



Legislation Details (With Text)

File #: 2021-0595
Type: Consent Calendar Item **Status:** Agenda Ready
File created: 5/25/2021 **In control:** Permit and Resource Management
On agenda: 6/8/2021 **Final action:**
Title: Cannabis Program Update and Environmental Impact Review
Sponsors: Permit and Resource Management
Indexes:
Attachments: 1. Cannabis Program Update Summary.pdf, 2. Att 1 Dept of Cannabis Control Overview of Local Assistance Grant Program.pdf

Date	Ver.	Action By	Action	Result
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To: Board of Supervisors
Department or Agency Name(s): Permit Sonoma
Staff Name and Phone Number: Scott Orr, (707) 565-1754
Vote Requirement: Majority
Supervisory District(s): Countywide

Title:
Cannabis Program Update and Environmental Impact Review

Recommended Action:

Approve Permit Sonoma department initial \$370,000 one-time use of Cannabis available fund balance to launch the Cannabis Program Update and associated Environmental Impact Report (EIR) analysis.

Executive Summary:

The Sonoma County Board of Supervisors directed staff to complete a comprehensive update of the cannabis program, which includes review and potential update to the County Code, as well as conducting an Environmental Impact Report to comply with the California Environmental Quality Act (CEQA).

In order to begin the execution of the Board's direction without impacting current comprehensive planning projects or interfering with delivering permitting services to the public, County Administrator and Permit Sonoma management request the Board approves the use of one-time Cannabis fund balance of \$370,000. The initial one-time funding will secure community outreach services and in-house staff. Project launching phase focuses on collecting stakeholders' interests and concerns, which will assist in developing 9/28/2021 Board agenda materials to conduct a workshop resulting in identifying the Board's Policy Goals that will be the basis of the EIR's Project scope.

It is important to remark, that this is an initial request for resources. Staff anticipates returning to your Board with a refined request for funding to add multi-department capacity once the project scope is defined and the EIR is underway, as well as increased Cannabis permitting capacity needed to address permit backlog, which may be eligible for up to \$1.1 million of state funding included in the Governor's May Revise.

Discussion:

On May 18, 2021, the Sonoma County Board of Supervisors (Board) voted 5-0 to reject the Planning Commission's recommendation to adopt a Mitigated Negative Declaration and chapters that would increase ministerial permitting for cannabis cultivation within Agricultural and Resource zoned parcels.

The Governor has proposed Local Jurisdiction Assistance Grant program targets jurisdictions that have high numbers of provisional licensees across the supply chain and looks to aid permitting processing backlog.

During discussions on the item, the Board expressed a desire for a comprehensive update to the existing cannabis ordinance based on community input and a thorough Environmental Impact Report (EIR). Additionally, the Board wanted staff to expedite further permits that have been in process since the original cannabis ordinance was adopted in 2016.

After deliberations on the proposed May 18, 2021 ordinance update the Board directed Permit Sonoma 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.

To satisfy the immediate need to launch community engagement that will inform the Board's Policy Goals, without affecting current comprehensive planning projects or permit services capacity, staff recommends creating temporary capacity to conduct the program update and expedite permit review resolutions.

Project Timeline

Staff anticipates the following dates as key milestones based on standard timelines, and comments as to the scale of the update, for various steps in an ordinance update.

June 8, 2021 Board approval of initial resources request

Week of August 8, 2021 Topic-based Public Workshops

September 28, 2021 Board Workshop on Project Goals

~January 2022 Draft Ordinance Complete

~June, 2022 EIR Professional Services Agreement Board Award

~Fall 2023 Draft EIR to Planning Commission for public comment

~Spring 2024 Planning Commission Hearing on Proposed Ordinance

~Summer 2024 Board Hearing on Proposed Ordinance

Resources Need

We estimate the full project and capacity augmentation plan will include limited term positions and contract costs as detailed below. However, today's request is limited to immediate needs to launch the effort.

Immediate Need

- \$30,000; stakeholder outreach services before presenting to the Board for Policy goals development.
- \$140,000 annually; Administrative & Clerical to immediately launch project coordination, contracting, RFP process, and community outreach logistics
- \$200,000 annually; Supervising Planner to immediately launch project

Anticipated Preliminary Need

- ~\$500,000; EIR consultant services
- ~Up to \$600,000 annually; 2-3 Planner professionals depending on the established scope of the Program Update and permits' workload assessment. At-cost fees offset planner costs. Therefore, an analysis of fee revenue offset is necessary.
- ~\$150,000; Community Engagement Specialist once EIR is underway to facilitate public input and engagement.
- ~\$150,000; GIS Technician for mapping and environmental data to assist EIR and Program Update development.

Dedicated limited term staffing allows the Board to insulate the capacity and avoid other planning projects to be delayed, as well as not affecting regular department Operations. In addition, given the restricted funding source will not be re-directed to unanticipated workload and/or county priorities.

Temporary Permitting Capacity Increase

Additional temporary staffing is staff's preliminary suggestion to speed up progress of permit processing and resolution backlog, and maintain capacity during unanticipated disaster events. Current in-house capacity to review permits and/or provide county staff overview to consultant's reviews has been encroached upon since the 2017 Wildfire.

A temporary capacity option provides focus on the backlog of applications while providing the highest level of fiscal responsibility, as it does not require funds to be expended on contract management or coordination with consultants. It is important to note that the work performed by planners on use permits is at cost, meaning applicant is responsible for 100% processing and review costs.

In addition, the Governor's May Revise includes one-time funding of \$100 million to aid local governments in processing application workloads and expediting resolution of provisional permits. Using the number of provisional state licenses associated with our County, the Department of Finance identified \$1,158,023 for Sonoma County. Funding is contingent on the official adoption of the state budget. Staff anticipates a grant application accompanied by a work plan will be required to receive state funds. Department of Cannabis Control overview of the proposed program is enclosed for reference.

Staff will refine resource needs assessment for Cannabis Program Update and increased permitting capacity, and return to the Board with additional recommendations.

Prior Board Actions:

May 18, 2021 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;

FISCAL SUMMARY

Expenditures	FY 20-21 Adopted	FY21-22 Projected	FY 22-23 Projected
Budgeted Expenses			
Additional Appropriation Requested	\$370,000		
Total Expenditures	\$370,000		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance - Cannabis Program	\$370,000		
Contingencies			
Total Sources	\$370,000		

Narrative Explanation of Fiscal Impacts:

Budget and position adjustments will be included in the next Consolidated Budget Adjustments CAO submitted report. Initial funding request financing source from the Cannabis Program fund derived from collected Measure A Cannabis Business tax passed on March 7, 2017. Current estimated available balance is \$1.3 million for fiscal year ending on 6/30/22.

Narrative Explanation of Staffing Impacts (If Required):

Staff allocation adjustments will be included in the next Consolidated Budget Adjustments CAO submitted report.

Attachments:

Att 1: Department of Cannabis Control FY 21/22 Proposal Overview

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

None

