



COUNTY OF SONOMA

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

SUMMARY REPORT

Agenda Date: 2/25/2025

To: Sonoma County Board of Supervisors

Department or Agency Name(s): Department of Emergency Management

Staff Name and Phone Number: Jennifer Solito, 707-565-4774

Vote Requirement: Majority

Supervisorial District(s): Countywide

Title:

Tobacco Retailer License Administration Agreement - City of Santa Rosa

Recommended Action:

- A. Authorize the Director of Health Services, or designee, to execute a Memorandum of Understanding with the City of Santa Rosa, subject to review and approval as to form by County Counsel, for the County of Sonoma to provide Tobacco Retailer License Program administration and compliance services for the City of Santa Rosa for the term of January 1, 2025 through June 30, 2028, resulting in revenue to the Department of Health Services for a total not to exceed \$268,357 over the term of the agreement.
- B. Authorize the Director of Health Services, or designee, to execute modifications to the Memorandum of Understanding in this Board Item which do not significantly change the scope of service and/or to increase the total not-to-exceed amount in order to address increased revenues, subject to review and approval by County Counsel.

Executive Summary:

The Department of Health Services is requesting approval of a Memorandum of Understanding with the City of Santa Rosa under which the County of Sonoma will provide administration and compliance services associated with the City of Santa Rosa's Ordinance No. 2024-010, amending Chapter 6 of the Santa Rosa Municipal Code, adding Chapter 6-20 entitled "Regulation of Retail Tobacco Sales," and enacted on August 6, 2024. The County will collect and retain license fees from an estimated 118 tobacco retailers doing business in the City of Santa Rosa for the term of January 1, 2025 through June 30, 2028, resulting in revenue to the Department of Health Services for a total not to exceed \$268,357 over the term of the agreement.

The projected fee revenue is \$45,131 for the first six months of Fiscal Year 2024-2025, and \$74,409 annually through Fiscal Year 2027-2028. This revenue will cover the costs of administration and compliance services, including one annual retailer site visit.

Discussion:

The Department of Health Services (DHS) seeks approval to enter into a Memorandum of Understanding (MOU) with the City of Santa Rosa to provide administration and compliance services for the City's Tobacco Retailer Licensing (TRL) Program. Currently, DHS administers TRL programs for the County of Sonoma, the City of Petaluma, and the Town of Windsor, utilizing established systems and procedures to effectively manage these programs.

As the State-designated local lead agency (LLA) for tobacco-nicotine prevention, DHS receives ongoing training and support to stay current with the rapidly evolving landscape of tobacco sales laws. DHS is also the recipient of a grant from the California Department of Justice (DOJ) Tobacco Programs unit, which aids in tobacco sales law enforcement efforts. Through partnerships with the DOJ, the California Department of Public Health's (CDPH) Tobacco Prevention Program, and the Public Health Law Center (funded by CDPH to assist LLAs), DHS staff are equipped with the latest guidance and technical assistance on implementing state tobacco laws. This expertise is not typically available to city jurisdictions, which is why the City of Santa Rosa has requested DHS's support.

Under the MOU, DHS will have authority to conduct education and at least one compliance visit annually to each tobacco retailer in the City of Santa Rosa, as well as to re-inspect retailers when necessary. These activities will be carried out in collaboration with the City's code enforcement team. The City of Santa Rosa will handle enforcement activities, including the issuance of notices of violation, citations, and decisions regarding penalties such as fines, license suspensions, and revocations. The City will also manage the due process for citations, including coordinating appeals and administrative hearings.

The proposed MOU outlines the roles and responsibilities of both the County and the City of Santa Rosa and will be substantially similar to the form attached as Attachment 1. The MOU will include mutual indemnification. Under the terms of the agreement, the County will collect and retain license fees from approximately 118 tobacco retailers in Santa Rosa. The projected fee revenue of \$268,357 over the term of the agreement will cover the costs of administering the TRL Program, including the required annual retailer site visits. No additional allocations of staffing are anticipated to support this contract.

Strategic Plan:

N/A

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

On August 20, 2024, the Board of Supervisors authorized the Director of Health Services, or designee, to execute a Memorandum of Understanding with the City of Petaluma for the County to receive revenue for providing administration and compliance of the Tobacco Retailer License Program for the City of Petaluma for the period of July 1, 2024, through June 30, 2025.

On May 14, 2024, the Board of Supervisors adopted an Ordinance entitled "An Ordinance of the Board of Supervisors of the County of Sonoma, State of California, Repealing and Replacing Chapter 32A of the Sonoma County Code Pertaining to Licensure of Tobacco Retailers."

On July 18, 2023, the Board of Supervisors authorized the Director of Health Services, or designee, to execute a memorandum of understanding with the City of Petaluma for the County to receive revenue for providing administration and compliance of the Tobacco Retailer License program for the City of Petaluma for the period of July 1, 2023, through June 30, 2024.

On May 17, 2022 the Board approved a memorandum of understanding with the City of Petaluma for the County to receive revenue for providing administration and enforcement of the Tobacco Retailer License

program for the City of Petaluma for the period July 1, 2022 through June 30, 2023.

On October 5, 2021 the Board approved a memorandum of understanding with the Town of Windsor for the County to receive revenue for providing administration and enforcement of the Tobacco Retailer License program for the Town of Windsor for the period of July 1, 2021 through June 30, 2026.

On April 19, 2016 the Board adopted an ordinance (as amended) adding Chapter 32A (Licensure of Tobacco Retailers) to the Sonoma County Code to require the licensure of tobacco retailers within unincorporated Sonoma County.

FISCAL SUMMARY

Expenditures	FY24-25 Adopted	FY25-26 Projected	FY26-27 Projected
Budgeted Expenses	\$45,131	\$74,409	\$74,409
Additional Appropriation Requested			
Total Expenditures	\$45,131	\$74,409	\$74,409
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	\$45,131	\$74,409	\$74,409
Use of Fund Balance			
General Fund Contingencies			
Total Sources	\$45,131	\$74,409	\$74,409

Narrative Explanation of Fiscal Impacts:

The proposed Board action has no General Fund net cost impact. Based on 118 tobacco retailers within the City of Santa Rosa, fee revenues from the City of Santa Rosa for six months of Fiscal Year 2024-2025 are estimated at \$45,131, and \$74,409 for the next three full fiscal years. Total actual revenue may fluctuate as these calculations are based on the current number of tobacco retailers and the cost of tobacco retail licenses. Tobacco Retailer License fees will cover the cost for the Department to provide TRL administration and compliance.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

None

Agenda Date: 2/25/2025

Attachments:

Attachment 1 - Tobacco Retailer License Memorandum of Understanding City of Santa Rosa

Related Items "On File" with the Clerk of the Board: None