



**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: County Executive Office
Department No.: 012
For Agenda Of: October 19, 2021 Set Hearing
November 2, 2021: 1st Reading
November 9, 2021: 2nd Reading
Placement: Set Hearing
Estimated Time: 45 minutes on November 2, 2021
Adoption on November 9, 2021
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director(s) Contact Info: Mona Miyasato, County Executive Officer
Jeff Frapwell, Assistant County Executive Officer
Brittany Heaton, Principal Analyst

DocuSigned by:
Mona Miyasato
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SUBJECT: Amend Chapter 50 of the County Code - Licensing of Cannabis Operations

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Risk Management:

As to form: N/A

Recommended Actions:

That the Board of Supervisors On October 19, 2021, set a public hearing on the Departmental Agenda for November 2, 2021 to consider recommendations, as follows:

On November 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 to the Santa Barbara County Code, Licensing of Cannabis Operations in the unincorporated area of the County;
- b) Read the title and waive further reading of the Ordinance in full;
- c) Set a hearing on the Administrative Agenda of November 9, 2021 to consider recommendations, as follows:

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On November 9, 2021:

- i) 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
- ii) Determine for the purposes of CEQA that:
 - 1) Pursuant to CEQA Guidelines section 15168(c) 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.
 - 2) 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 due to the involvement of new significant environmental impacts or a substantial increase in the severity of previously identified significant effects; ii) no substantial changes have occurred with respect to the circumstances under which the ordinance is undertaken which require major revisions of the PEIR due to the involvement of new significant environmental impacts or a substantial increase in the severity of previously identified significant effects; 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 shows any of the following situations elements of CEQA Guidelines Section 15162(3) apply.

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, December of 2019, January 2020, and February of 2021.

In February of 2021 the Board directed staff to return later in the year with an ordinance amendment that would provide further clarification in Chapter 50 around changes in ownership and management of the Eligibility List for the Acreage Cap. Over the past year as the business licensing process continues implementation, staff continues to receive feedback from the cannabis stakeholder community including residents, department staff, and business license applicants on the process. The proposed amendments may include but not be limited to the following: set forth a post-cap business licensing process and maintenance of the Eligible Business License Applicants List; clarify when and how changes in ownership can occur to be more consistent with the state's regulatory procedure; provide definition between owner and financial interest holder; require harvest notifications from outdoor cultivation operations to surrounding community; and adding a requirement that business license applicants/holders provide additional information with their application to facilitate use of the data platform available to us through membership in the California Cannabis Authority.

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In addition, staff will seek policy direction on the treatment of existing, legal non-conforming cannabis operations that have not secured a place on the Eligible Business License Applicants List and the timeline for ceasing cannabis operations; and the acreage balance between cultivation, drying, and processing and the associated definitions.

A more detailed Board Letter with all necessary attachments will be prepared and provided prior to the November 2, 2021 hearing.

Special Instructions:

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

Authored by:

Brittany Heaton, Principal Analyst, x83409