



COUNTY OF SONOMA

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

SUMMARY REPORT

Agenda Date: 10/5/2021

To: Board of Supervisors of Sonoma County
Department or Agency Name(s): Department of Health Services
Staff Name and Phone Number: Terese Voge, 565-6682
Vote Requirement: Majority
Supervisorial District(s): Countywide

Title:

Town of Windsor Tobacco Retail License Program Memorandum of Understanding

Recommended Action:

Authorize the Interim Director of Health Services, or designee, to execute 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 July 1, 2021 through June 30, 2026.

Executive Summary:

The Department of Health Services is requesting approval of a memorandum of understanding with the Town of Windsor under which the County of Sonoma will continue providing administration and enforcement activities associated with the Town of Windsor's Tobacco Retailer License (TRL) ordinance. The County has been successfully administering the Town of Windsor's TRL since 2018. The County will continue to collect and retain license fees from an estimated 16 tobacco retailers doing business in the Town of Windsor. Projected fee revenue of \$5,600 per fiscal year will cover the cost of providing administration and enforcement services including an annual retailer site visit. County of Sonoma staff currently administer the County's Tobacco Retailer License program and have the systems and procedures in place to continue to efficiently provide tobacco retail license program administration and enforcement activities to the Town of Windsor.

Discussion:

In April 2015 the Department of Health Services was directed by the Board of Supervisors to reach out to cities to discuss the possibility of a standardized approach to tobacco prevention policy in the retail environment, especially regarding minimum price. In August 2015 Department staff met with a Windsor Town Council member who requested a meeting to discuss tobacco retail licensing and healthy retail. At this meeting, administrative options for implementing of a tobacco retail license program in the Town of Windsor were discussed, including the possibility of the County of Sonoma administering a licensing program on the Town of Windsor's behalf.

On March 7, 2018 the Town of Windsor unanimously approved an ordinance requiring licensure of tobacco retailers in the Town of Windsor. The Town of Windsor ordinance was developed with technical support from the County of Sonoma Department of Health Services. The Town of Windsor is the first jurisdiction in Sonoma County to pass a tobacco retailer license ordinance subsequent to enactment of the County ordinance. The comprehensive ordinance includes a \$7 minimum price that applies to packs of cigarettes, packs of five cigars, packs of five little cigars and packs of five chewing tobacco containers (with the establishment of pack size

limitations on these products as well). The minimum price policy component was modeled after the County of Sonoma’s Tobacco Retailer License ordinance passed by the Board on April 16, 2016 with the minimum price clause going into effect on January 1, 2018. On August 18, 2021 the Town of Windsor’s Town Council passed an amendment to their Tobacco Retail License ordinance strengthening the license by no longer exempting menthol in their flavored tobacco product ban, to no longer allow the sale of electronic smoking devices, to ban discounting and the acceptance of coupons, and to secure a density limit for tobacco retailers at 1 per 2,000 residents. The County of Sonoma Department of Health Services provided significant technical assistance in preparation for the ordinance update. During this time the Town of Windsor clearly indicated their satisfaction with the arrangement of the County providing the administration and compliance and requested to extend this arrangement.

The original Town of Windsor ordinance (Ordinance Number 2018-323) was developed with language that delegates to the County of Sonoma Department of Health Services the authority and responsibility to administer and enforce the regulation and sale of tobacco products and paraphernalia requiring a tobacco retailer license (Section 3-11-110). The Department of Health Services is requesting approval to again enter into a memorandum of understanding with the Town of Windsor under which the Department of Health Services will continue to provide administration and enforcement services related to the Town of Windsor Tobacco Retailer License program. Under the agreement the Department will have authority to conduct a hearing as requested prior to suspension or revocation of a license should there be an appeal to a citation issued to a retailer, with any subsequent appeal advancing to the Windsor Town Council for a final decision. The memorandum of understanding details the roles and responsibilities of the County and the Town of Windsor and is provided as Attachment 1. Under the terms of the memorandum of understanding, the County will collect and retain the license fees from an estimated 16 tobacco retailers doing business in the Town of Windsor. The projected fee revenue of \$5,600 per fiscal year, in conjunction with a grant that the County of Sonoma Department of Health Services has until June 30, 2023, will cover the cost of providing the administration and enforcement services including an annual retailer site visit. The Town of Windsor plans to bring forward a fee increase this year to come in line with actual costs. Again, retailers continue to pay a fee of \$350 as the fee is maintained without an increase until the Department is no longer able to subsidize the cost to retailers with grant funds. It is important to note that the Town of Windsor will retain responsibility for setting the Tobacco Retailer License fee amount and for ensuring compliance with Proposition 26.

Prior Board Actions:

On June 11, 2018, the Board authorized the Director of Health Services to execute a memorandum of understanding with the Town of Windsor for the County to provide administration and enforcement of the Tobacco Retailer License program for the Town of Windsor.

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	FY 21-22 Adopted	FY 22-23 Projected	FY 23-24 Projected
Budgeted Expenses	5,600	5,600	5,600
Additional Appropriation Requested			
Total Expenditures	5,600	5,600	5,600

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Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	5,600	5,600	5,600
Use of Fund Balance			
Contingencies			
Total Sources	5,600	5,600	5,600

Narrative Explanation of Fiscal Impacts:

Fee revenue in the amount of \$5,600 is included in the FY 21-22 budget. Projected annual revenue, estimated at \$5,600 annually for succeeding years (FY 22-23 through FY 25-26), will be included in the appropriate fiscal year budget.

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

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Attachment 1 - Memorandum of Understanding with the Town of Windsor

Related Items "On File" with the Clerk of the Board:

None