



**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:**

**Department Name:** County Executive Office  
**Department No.:** 012  
**For Agenda Of:** April 18, 2023 Set Hearing  
May 16, 2023: 1<sup>st</sup> Reading  
June 6, 2023: 2<sup>nd</sup> Reading  
**Placement:** Set Hearing  
**Estimated Time:** 30 minutes on May 16, 2023 Adoption on June 6, 2023  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors  
**FROM:** Department: Mona Miyasato, County Executive Officer  
Director(s):  
Contact Info: Brittany Odermann Heaton, Deputy County Executive Officer

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**SUBJECT:** Amendments to the Cannabis Business Licensing Fee Ordinance

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**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 April 18, 2023, set a public hearing on the Departmental Agenda for May 16, 2023 to consider recommendations, as follows:

On May 16, 2023:

- a) Consider the introduction (First Reading) of an Ordinance of the Board of Supervisors of the County of Santa Barbara amending the Ordinance 5041, “An Ordinance Establishing the Cannabis Business License Fee”;
- b) Read the title and waive further reading of the Ordinance in full;
- c) Set a hearing on the Administrative Agenda of June 6, 2023 to consider recommendations, as follows:

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On June 6, 2023:

- a) Consider adoption (Second Reading) of an Ordinance of the Board of Supervisors of the County of Santa Barbara amending Ordinance No. 5041, “An Ordinance Establishing the Cannabis Business License Fee”; and
- b) Determine for the purposes of CEQA that:
  - i. 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) (17EIR-00000-00003, State Clearinghouse No. 2017071016) adequately describes this activity for the purposes of CEQA.
  - ii. 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 elements of CEQA Guidelines Section 15162(a)(3) apply.

**Summary Text:**

In May 2018, the Board adopted Ordinance No. 5041 of the Santa Barbara County Code, “An Ordinance Establishing the Cannabis Business Licensing Fee.” Cannabis business license fees are collected for initial applications, annual renewals, and compliance activities. In January 2022 the ordinance was amended to update fees to reflect changes in hourly rates; adjust Indirect Cost Rate Proposals (ICRP) for each department; add County Fire and the Carpinteria/Summerland Fire District to the fee schedule; and convert the renewal and compliance fees to annual set fees.

The proposed amendment will:

- update fees to reflect changes in salaries and benefits;
- adjust annual flat fees to reflect the time coded and associated with renewal and compliance activities;
- adjust Indirect Cost Rate Proposals (ICRP), as approved by the Auditor-Controller, for each department; and
- secure full-cost recovery for the two cannabis business license specialists currently assigned to initial license review, renewals, and compliance.

A more detailed Board Letter with all necessary attachments will be prepared and provided prior to the May 16, 2023 hearing.

**Special Instructions:** Publish the Notice of Public Hearing 5 and 10 days before the hearing date in the *Santa Barbara News Press* in accordance with Government Code sections 66018(a) and 6062a. After the Ordinance is passed publish a summary of the ordinance in *the Santa Barbara News Press* within 15 days of the adoption of the ordinance in accordance with Government Code section 25124.

**Authored by:**

Steven Yee, Fiscal and Policy Analyst, x83433

Brittany Heaton, Deputy CEO, x83409