



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 10/4/2022

To: Sonoma County Board of Supervisors
Department or Agency Name(s): Permit Sonoma
Staff Name and Phone Number: Crystal Acker and Scott Orr, (707) 565-8357
Vote Requirement: 4/5th
Supervisorial District(s): Countywide

Title:

Comprehensive Cannabis Program Update - Environmental Impact Report Contract Award. Permit Sonoma Project File No. ORD21-0004

Recommended Action:

- 1) Authorize the Director of Permit Sonoma to execute an agreement with Ascent Environmental, Inc., for the preparation of a Programmatic Environmental Impact Report and an Economic Analysis in support of the Comprehensive Cannabis Program Update, for the period of September 27, 2022, to March 31, 2025, in an amount not to exceed \$623,238.
- 2) Adopt a budget resolution authorizing budgetary adjustments to the FY 22-23 adopted budget for the Cannabis Tax Fund in the amount of \$623,238. (4/5th vote required)

Executive Summary:

On June 8, 2021, the Board directed staff to complete a comprehensive update of the cannabis program, based on community input and an Environmental Impact Report (EIR) to comply with the California Environmental Quality Act (CEQA), and approved an initial resource request for staffing to support the effort. On September 28, 2021, during the Cannabis Program Update Study Session, the Board received a [report](https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=5144097&GUID=9AB2E3E4-4FEB-4517-BC8B-035CBF1C0E57&Options=&Search=) summarizing results of community engagement conducted in August and early September 2021, and provided direction to staff on overall goals and policy options for updating the Cannabis Ordinance and associated EIR. On March 15, 2022, the Board adopted a Cannabis Program [Update Framework](https://sonomacounty.ca.gov/Main%20County%20Site/Administrative%20Support%20%26%20Fiscal%20Services/CAO/Documents/Projects/Cannabis/ORD21-0004%20Reso%20No%2022-0088%20with%20Ex%20A%20Ordinance%20Framework%2003-15-2022.pdf) (Framework). The Framework will guide development of the project description, CEQA alternatives, and draft ordinance.

On May 20, 2022, Permit Sonoma released a [Request for Proposals](https://sonomacounty.ca.gov/administrative-support-and-fiscal-services/county-administrators-office/projects/cannabis-program/cannabis-program-update-and-eir) for consultant services to prepare a programmatic-level environmental analysis, pursuant to CEQA, and an economic analysis related to commercial cannabis land uses within unincorporated Sonoma County in support of County staff developing a new commercial cannabis land use ordinance. The Framework was provided to consultants to function as a preliminary scope of work to inform competitive proposals. This item presents a proposed agreement between the County and the preferred consultant, Ascent Environmental, Inc. (Ascent) for this work. The

agreement (Attachment 1) includes a detailed scope of work and an itemized cost breakdown. Staff recommends that the Board authorize the Director of Permit Sonoma to execute an agreement with Ascent in an amount not to exceed \$623,238. Any future contact amendments will be presented to the Board at least three months in advance of proposed changes.

Upon execution of the Agreement, the Cannabis Program Update effort will move into the EIR phase, which will include release of a complete draft ordinance for public review and development of a detailed scope of work for the EIR, through a public scoping process. This phase is anticipated to be initiated in November 2022 with a *tentative* 15-month timeframe to complete the draft EIR for public review by February 2024.

Discussion:

Background

The first comprehensive Cannabis Land Use Ordinance (Ord. No. 6189) was adopted under a Negative Declaration on December 20, 2016, amending Chapter 26 of the Zoning Code to include new definitions and establish special use regulations to allow commercial (and personal) medical cannabis cultivation, and commercial supply chain land uses in various zoning districts.

On October 16, 2018, the Board of Supervisors adopted Ordinance number 6245, amending Chapter 26 to allow adult use cannabis in Sonoma County in addition to medical use, enhance neighborhood compatibility with a 10-acre minimum parcel size for cultivation, add new definitions, and make minor non-substantive amendments to harmonize with California state law and regulations, where appropriate.

On May 18, 2021, the Board rejected the Planning Commission's recommendation to adopt a Subsequent Mitigated Negative Declaration (SMND) and a new County Code Chapter 38 to increase ministerial permitting for cannabis cultivation within Agricultural and Resource zoned parcels. The Board, instead, directed staff to bring forth a timeline and resources plan necessary to undertake a comprehensive update of the cannabis program, including an update to the County Code and preparation of an EIR, as expeditiously as possible.

On September 28, 2021, the Board received a report summarizing results of community engagement conducted in August and early September 2021 and provided direction to staff on overall goals and policy options for updating the Cannabis Ordinance and associated EIR.

On March 15, 2022, the Board adopted a Cannabis Program Update Framework, included in Attachment 4, to ensure consistency with the goals and objectives of the Board, to provide transparency to the public on what will be considered during development of the draft ordinance, and to function as a preliminary scope of work for potential consultants to inform their competitive proposals for the programmatic EIR.

Request for Proposals

Permit Sonoma released a Request for Proposals (RFP) on May 20, 2022, to solicit proposals to prepare a Programmatic EIR and an Economic Analysis in support of the Comprehensive Cannabis Program Update. Two firms responded with proposals for the requested scope of work: Ascent Environmental, Inc. and Rincon Consultants, Inc.

County staff evaluated and scored both proposals in accordance with the evaluation criteria outlined in the RFP. The review panel consisted of four staff members from the Planning Division of Permit Sonoma and one

Agenda Date: 10/4/2022

staff member from the County Administrator's Office. Ascent was unanimously scored as the preferred bidder because of the proposal's strong emphasis on environmental review streamlining of future cannabis applications and demonstrated experience conducting similar environmental reviews for other California county cannabis land use ordinances.

The cost of the not-to-exceed contract is \$623,238. Itemized costs are provided in Exhibit B of the Attachment 1.

PROJECT TIMELINE

The following overall timeline was first presented to the Board on June 8, 2021 but has been expanded and updated to represent a more detailed description of remaining tasks and a more accurate tentative schedule to completion.

Develop Draft Ordinance Framework - October 2021 through March 15, 2022

- Complete a draft ordinance framework including all potential program elements to consider in the EIR for the new program
- March 15, 2022 - Present draft framework to the Board

Develop and Refine Draft Ordinance - March 2022 through October 2022

- May 20, 2022 - Initiate Competitive Request for Proposal (RFP) Process for an EIR Consultant
- Continue public outreach to develop and refine potential program elements, listen to concerns, and develop options to address concerns
- October 2022 - Preliminary draft ordinance, and any general plan amendments needed for consistency, complete for environmental analysis

Environmental Impact Report - September 2022 through February 2024

- September 27, 2022 - Board consideration of EIR Professional Services Agreement
- November 2022 - Notice of Preparation published for the Draft EIR to kick off the EIR scoping effort
- November 2022 - Public scoping meeting(s)
- Seek public input on what Potential Environmental Impacts should be considered in the EIR
- Conduct environmental analysis of the proposed draft ordinance
- Provide public access to technical studies and map products used in the environmental analysis, as available
- Provide regular public status updates on the project webpage throughout the EIR process
- February 2024 - Draft EIR Published for Public Comment

Draft Ordinance and EIR Approval - March 2024 through September 2024

- March 2024 Draft EIR to Planning Commission for public comment
- Revisions to draft ordinance based on public comment and Planning Commission direction
- June 2024 Planning Commission Hearing on Proposed Ordinance
- September 2024 Board Hearing on Proposed Ordinance

Strategic Plan:

N/A

Prior Board Actions:

Agenda Date: 10/4/2022

For a list of prior Board actions related to the full legislative history of the County’s cannabis land use ordinance, see Attachment 2. Actions listed below are directly related to the current comprehensive cannabis program update.

[May 18, 2021 <https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=4980692&GUID=5660F6FA-D82C-4CDE-A2CD-4A13DD10D20B>](https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=4980692&GUID=5660F6FA-D82C-4CDE-A2CD-4A13DD10D20B): The Board of Supervisors voted 5-0 to:

1. Accept the Planning Commission’s recommendation and disapprove the proposed general plan amendment;
2. Disapprove the Planning Commission’s recommendation and do not adopt the SMND;
3. Disapprove the Planning Commission’s recommendation and do not adopt the Ordinance Adding Chapter 38 to the Sonoma County Code to Expand Ministerial Cannabis Cultivation Permitting in the Agricultural and Resource Zones and Amending Chapter 26 to Expand Cannabis Cultivation Use Permits and Align with Chapter 38; and, that the Board of Supervisors directs staff to schedule a future public workshop, and take other necessary steps, to discuss and develop proposed revisions to the Cannabis Land Use Ordinance (Sonoma County Code Section 26-88-250 et seq.) that are to be studied under an environmental impact report.

[June 8, 2021 <https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=4969677&GUID=1D8008A1-D8F2-4D66-B35D-4E9382722B18>](https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=4969677&GUID=1D8008A1-D8F2-4D66-B35D-4E9382722B18): The Board of Supervisors approved an initial resource request to launch the Cannabis Program Update and associated Environmental Impact Report.

[March 15, 2022 <https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=5518510&GUID=4652F55D-DC01-4CE0-9301-6244D3E9A491>](https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=5518510&GUID=4652F55D-DC01-4CE0-9301-6244D3E9A491): The Board of Supervisors adopted a Resolution of Intention ([Resolution 22-0088 <https://sonomacounty.ca.gov/Main%20County%20Site/Administrative%20Support%20%26%20Fiscal%20Services/CAO/Documents/Projects/Cannabis/ORD21-0004%20Reso%20No%202022-0088%20with%20Ex%20A%20Ordinance%20Framework%2003-15-2022.pdf>](https://sonomacounty.ca.gov/Main%20County%20Site/Administrative%20Support%20%26%20Fiscal%20Services/CAO/Documents/Projects/Cannabis/ORD21-0004%20Reso%20No%202022-0088%20with%20Ex%20A%20Ordinance%20Framework%2003-15-2022.pdf)) and Cannabis Program Update Framework, to direct and guide staff in its preparation of a draft ordinance, potential General Plan Amendments, and a Programmatic Environmental Impact Report to amend the Cannabis Land Use Ordinance and related regulations.

FISCAL SUMMARY

Expenditures	FY 22-23 Adopted	FY 23-24 Projected	FY 24-25 Projected
Budgeted Expenses			
Additional Appropriation Requested	\$623,238		
Total Expenditures	\$623,238		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance - Cannabis Tax Fund	\$623,238		
Contingencies			

Agenda Date: 10/4/2022

Total Sources	\$623,238		
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Narrative Explanation of Fiscal Impacts:

The cost of the contract is financed with available cannabis tax fund balance as discussed on 3/15/2022 (Item 21 Cannabis Tax <https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=5518512&GUID=ED2370E5-14B8-4ED4-B8B0-596BD0C13C4C&Options=&Search=%3E>). The full amount of the contract will be encumbered in FY 22-23 and disbursed over the life of the contract. Projected costs in FY 22-23 are \$152,160; in FY 23-24 are \$440,838; and in FY 24-25 are \$30,240.

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

- Attachment 1: Professional Services Agreement
- Attachment 2: List of prior Board actions related to the Cannabis Land Use Ordinance
- Attachment 3: Budget Resolution
- Attachment 4: Ordinance Update Framework
- Attachment 5: Public Comment

Related Items “On File” with the Clerk of the Board:

N/A