

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
WEDNESDAY, MARCH 03, 2021**

MINUTE ORDER NO. 11

SUBJECT: UPDATE: MEASURES TO PROVIDE ECONOMIC ACCESS AND EQUITY IN THE CANNABIS INDUSTRY (DISTRICTS: ALL)

OVERVIEW

On January 27, 2021 (4), the County of San Diego (County) Board of Supervisors (Board) directed the Chief Administrative Officer (CAO) to develop a Zoning Ordinance amendment that allows for a variety of cannabis uses. The Board also directed staff to develop a Social Equity Program that will include numerous elements to prioritize equity, access, and business opportunities to help rectify the injustices caused by the War on Drugs and be in place prior to issuance of the first permit.

Additionally, the Board directed staff to conduct robust stakeholder outreach in developing the cannabis program, including engagement with Community Planning and Sponsor Groups (CPG/CSG), social and racial justice advocates, farmers, and potential cannabis permit holders. The outreach is to guide development of the program's components, including social equity, onsite consumption, and permitting. The Board requested that all program components be developed concurrently to create a comprehensive Socially Equitable Cannabis Permitting Program (Program), with an initial report back in 90 days and return with final ordinances and policies within 180 days.

The purpose of this update is to provide information to the Board based on staff research, analysis of other jurisdictions' program development, and stakeholder input to date, and for the Board to provide direction on how the Program is built. Based on preliminary stakeholder discussions, there is a strong desire for the County to extend the project timeline beyond 180 days to provide sufficient time for outreach and ordinance development. Stakeholders noted the value of a longer and more comprehensive approach. This would afford staff additional time to develop an improved Social Equity Program, which stakeholders suggest requires more than 180 days to conduct properly.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

Department of Planning & Development Services recommends that the Board of Supervisors:

1. Find in accordance with Section 15061(b)(3) that today's actions are exempt from CEQA pursuant to the common sense exemption since it can be seen with certainty that there is no possibility that today's actions may have a significant effect on the environment.
2. Direct the Office of Equity and Racial Justice to lead the development of the framework and strategy, including grant funding options, needed to launch a comprehensive Social Equity Program and coordinate this with the land use permitting system being developed by the Department of Planning & Development Services.
3. Direct staff to return to the Board in 180 days with an update on stakeholder input, ordinance development, and Social Equity Program options for Board direction.
4. Direct staff to prepare a Programmatic Environmental Impact Report (PEIR), which will allow for additional stakeholder engagement and potentially reduce the cost and time associated with permitting for future applicants, making the permitting process more equitable.

5. Establish appropriations of \$675,000 in the Department of Planning & Development Services for the preparation of the PEIR based on prior year available General Fund fund balance. (4 VOTES)

FISCAL IMPACT

Funds for this request are partially included in the Fiscal Year 2020-21 Operational Plan in the Department of Planning & Development Services (PDS) for \$485,000 for consultant services and in the San Diego County Sheriff's Office and/or Code Compliance for \$500,000 for immediate and aggressive enforcement of unlicensed, illegal dispensaries, labs, or any related operating facilities and were appropriated by the Board on January 27, 2021 (4). If approved, this request will result in additional costs of \$675,000 in Fiscal Year 2020-21 to complete the Programmatic Environmental Impact Report for a total project cost of \$1,160,000 and will take up to two years to complete. The funding source is prior year available General Fund fund balance. There will be no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Fletcher, seconded by Supervisor Vargas, the Board of Supervisors took the following actions:

1. Found in accordance with Section 15061(b)(3) that today's actions are exempt from CEQA pursuant to the common sense exemption since it can be seen with certainty that there is no possibility that today's actions may have a significant effect on the environment.
2. Directed the Office of Equity and Racial Justice to lead the development of the framework and strategy, including grant funding options, needed to launch a comprehensive Social Equity Program and coordinate this with the land use permitting system being developed by the Department of Planning & Development Services.
3. Directed staff to return to the Board in 90 days with a progress report, and return to the Board in 180 days with an update on stakeholder input, ordinance development, and Social Equity Program options for Board direction.
4. Directed staff to prepare an analysis of a Programmatic Environmental Impact Report (PEIR), a mitigated negative declaration, and a negative declaration that includes pros and cons of each approach, along with timelines, which will allow for additional stakeholder engagement and potentially reduce the cost and time associated with permitting for future applicants, making the permitting process more equitable, with the objective of narrowly defining the CEQA needs, and expediting the permitting process including exploring ministerial permits, conditional use permits, or neighborhood use permits.
5. Established appropriations of \$675,000 in the Department of Planning & Development Services for the preparation of the PEIR based on prior year available General Fund fund balance.
6. Directed the Chief Administrative Officer to work with stakeholders to modify the regulatory code to better facilitate sustainable operations by the existing permit holders and return to the Board in 90 days with options for Board direction.

AYES: Vargas, Anderson, Lawson-Remer, Fletcher

NOES: Desmond

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter

