



County of Santa Barbara

BOARD OF SUPERVISORS

Minute Order

June 18, 2024

Present: 5 - Supervisor Williams, Supervisor Capps, Supervisor Hartmann, Supervisor Nelson, and Supervisor Lavagnino

COUNTY EXECUTIVE OFFICE

File Reference No. 24-00639

RE: HEARING - Consider recommendations regarding amendments to the Tax on Cannabis Operations Ordinance, as follows: (4/5 Vote Required) (EST. TIME: 45 MIN.)

a) Consider the introduction (First Reading) of an Ordinance amending Chapter 50A, "Tax on Cannabis Operations" of the Santa Barbara County Code to change the tax on cannabis cultivation in the unincorporated area of the County:

i) Option 1 proposes a tax on cannabis cultivation computed, as follows:

Cultivation: Four percent of gross receipts or based on square footage for licenses having taxable transfer activity in the reporting period, whichever is greater

1) The rate for non-outdoor cultivation shall be a maximum of two dollars and fifty cents (\$2.50) per quarter, per square foot, with an initial rate set at twenty-five cents (\$0.25) per quarter, per square foot; and

2) The rate for outdoor cultivation shall be a maximum of seventy-five cents (\$0.75) per quarter, per square foot, with an initial rate set at two and a half cents (\$0.025) per quarter, per square foot; or

ii) Option 2 proposes a tax on cannabis cultivation computed as follows:

Cultivation: Four percent of gross receipts or based on square footage for licenses having taxable transfer activity in the reporting period, whichever is greater

1) The rate for non-outdoor cultivation shall be a maximum of two dollars and fifty cents (\$2.50) per quarter, per square foot, with an initial rate set at fifty cents (\$0.50) per quarter, per square foot; and

2) The rate for outdoor cultivation shall be a maximum of seventy-five cents (\$0.75) per quarter, per square foot, with an initial rate set at ten cents (\$0.10) per quarter, per square foot;

b) Read the title, "An Ordinance Amending Chapter 50A, Tax on Cannabis Operations, of the Santa Barbara County Code," and waive further reading of the Ordinance in full;



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c) Approve the appointment and authorize member(s) of the Board of Supervisors to author, sign, and submit on behalf of the Board an argument in favor of the Ordinance amending Chapter 50A, “Tax on Cannabis Operations” ballot measure and any rebuttal;

d) Provide other direction as appropriate; and

e) Set a hearing on the Agenda of July 9, 2024 to consider the following actions:

i) Consider adoption (Second Reading) of an Ordinance amending Chapter 50A, “Tax on Cannabis Operations” of the Santa Barbara County Code to change the tax on cannabis cultivation in the unincorporated area of the County;

ii) Adopt a Resolution submitting the proposed Ordinance and ballot language to change the tax on cannabis cultivation to the electorate for approval, and requesting and ordering consolidation with the November 5, 2024 General Election; and

iii) Determine that the above actions are not a project under the California Environmental Quality Act (CEQA) pursuant to Section 15378(b)(4) of the CEQA Guidelines because they consist of the creation of government funding mechanisms which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

COUNTY EXECUTIVE OFFICER’S RECOMMENDATION: POLICY

HEARING TIME: 2:29 PM - 4:00 PM (1 HR. 31 MIN.)



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Received and filed staff presentation and conducted a public hearing.

Kevin Wilson, Micah Anderson, Amy Steinfeld, Jack E Motter, Kaponu Curry Jules Nau, David Van Wingerden, Jared Ficker, Teddy Cabugos, Kyle Wolf, and Collin Dvorak addressed the Board.

A motion was made by Supervisor Capps, seconded by Supervisor Nelson, that this matter be acted on as follows:

- a) i) No action taken;
- a) ii) Introduction (First Reading) approved;
- b) Read title; waived further reading of the Ordinance;
- c) Approved and authorized;
- d) No action taken;
- e) i) through iii) Set for July 9, 2024 on the Administrative Agenda to consider the adoption (Second Reading) of the Ordinance.

The motion failed by the following vote:

Ayes: 2 - Supervisor Capps, and Supervisor Nelson

Abstained: 2 - Supervisor Williams, and Supervisor Hartmann

Absent: 1 - Supervisor Lavagnino