



**COUNTY OF SANTA BARBARA
PLANNING AND DEVELOPMENT**

MEMORANDUM

TO: Santa Barbara County Planning Commission

FROM: Daniel T. Klemann, Deputy Director, Long Range Planning
Staff Contact: Whitney Wilkinson, Senior Planner

DATE: March 26, 2019

RE: Proposed Cannabis Ordinance Amendments
County Planning Commission Briefing on April 3, 2019

Summary

On January 29, 2019, the Board of Supervisors (Board) directed staff to prepare potential County Land Use and Development Code (LUDC) amendments to: (1) further regulate commercial cannabis cultivation on smaller Agricultural I (AG-I) zoned lots in the inland area; and (2) amend the LUDC and Coastal Zoning Ordinance (Article II) to require expanded noticing requirements for commercial cannabis permit applications in an Existing Developed Rural Neighborhood (EDRN) or Rural Neighborhood (RN) in the Coastal Zone, or that require the use of a roadway in an EDRN or RN.

This memorandum provides analysis of three possible options prohibiting cannabis operations on smaller AG-I lands in the inland area; and a proposed amendment to expand noticing for cannabis projects in an EDRN or RN. Staff is seeking County Planning Commission input on the Board-directed amendments, and will return later with amending language for Planning Commission consideration and recommendation to the Board.

Background

The Board approved ordinances for land use permitting and licensing of commercial cannabis in February and May 2018, respectively, and requested that once the cannabis regulatory system was operational, staff return with possible revisions to improve its effectiveness and address unforeseen issues. At the January 29, 2019, Board hearing, staff presented possible amendments and options for the Board to consider, including: increased regulatory control of cannabis operations on AG-I lands; allow cannabis testing on agricultural lands; and allow generators for security lighting or security cameras.

The Board considered several options to revise land use permitting requirements for commercial cannabis operations and directed Planning and Development (P&D) staff to return with two focused amendments to the LUDC and Article II. These amendments would require noticing for all properties within an EDRN for any commercial cannabis cultivation application that is

proposed within that EDRN or that requires the use of a public roadway within that EDRN. These noticing revisions would apply within coastal and inland areas. The Board also directed staff to prepare LUDC amendments based on an analysis of three potential options for prohibiting cannabis operations on smaller AG-I zoned lands within inland areas of the county, discussed in further detail below.

When considering the options, please keep in mind that, as of the date of publication of this memorandum, there has not been a cannabis operation—in any zone, not just within the AG-I zone—that has been permitted, has been licensed, and is operating, pursuant to the recently-adopted cannabis zoning and licensing program regulations. The Board’s request to have the County Planning Commission consider a prohibition on cannabis activities within the AG-I zone was based largely on information regarding the mostly unregulated cannabis operations that currently exist, or have existed, which are or were not subject to the current zoning and licensing program requirements. Therefore, when considering the possible amendments, the Planning Commission should focus its attention on the appropriateness of cannabis operations in the AG-I zone given the recently-adopted regulations to either minimize or completely avoid the adverse effects of cannabis operations, which would be applied to proposed cannabis operations in the AG-I zone.

Proposed Amendments

1. Cannabis Operations on AG-I Zoned Lots

Existing County Regulations: The LUDC and Article II prohibit outdoor cultivation on AG-I properties within 1,500 feet of a residential zone, school, day care center, or youth center, on lots of 20 acres or less and on lots zoned AG-I-5 and AG-I-10. The regulations also require a Conditional Use Permit (CUP) for cannabis cultivation that is proposed to be located in, located adjacent to, or requires the use of a roadway that is the sole means of access to the cannabis site, and is located within an EDRN. The LUDC and Article II require a CUP for cultivation located on AG-II lots that are adjacent to an urban-rural boundary. Finally, Article II prohibits outdoor cannabis cultivation within two miles of an urban-rural boundary.

Mapping: Staff developed an interactive map depicting parcel and zoning information for AG-I zoned lots in the inland area which could be subject to the proposed regulations. The map also provides the location of commercial cannabis permit applications received to date throughout the county. Click the link below to view the interactive map.

<https://arcg.is/1W5CXq0>

Amendment Options: There are 2,197 parcels that consist of 35,391 acres zoned AG-I within the inland areas of the county. Table 1 provides an options summary, including the number of parcels and acreages affected. In general, the inclusion of lots zoned AG-I-20 typically provides a substantial increase in parcels and acres affected by the proposed regulations.

Table 1 -Summary of Options including Parcel and Acreage Totals

Approach	Parcels*	Acres*
Option 1: Prohibit on AG-I-5, AG-I-10, and AG-I-20 zoned lots	1,923	21,958
Option 2: Prohibit on AG-I-5 and AG-I-10 zoned lots	1,274	9,728
Option 3: Prohibit on AG-I zoned lots ≤ 20 acres	1,692	14,057

* Parcel totals and acreages do not include areas in which commercial cannabis activities are prohibited under the current zoning and/or licensing regulations (e.g., due to their proximity to youth-serving facilities).

A. Option 1: Prohibit on AG-I-5, AG-I-10, and AG-I-20 zoned lots

Option 1 would prohibit commercial cannabis cultivation on all inland area parcels zoned AG-I-5, AG-I-10, and AG-I-20 and would affect 1,923 parcels and 21,958 acres. Attachment 1 (Tables B-1 through B-4) provides a summary of the number of parcels and acreages that would be affected under Option 1 in each AG-I zone within the Santa Ynez Community Plan Area, the Santa Ynez Inner Rural Area, the Cebada Canyon EDRN, and Tepesquet Canyon EDRN.

Option 1 would have the largest effect on the Santa Ynez Inner Rural Area and would effectively ban commercial cannabis operations on 92 percent of parcels and 80 percent of acreage within the Inner Rural Area. It also would have a large effect on the Cebada Canyon EDRN, in which 63 percent of parcels and 83 percent of acreage would be affected by the prohibition. Option 1 would have less affect in the Tepesquet Canyon EDRN, with only 36 percent of parcels and 12 percent of acreage affected. Within the Santa Ynez Community Plan boundaries, approximately 39 percent of parcels (1,544 parcels) and 36 percent of the acreage (16,743 acres) would be affected by Option 1.

B. Option 2: Prohibit on AG-I-5 and AG-I-10 zoned lots

Option 2 would prohibit commercial cannabis cultivation on all inland area parcels zoned AG-I-5 and AG-I-10 and would affect a total of 1,274 parcels and 9,728 acres. Attachment 1 (Tables C-1 thorough C-4) provides a summary of the number of parcels and acreages affected. Option 2 would affect far fewer parcels and acres among all focus areas mentioned above when compared to Option 1. This is because approximately 56 percent of the acreage that would be affected by Option 1 is zoned AG-I-20 and would not be included in Option 2—a difference of 649 parcels and 12,230 acres.

A comparison of Option 1 and 2 in the Cebada Canyon EDRN reveals approximately 61 percent of parcels in Cebada Canyon are zoned AG-I-20; therefore, many fewer parcels would be affected with Option 2. Only two percent of parcels and two percent of acreage in the Cebada Canyon EDRN would be affected by Option 2. Similarly, only 21 percent of parcels in the Tepesquet Canyon EDRN and 26 percent of parcels in the Santa Ynez Community Plan Area would be affected by prohibitions associated with Option 2. Sixty-nine percent of parcels in the Santa Ynez Inner Rural Area would be affected since roughly half are zoned AG-I-5, and thus would be affected by the prohibition under both Options 1 and 2.

C. Option 3: Prohibit on AG-I zoned lots \leq 20 acres

Option 3 would prohibit commercial cannabis cultivation on all inland area AG-I zoned parcels that are 20 acres or less in size. Option 3 would affect 1,692 parcels and 14,057 acres throughout the inland areas of the County. Attachment 1 (Tables D-1 through D-4) provides a summary of the number of parcels and acreages affected. Option 3 would affect approximately 83 percent of parcels within the Santa Ynez Inner Rural Area; however, it would affect only a small portion of the remaining focus areas, including 75 parcels in Tepesquet Canyon (39 percent), 1,350 parcels in the Santa Ynez Community Plan Area (34 percent), and 12 parcels in Cebada Canyon (11 percent).

Of the three approaches that the Board requested the County Planning Commission to consider, Option 1 would affect the greatest number of parcels and acres within the four focus areas referenced above. None of the three options would affect a substantial number of parcels in the Tepesquet Canyon EDRN because a substantial portion is zoned AG-I-40 and contain parcels larger than 20 acres. Similarly, none of the three options would affect more than 40 percent of the Santa Ynez Community Plan Area since much of it is zoned AG-II. The Santa Ynez Inner Rural Area would be most affected by Option 1 (92 percent of parcels and 80 percent of acres), to a lesser extent by Option 3 (83 percent of parcels and 57 percent of acres), and would be least affected by Option 2 (69 percent of parcels and 46 percent of acres). Because the vast majority of parcels in the Cebada Canyon EDRN are zoned AG-I-20 or Rural Residential, and because only 12 of 112 parcels are less than 20 acres, Option 1 is the only approach that would substantially affect the Cebada Canyon EDRN. In addition, Option 2 would have little to no affect on approximately 250 parcels within other EDRN's including the Carpinteria Foothills, North Highway 246, Bobcat Springs, West Los Olivos, and Woodstock, since these EDRN's are almost exclusively zoned AG-I-20. Finally, all three approaches largely would not affect the EDRN's of Ventucopa and Carpinteria Foothills.

2. Expanded Noticing Requirements

Existing County Regulations: Currently, cannabis projects are subject to the applicable noticing requirements set forth in Chapter 35.106 of the LUDC and Section 35-181 of Article II, and further noticing is required for lots that are located within 1,000 feet of the lot on which the cannabis use is proposed pursuant to cannabis ordinance provisions.

Proposed Amendment: Amend the LUDC and Article II to require noticing of all property owners in an EDRN or RN for commercial cannabis permit applications in an EDRN or RN, or that require the use of a roadway in an EDRN or RN.

Existing Cannabis Permit Applications

As of March 25, 2019, commercial cannabis permit applications have been submitted to P&D for 76 locations within the County since June of 2018. Each application location represents a single applicant that may require multiple permit applications depending on the requirements and desired use; for instance, a Conditional Use Permit and Development Plan may be necessary for some uses. In addition, 89 permit applications have been submitted to date (excluding applications for permit consultations). There have been 10 permit application location submittals on lots zoned AG-I in the inland areas, and 7 of these projects could be affected by the proposed

approach. Table 2 provides the number of commercial cannabis permit application locations and the number of locations in each area of interest that would be affected by each of the three options. The majority of application locations are in rural areas outside of any Community Plan or EDRN boundaries, or for lots within the Coastal Zone in Carpinteria or Toro Canyon. Seven commercial cannabis permits have been approved and five have been issued as of March 25, 2019. Six of the seven approved permits are on lands zoned AG-II-40 or AG-II-100, and one permit has been approved in Carpinteria in the Coastal Zone on a property zoned AG-I-10.

Table 2 - Cannabis Permit Application Locations by Area of Interest and the number of Locations affected by each Option

Area of Interest	Cannabis Permit Application Locations*	Application Locations Affected by Option 1	Application Locations Affected by Option 2	Application Locations Affected by Option 3
Santa Ynez Community Plan Area (Rural)**	5	0	0	0
Santa Ynez Inner Rural Area	2	2	2	2
Tepesquet Canyon EDRN	4	1	0	0
Cebada Canyon EDRN	3	3	0	1
Campbell Road EDRN	1	1	1	1
Other Community Plan Area	3 (Orcutt, Goleta, and E. Goleta Valley)	0	0	0
Other Inland Area, not within an EDRN or Community Plan Boundary	34	0	0	0
Coastal Area	24	0	0	0
Total	76	7	3	4

*Locations may include multiple permits.

** Values for the Santa Ynez Community Plan Area do not include those in the Inner Rural Area.

In addition to County land use permits and business licenses, commercial cannabis is regulated by various State agencies through the issuance of licenses. This includes the Bureau of Cannabis Control, California Department of Food and Agriculture, and California Department of Public Health, which issue and track State licenses for cultivators, manufacturers, retailers, distributors, microbusinesses, testing laboratories, and event organizers. No County business licenses have been issued to date. As of March 22, 2019, there have been 2,113 temporary licenses and no permanent licenses issued to 98 registered operators in Santa Barbara County.

In summary, although there are a number of pending permit and license applications for cannabis operations, none of the existing cannabis operations located in the AG-I zones and elsewhere in the county were established and are subject to the recently-adopted cannabis zoning and licensing regulations. The existing cannabis operations are operating in a mostly unregulated environment, subject to only temporary or provisional State licenses, and differ in some significant ways from how cannabis operations are intended to operate pursuant to the recently adopted zoning and licensing regulations.

Environmental Review

CEQA Guidelines Section 15060(c)(3) states that an activity is not subject to CEQA if the activity is not a “project” as defined in CEQA Guidelines Section 15378(b)(5). Section 15378(b)(5) specifies that projects do not include organizational or administrative activities of governments that will not result in direct or indirect physical changes to the environment. The Planning Commission briefing and input to staff is an administrative activity that does not authorize new development or otherwise result in direct or indirect physical changes to the environment. Therefore, it is not a “project” as defined by CEQA Guidelines Section 15378(b)(5) and is not subject to environmental review per CEQA Guidelines Section 15060(c)(3).

Next Steps

Staff is seeking Planning Commission input and general direction or refinements to the focused ordinance amendments set forth in this memo. Staff will return to the Planning Commission in the spring or summer of 2019 with draft LUDC and Article II ordinance language for the Commission’s consideration and recommendation to the Board. Staff will present the Planning Commission’s recommended amendments to the Board in summer or fall of 2019.

Attachments:

1. Ordinance Amendment Options: AG-I parcel data

ATTACHMENT 1 – ORDINANCE AMENDMENT OPTIONS

A. Affected AG-I Parcels and Acreage - Inland Area

Table 3 provides the total parcels and acreage zoned AG-I throughout the County in the Inland area. These acreage and parcel calculations exclude areas under the jurisdiction or ownership of another government entity, but do include the acreage and parcels within the buffers established by current zoning and/or licensing regulations that prohibit cannabis operations within a certain distance of a sensitive receptor (e.g. school K-12, day care center, or youth center).

Table A – Affected Parcels and Acreage in AG-I Zones in the County Inland Area

Zoning	Parcels Affected in Inland Area*	Acres Affected in Inland Area*
AG-I-5	751	4,375
AG-I-10	523	5,353
AG-I-20	649	12,230
AG-I-40	274	13,433
Total	2,197	35,391

* Parcel totals and acreages include the areas within existing sensitive receptor buffers, but do not include areas that are under the jurisdiction of other government entities.

B. Option 1: Prohibit on AG-I-5, AG-I-10, and AG-I-20 Zoned Lots

Tables B-1 through B-4 provide a summary of the effects of Option 1 (Prohibitions on AG-I-5, AG-I-10, and AG-I-20) on four focus areas within the County which include the Santa Ynez Community Plan Area, Santa Ynez Inner Rural Area (a portion of the Santa Ynez Community Plan that lies within the rural boundary, but outside of any urban boundaries), the Cebada Canyon EDRN, and Tepesquet Canyon EDRN. These focus areas contain substantial amounts of AG-I zoning, and the remaining area zoned AG-I is spread throughout other areas of the County.

Table B-1– Affected Parcels and Acreage in the Santa Ynez Community Plan Area under Option 1

Parcels affected: 1,554 parcels (39%)				
Parcels in Area: 3,962 parcels				
Acreage Affected: 16,743 acres (36%)				
Acres in Area: 46,469 acres				
Zoning	Parcels Affected	Parcels Affected as a Percent of Santa Ynez Community Plan Area Total	Acres Affected	Acres Affected as a Percent of Santa Ynez Community Plan Area Total
AG-I-5	724	18%	4,209	9%
AG-I-10	319	8%	3,344	7%
AG-I-20	511	13%	9,190	20%
Total	1,554	39%	16,743	36%

Table B-2 - Affected Parcels and Acreage in the Santa Ynez Inner Rural Area (SYIRA) under Option 1

Parcels affected: 1,048 parcels (92%)				
Parcels in Area: 1,142 parcels				
Acreage Affected: 10,252 acres (80%)				
Acres in Area: 12,842 acres				
Zoning	Parcels Affected	Parcels Affected as a Percent of SYIRA Total	Acres Affected	Acres Affected as a Percent of SYIRA Total
AG-I-5	514	45%	2,884	22%
AG-I-10	273	24%	2,985	23%
AG-I-20	261	23%	4,383	34%
Total	1,048	92%	10,252	80%

Table B-3 - Affected Parcels and Acreage in the Cebada Canyon EDRN under Option 1

Parcels affected: 70 parcels (63%)				
Parcels in Area: 112 parcels				
Acreage Affected: 1,449 acres (83%)				
Acres in Area: 1,739 acres				
Zoning	Parcels Affected	Parcels Affected as a Percent of EDRN Total	Acres Affected	Acres Affected as a Percent of EDRN Total
AG-I-5	0	0%	0	0%
AG-I-10	2	2%	28	2%
AG-I-20	68	61%	1,421	82%
Total	70	63%	1,449	83%

Table B-4 - Affected Parcels and Acreage in the Tepesquet Canyon EDRN under Option 1

Parcels affected: 68 parcels (36%)				
Parcels in Area: 191 parcels				
Acreage Affected: 1,308 acres (12%)				
Acres in Area: 10,811 acres				
Zoning	Parcels Affected	Parcels Affected as a Percent of EDRN Total	Acres Affected	Acres Affected as a Percent of EDRN Total
AG-I-5	0	0%	0	0%
AG-I-10	41	21%	388	4%
AG-I-20	27	14%	920	9%
Total	68	36%	1,308	12%

C. Option 2: Prohibit on AG-I-5 and AG-I-10 Zoned Lots

Tables C-1 through C-4 provide a summary of the effects of Option 2 (Prohibitions on AG-I-5 and AG-I-10) on the four focus areas mentioned above, the Santa Ynez Community Plan, Santa Ynez Inner Rural Area, the Cebada Canyon EDRN, and Tepequet Canyon EDRN. These focus areas are presented because they contain substantial amounts of AG-I zoning; however, other areas of the County with AG-I zoning are also affected.

Table C-1 - Affected Parcels and Acreage in the Santa Ynez Community Plan Area under Option 2

Parcels affected: 1,043 parcels (26%)				
Parcels in Area: 3,962 parcels				
Acreage Affected: 7,553 acres (16%)				
Acres in Area: 46,469 acres				
Zoning	Parcels Affected	Parcels Affected as a Percent of Santa Ynez Community Plan Area Total	Acres Affected	Acres Affected as a Percent of Santa Ynez Community Plan Area Total
AG-I-5	724	18%	4,209	9%
AG-I-10	319	8%	3,344	7%
Total	1,043	26%	7,553	16%

Table C-2 - Affected Parcels and Acreage in the Santa Ynez Inner Rural Area under Option 2

Parcels affected: 787 parcels (69%)				
Parcels in Area: 1,142 parcels				
Acreage Affected: 5,869 acres (46%)				
Acres in Area: 12,842 acres				
Zoning	Parcels Affected	Parcels Affected as a Percent of SYIRA Total	Acres Affected	Acres Affected as a Percent of SYIRA Total
AG-I-5	514	45%	2,884	22%
AG-I-10	273	24%	2,985	23%
Total	787	69%	5,869	46%

Table C-3 - Affected Parcels and Acreage in the Cebada Canyon EDRN under Option 2

Parcels affected: 2 parcels (2%)				
Parcels in Area: 112 parcels				
Acreage Affected: 28 acres (2%)				
Acres in Area: 1,739 acres				
Zoning	Parcels Affected	Parcels Affected as a Percent of EDRN Total	Acres Affected	Acres Affected as a Percent of EDRN Total
AG-I-5	0	0%	0	0%
AG-I-10	2	2%	28	2%
Total	2	2%	28	2%

Table C-4 - Affected Parcels and Acreage in the Tepesquet Canyon EDRN under Option 2

Parcels affected: 41 parcels (21%)				
Parcels in Area: 191 parcels				
Acreage Affected: 388 acres (4%)				
Acres in Area: 10,811 acres				
Zoning	Parcels Affected	Parcels Affected as a Percent of EDRN Total	Acres Affected	Acres Affected as a Percent of EDRN Total
AG-I-5	0	0%	0	0%
AG-I-10	41	21%	388	4%
Total	41	21%	388	4%

D. Option 3: Prohibit on AG-I Zoned Lots ≤ 20 Acres

Tables D-1 through D-4 provide a summary of the affects of Option 3 (Prohibitions on AG-I-5, AG-I-10, AG-I-20, and AG-I-40 for lots that are less than or equal to 20 acres in size) on the four focus areas mentioned above, the Santa Ynez Community Plan, Santa Ynez Inner Rural Area, the Cebada Canyon EDRN, and Tepesquet Canyon EDRN. These focus areas are presented because they contain substantial amounts of AG-I zoning; however, other areas of the County with AG-I zoning are also affected.

Table D-1 - Affected Parcels and Acreage in the Santa Ynez Community Plan Area under Option 3

Parcels affected: 1,350 parcels (34%)				
Parcels in Area: 3,962 parcels				
Acreage Affected: 11,176 acres (24%)				
Acres in Area: 46,469 acres				
Zoning	Parcels Affected	Parcels Affected as a Percent of Santa Ynez Community Plan Area Total	Acres Affected	Acres Affected as a Percent of Santa Ynez Community Plan Area Total
AG-I-5	717	18%	3,932	8%
AG-I-10	295	7%	2,666	6%
AG-I-20	320	8%	4,412	9%
AG-I-40	18	0%	166	0%
Total	1,350	34%	11,176	24%

Table D-2 - Affected Parcels and Acreage in the Santa Ynez Inner Rural Area under Option 3

Parcels affected: 1,048 parcels (92%)				
Parcels in Area: 1,142 parcels				
Acreage Affected: 10,252 acres (80%)				
Acres in Area: 12,842 acres				
Zoning	Parcels Affected	Parcels Affected as a Percent of SYIRA Total	Acres Affected	Acres Affected as a Percent of SYIRA Total
AG-I-5	512	45%	2,824	22%
AG-I-10	252	22%	2,381	19%
AG-I-20	167	15%	1,957	15%
Ag-I-40	17	1%	152	1%
Total	948	83%	7,314	57%

Table D-3 - Affected Parcels and Acreage in the Cebada Canyon EDRN under Option 3

Parcels affected: 12 parcels (11%)				
Parcels in Area: 112 parcels				
Acreage Affected: 189 acres (11%)				
Acres in Area: 1,739 acres				
Zoning	Parcels Affected	Parcels Affected as a Percent of EDRN Total	Acres Affected	Acres Affected as a Percent of EDRN Total
AG-I-5	0	0%	0	0%
AG-I-10	2	2%	28	2%
AG-I-20	10	9%	161	9%
Ag-I-40	0	0%	0	0%
Total	12	11%	189	11%

Cannabis Ordinance Amendments
 County Planning Commission Briefing on April 3, 2019
 Attachment 1—Ordinance Amendment Options, AG-I Parcel Data

Table D-4 - Affected Parcels and Acreage in the Tepesquet Canyon EDRN under Option 3

Parcels affected: 28 parcels (15%)				
Parcels in Area: 191 parcels				
Acreage Affected: 283 acres (3%)				
Acres in Area: 10,811 acres				
Zoning	Parcels Affected	Parcels Affected as a Percent of EDRN Total	Acres Affected	Acres Affected as a Percent of EDRN Total
AG-I-5	0	0%	0	0%
AG-I-10	39	20%	339	3%
AG-I-20	8	4%	136	1%
Ag-I-40	28	15%	283	3%
Total	75	39%	758	7%