a streamline process for dealing with violations observed		Responsible staff/ partners > Cannabis Team Sergeant	Timeline	
			Start Date > May 2023	End Date > June 2028
List data and sources to be used to measure outcomes: > The number of compliance checks conducted will be tracked over time. The number of violations found during these compliance checks will be tracked over time. As compliance checks increase, we expect an initial increase of violations found, however, as the grant period progresses, we should see a decline in the number of violations as licensed operators correct the violations and non-compliant operators are held accountable.				
(3) Goal:	> Streamline the licensing process for businesses still going through the application process			
Objectives (A., B., etc.)	> 3A: Limit the number of meetings and site visit conflicts to allow for a more streamlined process for the applicant that reduces the amount of time from initial application to licensing. 3B: Dedicated licensing detectives, whose sole focus is the licensing process for businesses still in the application process, will make those detectives more available to the businesses and other county departments involved in the licensing process and reduce the amount of time it takes to complete the process.			
Process & Outcome Measures:	> With the addition of two detectives, the licensing and compliance functions will be bifurcated. Two detectives will be dedicated to licensing. Currently, over 80 entities are in the process of obtaining a cannabis business license from the county. Each of these applicants requires the attention of a licensing detective to ensure they are meeting all of the necessary requirements to be licensed. Dedicating two detectives to this process will increase the efficiency that these businesses can navigate the licensing process.			
Project activities/services that support the identified goal and objectives: > 3.1: Hire and train two additional detectives 3.2: Have the Cannabis Team Sergeant regularly check in with other county entities to ensure the Sheriff's Cannabis Team is meeting the expectations of the other county departments		Responsible staff/ partners > Cannabis Team Sergeant	Timeline	
			Start Date > May 2023	End Date > June 2028
List data and sources to be used to measure outcomes: > Compare historical data relating to the time it takes an applicant to navigate the complete licensing process to current and future data. The licensing process timeframe is expected to decrease over the course of this grant period.				
(4) Goal:	> Conduct compliance checks of the licensed retail storefront businesses and non-retail store front delivery services to ensure they are following the law and only allowing patrons over 21, or 18 with a medical marijuana recommendation into their businesses to limit the avenues where youth can purchase cannabis products in the county.			
Objectives (A., B., etc.)	> 4A: Conduct covert inspections / operations of licensed retail store front businesses and delivery services in Santa Barbara County to ensure they are not selling / delivering cannabis to minors.			
Process & Outcome Measures:	> With manageable licensing and compliance caseloads, detectives will have the additional time necessary to conduct covert compliance operations and premise checks to ensure that licensed businesses are not selling cannabis products to minors. Compliance checks and covert operations are expected to see violations initially. The number of violations during these operations should decrease over time as businesses and patrons learn through education and experience that sales to minors are being monitored and enforced.			
Project activities/services that support the identified goal and objectives: > 4.1: Conduct undercover operations with both detectives and minor decoys of the retail store front businesses and non-store front delivery services in the County of Santa Barbara.		Responsible staff/ partners > Cannabis Team Sergeant	Timeline	
			Start Date > May 2023	End Date > June 2028
List data and sources to be used to measure outcomes: > This goal will be tracked by keeping a log of the compliance checks completed on the retail store front and non-retail store front delivery businesses in the county and tracking the number of times they deviate from law or store policy, either by not properly checking identifications prior to entry or by allowing a minor decoy into the business.				