

CALIFORNIA COASTAL COMMISSION

SOUTH CENTRAL COAST DISTRICT OFFICE
89 SOUTH CALIFORNIA STREET, SUITE 200
VENTURA, CA 93001-2801
VOICE (805) 585-1800
FAX (805) 641-1732



Memorandum on Santa Barbara County's Existing Cannabis Regulations

Date: December 1, 2023

To: Commissioners and Interested Persons

From: South Central Coast District Staff

Re: Santa Barbara County's Existing Cannabis Regulations

At the August 2023 Commission hearing, an appellant of a new cannabis processing structure on an existing cannabis farm in the Carpinteria Valley asserted that the County's development standards for cannabis are more restrictive in inland areas than in the Coastal Zone. Other members of the public have also provided comments to the Commission about differences in cannabis regulations applying in inland areas versus the Coastal Zone. The Commission requested a staff analysis detailing the land use regulations that currently apply to cannabis operations in Santa Barbara County. Thus, staff has prepared the subject memorandum regarding land use regulations for cannabis development in the unincorporated areas of Santa Barbara County.

This memo provides the following information: 1) background information regarding the cannabis regulations in the County's certified Local Coastal Program (LCP) and agricultural landscape of the County, particularly the Carpinteria Valley, and 2) a comparison of the cannabis regulations and agricultural protection policies that apply in the Coastal Zone versus the inland areas of the County.

Background

The County has several planning documents that contain goals, policies, and development standards to guide and regulate development throughout the County. These documents include the Comprehensive Plan, which applies to both the Coastal Zone and inland areas of the County, the certified Coastal Land Use Plan which applies to the Coastal Zone, and community plans that apply to specific areas of the County. In the Coastal Zone there are six community plans: Gaviota Coast Plan, Goleta Community Plan, Eastern Goleta Valley Community Plan, Montecito Community Plan, Summerland Community Plan, and Toro Canyon Plan. The County also has a Coastal Zoning Ordinance (the Implementation Program component of the certified LCP) that contains development standards that apply in the Coastal Zone and a Land Use and Development Code that contains development standards that apply in the inland areas of the County.

In the County's Comprehensive Plan, which includes the County's certified Coastal Land Use Plan, two agricultural land use designations are used: Agriculture-I (AG-I) and

Agriculture-II (AG-II). The majority of agricultural land in the County is designated AG-II. AG-I designated parcels are mainly concentrated in the Carpinteria Valley in the Coastal Zone and in the inland areas of the Santa Ynez Valley and Tepusquet Canyon (Exhibit 1). As stated in the certified LCP, the purpose of the AG-I designation is to designate and protect lands appropriate for long-term agricultural use within or adjacent to urbanized areas, and to preserve prime agricultural soils, while the purpose of the AG-II designation is to establish agricultural land use for large prime and non-prime agricultural lands in the rural areas of the County (minimum 40 to 320 acre lots) and to preserve prime and non-prime soils for long-term agricultural use.

All of the agricultural parcels in the Carpinteria Valley (where several cannabis projects that have been appealed to the Commission are located) are designated AG-I. While the AG-I land use designation permits a range of parcel sizes, the majority of AG-I parcels in the Carpinteria Valley are 20 acres in size or less. Additionally, most of the five and ten acre minimum sized parcels (zones AG-I-5 and AG-I-10) are located where the topography is generally level, while the majority of parcels that are a minimum of twenty acres or larger (zones AG-I-20 and AG-I-40) are located where the topography is moderately to steeply sloped. Because the majority of the smaller sized parcels are located in the flatter areas of the Valley and steep slopes are not suitable for greenhouse development, the majority of greenhouse development in the Carpinteria Valley occurs on parcels that are less than 20 acres in size.

The Carpinteria Valley has the greatest concentration of greenhouses in the County (Exhibit 2); a development pattern that dates back to 1962 when greenhouses were initially constructed to primarily grow cut flowers, orchids, and potted plants. Over several decades, greenhouse development grew from approximately 100,000 sq. ft. in 1962 to almost 15 million sq. ft. in 1999. In response to this proliferation of greenhouse development, which can have adverse impacts on coastal resources including on prime soils and scenic views, the County implemented (and the Commission certified) the Carpinteria Agricultural Overlay District in 2004¹ to ensure well-designed greenhouse development and limit the loss of open field agriculture in order to protect the area's prime soils, water quality, visual resources, and rural character.

In 2017, prior to implementation of the County's current cannabis regulations, the County initiated a cannabis registry to collect data from existing operators throughout the County that were seeking to obtain commercial cannabis licenses. The data, which was included in the County's Environmental Impact Report (EIR)² for the current cannabis regulations, demonstrated that all of the known cultivators in the Coastal Zone were located in the South Coast Region and the highest concentration of cannabis cultivators occurred in the Carpinteria area (Exhibit 3). The 2017 data also found that mixed-light cultivation accounted for fifty-seven percent of all cultivation in the County. Mixed-light cultivation is defined in the LCP's cannabis regulations as "the cultivation of cannabis in a greenhouse, glasshouse, conservatory, hothouse, or other similar structure using light deprivation and/or one of the artificial lighting models, excluding hoop structures." The concentration of cannabis operations in the Carpinteria area is a logical result of the existing greenhouse development pattern and growers' preference for the mixed-light cultivation method.

¹ LCPA No. MAJ-2-02 <https://documents.coastal.ca.gov/reports/2004/5/Th23a-5-2004.pdf>

² The EIR for the Cannabis Land Use Ordinance and Licensing Program is located here: <https://www.countyofsb.org/1358/Zoning-Permitting>

In November 2018, the Coastal Commission certified Local Coastal Program Amendment No. LCP-4-STB-18-0039-1-Part C³, which amended the Coastal Zoning Ordinance to allow for and regulate commercial cannabis-related activities in the unincorporated areas of the County's Coastal Zone. The County's certified cannabis regulations differentiate between the broad subtypes of cannabis activities (i.e., cultivation, distribution, manufacturing, testing, and retail), and limit these activities to appropriately zoned areas. Specifically with regard to cultivation, the LCP regulations allow for indoor cultivation and nurseries in the Industrial Research Park (M-RP) zone district and outdoor, indoor, and mixed-light cannabis cultivation and nurseries in the AG-I and AG-II zone districts. Microbusinesses, which allow operators to engage in three of four cannabis activities (cultivation, distribution, non-volatile manufacturing, and retail) may be permitted in the AG-II zone district. Microbusinesses may also be permitted in the two commercial zone districts in the Coastal Zone (Limited Commercial (C1) and Retail Commercial (C2)); however, based on the LCP's definition of a microbusiness, it appears that cultivation would not be an allowed component of a microbusiness in the commercial zones.

Additionally, the LCP prohibits outdoor cultivation within 1,500 feet of a residential zone and/or grade school, daycare, or youth center or within two miles of a designated urban-rural boundary. The LCP also prohibits nurseries within 600 feet of a grade school, daycare, or youth center, and prohibits all other cannabis activities, including mixed-light and indoor cultivation, within 750 feet of a grade school, daycare, or youth center. Further, the LCP requires odor abatement plans, security fencing plans, lighting plans, landscape and screening plans, and traffic demand management plans, among other requirements, for all commercial cannabis cultivation operations.

Comparison of Cannabis Regulations and Agricultural Protection Policies that Apply in the County's Coastal Zone and Inland Areas^{4,5}

Staff has evaluated the certified County LCP, the County Comprehensive Plan, and the County Land Use and Development Code to compare the cannabis regulations and agricultural protection policies that apply in the Coastal Zone versus the inland areas of the County. The following list details the major similarities and differences:

- All commercial cannabis cultivation types (outdoor, mixed-light, indoor, and nursery) may be permitted within the AG-I and AG-II zone districts in both the Coastal Zone and inland areas, subject to discretionary permits (Coastal Development Permit (and Conditional Use Permit, in some cases) in Coastal Zone, and Conditional Use Permit in inland areas)).
- Outdoor cultivation is prohibited within two miles of a designated urban-rural boundary in the Coastal Zone. There is no standard that prohibits cultivation within a certain distance of a designated urban-rural boundary in the inland areas of the County.
- Outdoor cultivation is prohibited on AG-I lots that are less than or equal to 20 acres in the Coastal Zone, but mixed-light, indoor, and nursery cultivation may be

³ LCPA No. LCP-4-STB-18-0039-1-Part C: <https://documents.coastal.ca.gov/reports/2018/10/W17c/W17-10-2018-report.pdf>

⁴ See Section 35-144U of the County's Coastal Zoning Ordinance for the full text of cannabis regulations that apply in the Coastal Zone and Section 35.42.075 of the County's Land Use & Development Code for the full text of cannabis regulations that apply in inland areas of the County.

⁵ See Exhibit 4 for additional comparison detail regarding cannabis regulations in Coastal Zone and Inland Areas.

permitted on AG-I lots that are less than or equal to 20 acres in the Coastal Zone. In the inland areas of the County, all commercial cannabis activities are prohibited on AG-I lots that are less than or equal to 20 acres.

- Commercial cannabis activities may be permitted within designated Existing Developed Rural Neighborhoods (EDRNs) in the Coastal Zone, but are prohibited within EDRNs in the inland areas.
- Greenhouse development may be permitted within the AG-I and AG-II zone districts in both the Coastal Zone and inland areas.
- All agriculturally-zoned parcels within the Carpinteria Valley Coastal Zone (Carpinteria Agricultural Overlay District) are subject to 26 development standards that limit greenhouse development to protect the prime soils and open field agricultural uses, water quality, visual resources, and the rural character of the Carpinteria Valley. The development standards for greenhouses in inland areas do not include protection of prime soils, water quality, or visual resources, but mainly pertain to square footage, signage, and landscaping requirements⁶.
- Odor Abatement Plans are required for all cannabis cultivation projects on AG-I zoned lots in the Coastal Zone and inland areas. The Odor Abatement Plan must prevent odors from being experienced within residential zones, as determined by the Director. Both the LCP and the Land Use and Development Code (LUDC) state that Odor Abatement Plans are not required on AG-II lots unless the cannabis development requires a Conditional Use Permit; however, cultivation is only permitted with a CUP in the inland areas. Therefore, it appears that another difference between the inland areas and the Coastal Zone is that Odor Abatement Plans are required for all cultivation operations on AG-II lots in the inland areas, but not for all cultivation operations in the Coastal Zone.

One main difference between cannabis regulations in the Coastal Zone and inland areas (which staff believes is the difference identified by the public) is the prohibition of cannabis operations on AG-I zoned lots that are 20 acres or smaller in the inland areas of the County, while within the Coastal Zone, the LCP prohibits outdoor cultivation but allows for mixed-light and indoor cultivation on lots that are 20 acres or smaller. This use was allowed in recognition of the historic development of significant greenhouse square footage within AG-I zoned lands in the Coastal Zone, specifically in the Carpinteria Valley. The prohibition of commercial cannabis operations on lots that are 20 acres or smaller in the Coastal Zone would have effectively prohibited commercial cannabis operations within existing or new greenhouses in the Carpinteria Valley.

Another major difference between the cannabis regulations in the LUDC and those in the LCP is that the LUDC explicitly prohibits commercial cannabis activities on lots within designated Existing Developed Rural Neighborhoods (EDRNs) in the inland areas, while the LCP does not explicitly prohibit commercial cannabis activities on lots within EDRNs. However, the majority of EDRNs in the Coastal Zone contain residentially zoned lots, whereas the majority of EDRNs in the inland areas contain agriculturally zoned lots. This is an important distinction, because the LCP does not allow commercial cannabis activities on residentially zoned lots. The three EDRNs in the Coastal Zone where commercial cannabis activities could be permitted are the Rincon Creek EDRN and the Carpinteria Foothill EDRN, both of which contain AG-I parcels, and the Padaro Lane EDRN, which contains the commercially zoned parcels along Santa Claus Lane in addition to the residentially zoned parcels along Padaro Lane. Both the EDRN boundary and the Coastal

⁶ Santa Barbara County Land Use & Development Code Section 35.42.140.

Zone boundary bisect parcels within the Rincon Creek EDRN, which leave relatively small areas where commercial cannabis operations could be allowed on those parcels. Likewise, only a portion of a handful of parcels within the Carpinteria Foothill EDRN are in the Coastal Zone. The only commercial cannabis activities allowed on the commercially zoned parcels in the Padaro Lane EDRN are microbusinesses, testing, and retail. While cultivation is one of the cannabis activities allowed within a microbusiness, cultivation (outdoor, indoor, mixed-light, and nursery) is otherwise not allowed in the commercial zones in the Coastal Zone. Therefore, based on the LCP's definition of a microbusiness it appears that cultivation would not be an allowed component of a microbusiness on commercially zoned lots in the Coastal Zone. Further, County Staff have confirmed that, to date, no applications have been received or permits issued for any cannabis cultivation within these EDRN areas.

Conclusion

While the regulations related to cannabis on AG-I parcels under 20 acres in size and on parcels within EDRNs could allow some cannabis uses within the Coastal Zone where they would not be allowed in inland areas, it is important to note that there are also stronger LCP policies and provisions that would apply at the same time. Within the Coastal Zone, in addition to the specific cannabis-related development standards of the County's LCP, all of the other resource protection policies of the LCP also apply to new development, including, but not limited to, protection of environmentally sensitive habitat areas, agriculture, and public access and recreation. The County's Comprehensive Plan contains policies and development standards that apply county-wide (Coastal Zone and inland areas). In addition to the county-wide standards, the County's certified Coastal Land Use Plan and Implementation Program also apply within the Coastal Zone. As discussed above, this includes the Carpinteria Agricultural Overlay District, which contains several development standards to protect prime soils, water quality, and visual resources, as well as specific area plans, such as the Toro Canyon Plan, which applies to a portion of the Carpinteria Valley and contains policies to protect prime soils, agriculture, environmentally sensitive habitat areas, visual resources, and public access and recreation. The Chapter 3 policies of the Coastal Act are also incorporated into the certified LCP as guiding policies. Thus, overall, staff believes the standards for new development, including cannabis facilities, is more protective of environmental resources in the Coastal Zone.