



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of
Supervisors

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Santa Barbara, CA 93101
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Department Name: County Executive Office
Department No.: 012
For Agenda Of: 3/17/20
Placement: Departmental
Estimated Tme: 30 Minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department: Mona Miyasato, County Executive Officer
Director(s): Bernard Melekian, Assistant County Executive Officer
Contact Info: Bernard Melekian, Assistant County Executive Officer
SUBJECT: Storefront Retail Cannabis Selection Procedures within the unincorporated areas of Santa Barbara County

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Receive and file staff's report on the methodology for issuing storefront retail cannabis licenses;
- b) Approve the Cannabis Storefront Retail Criteria-based Scoresheet-Business Operations Proposal;
and
- c) Find that the proposed actions are administrative activities of the County, which will not result in direct or indirect changes to the environment and therefore are not a project as defined for the purposes of the California Environmental Quality Act (CEQA) under state CEQA Guidelines Section 15378(b)(5).

Summary Text:

On January 14, 2020, the Board approved amendments to County Code §50-7 establishing a process to award six retail storefront licenses throughout the unincorporated portion of Santa Barbara County using a merit based system. The Board requested a briefing from staff on the proposed implementation of the retail storefront selection process and the timeline for completing that process.

The Board also requested information on the application-scoring sheet. Staff worked with County Counsel and other affected stakeholders on the development of both the application scoresheet as well as the neighborhood compatibility scoresheet.

Background:

On December 17, 2019, the Board of Supervisors discussed amendments to County Code §50-7 that outlined the process for the creation of retail cannabis storefronts in the unincorporated areas of Santa Barbara County. The amended Code spells out what is required of the applications in terms of preparing the application, as well as the process for implementing a merit based selection process. On January 14, 2020, the Board adopted the Code changes, which became effective on February 13, 2020.

The Code permits one storefront retail site in each of six specifically designated community plan areas within the unincorporated area of Santa Barbara County. These areas are 1) Orcutt, 2) Los Alamos, 3) Santa Ynez, 4) Eastern Goleta Valley, 5) Isla Vista/Goleta and a combined 6) Summerland and Toro Canyon. The Code further requires that County Executive Office conduct a public meeting in each community plan area and obtain community input. This input should provide a listing of neighborhood compatibility priorities that are consistent with the relevant community plan.

The application process is a two-step process. The first step is a review of the Business Operations Application that is anticipated to be handled by an independent third-party reviewer. The second step is the neighborhood compatibility review that is anticipated to be conducted by County staff, led by the CEO's office. Applicants must score at least 85% in the first step in order to move to the second step.

Discussion

Selection Process Timeframe; Staff proposes the following implementation timeline:

Community Outreach

- In February and continuing into March, staff has worked to identify appropriate meeting sites within the six community plan areas.
- By late March, staff will complete appropriate outreach and community notification in each of the community plan areas as to the time and location of the meetings.
- Staff will hold community meetings in April and May. Staff proposes to hold one meeting per week with additional follow-up notification closer to each meeting date. Staff will incorporate feedback from the community meetings into the criteria developed to determine adherence to the neighborhood compatibility plan.

Opening of Application Period

- By late May or early June, staff will determine the application submittal period, select the outside consultant who will assist with the review of the Business Operations proposals and publish the Noticing of Application Availability 30 days prior to the opening of the application period as required by the Code.

- The application period will be open for 7 days in early to mid-July. Subsequent to the closure of the application period, staff and the consultant will review the applications that will include the Business Operations Proposal and the Neighborhood Compatibility Proposal.

Review of Applications

Staff developed two scoresheets for use in facilitating this process; the Business Operations Proposal and the Neighborhood Compatibility Proposal. A template of both sheets are included as attachments to this board letter. The third-party consultant will score the Business Operations Proposals. Those applications scoring 85 or greater will be ranked by County staff based on the Neighborhood Compatibility Proposals.

The Neighborhood Compatibility scoresheet is attached in draft form for Board review. Staff will refine the scoring sections after the completion of the Community Plan Area meetings in order to reflect community concerns. The applicant receiving the highest ranking in each community plan area will be invited to submit a permit application.

Permit application submission

- Staff will notify the highest scoring applicant in each community plan area of their placement on the list. Applicants must submit a completed permit application to the Planning and Development Department within 90 days as well as submitting their business license applications concurrently with the permit application. Once staff processes the applications, staff anticipates permit approval in early 2021, assuming that all of the original awardees remain in the process.

Should unforeseen challenges arise that change this proposed timeline, staff will return to the Board with updates. Otherwise, staff will incorporate updates to the retail operations plan into the quarterly cannabis report.

Fiscal Analysis:

N/ A

Attachments:

1. Business Operations Proposal Scoresheet
2. Neighborhood Compatibility Proposal Scoresheet

Authored by: Bernard Melekian, Assistant County Executive Officer