

# ATTACHMENT A

Cannabis Taxation, Compliance, and Enforcement

Third Quarter

Fiscal Year 2022-2023

CANNABIS TAXES

Table 1 provides a comparison of third quarter tax revenue data received from the Treasurer Tax Collector’s Office for this fiscal year versus the last two fiscal years.

TABLE 1. CANNABIS TAXES – REVENUES

Third Quarter	FY 20-21	FY 21-22	FY 22-23
Taxes Paid (M)	\$5.1	\$0.9	\$2.0

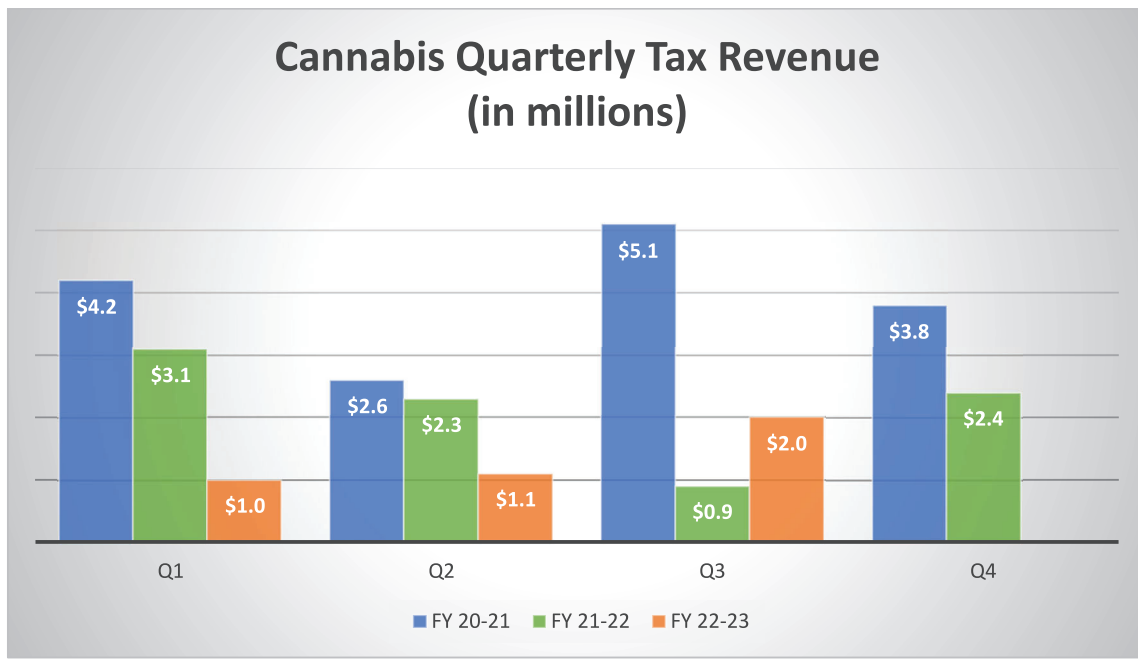


FIGURE 1. TAX REVENUE COMPARISION FY 20-21 TO 22-23 BY QUARTER

TABLE 2. CANNABIS TAXES – REPORTING

Time Frame	Tax Revenue Received	Operators that Did Not Report	Number of Operators Reporting Gross Receipts	Number of Operators Reporting Zero Gross Receipts	Total Number of Operations
FY 22-23 Q3	\$2.0 M	12	33	24	69

**CANNABIS COMPLIANCE: LAND USE ENTITLEMENT PERMITS**

As of May 4, 2023, P&D has approved 170.28 acres of cannabis cultivation within the Carpinteria Agricultural Overlay Area and 1,850.03 acres of cannabis cultivation within the remaining unincorporated area. Of those approved acres, 145.19 acres within the Carpinteria Agricultural Overlay Area and 1,004.98 acres in the remaining unincorporated area have been permitted with an issued land use entitlement. The table below summarizes the amount of acreage that has been applied for, and the amount of acreage that has been approved and permitted as of May 4, 2023 through the land use entitlement process.

**TABLE 3. ACREAGE CAP STATUS BY AREA – LAND USE ENTITLEMENT PROCESS**

	<b>Acreage Cap</b>	<b>Submitted Permit Acreage<sup>1</sup></b>	<b>Approved Permit Acreage<sup>2</sup></b>	<b>Issued Permit Acreage<sup>3</sup></b>
Carpinteria Agricultural Overlay	186	206.38	170.28	145.19
Remaining Unincorporated Area	1,575	2,674.83	1,850.03	1,004.98

1. Submitted permit acreage can fluctuate based on project redesigns or changes to proposed cultivation areas.
2. An applicant may apply for a business license upon approval of their land use entitlement.
3. The “Issued Permit Acreage” is a subset of the “Approved Permit Acreage”. A land use entitlement can only be issued after it has been approved.
4. The approved acreage can fluctuate down from previous quarterly data due to changes to approved projects during the appeal process or when a project is withdrawn after approval.

To date, P&D has received 94 unique appeals of 63 cannabis projects. Of the 94 appeals received, 85 have been withdrawn, closed, or action has been taken by the decision maker. P&D is currently processing nine unique appeals of eight cannabis projects, seven of which are on appeal to the County Planning Commission, and one is on appeal to the Board of Supervisors.

**TABLE 4. STATUS OF CANNABIS APPEALS**

<b>CURRENT APPEAL TOTALS</b>	
Number of Cannabis Projects on Appeal to Planning Commission	7
Number of Cannabis Projects on Appeal to Board of Supervisors	1
<b>Total Number of Cannabis Projects Currently on Appeal</b>	<b>8</b>

TABLE 5. ELIGIBILITY LISTS FOR ACREAGE CAP

Updated: 5/4/2023 CARPINTERIA AGRICULTURAL OVERLAY AREA

Rank	Operator	Date Placed on List	Acreage Requested	Acreage Issued in License	Acreage left in cap
					<b>186</b>
1	G&K Produce LLC	10/01/19	4.68	4.68	181.32
2	K&G Flowers LLC	10/01/19	3.49	3.49	177.83
3	Farmlane, Inc	11/20/19	5.60	5.6	172.23
4	Ednigma, Inc	04/22/21	3.80	3.8	168.43
5	Emmawood B1, LLC	06/14/21	7.95	7.95	160.48
6	CAS Road Investments, LLC	06/24/21	4.73	Pending	155.75
7	Bosim 1628 Management Company, LLC	06/25/21	5.63	Pending	150.12
8	Farmlane, Inc	06/28/21	8.90	8.9	141.22
9	Twisted Roots, Inc	06/29/21	0.43	Pending	140.79
10	CP1 Supply Systems, Inc	07/15/21	4.76	4.76	136.03
11	Autumn Brands, LLC	08/06/21	6.19	6.19	129.84
12	Pacific Grown Organics LLC	09/13/21	4.89	4.89	124.95
13	Ocean Hill Farms, LLC	11/09/21	3.37	3.37	121.58
14	Vista Verde Farms, LLC	11/09/21	13.29	Pending	108.29
15	Carp Red Barn Inc	11/10/21	0.45	Pending	107.84
16	Primetime Farms, LLC	11/10/21	7.58	7.58	100.26
17	Ceres Farm, LLC	11/12/21	10.42	Pending	89.84
18	New Horizon Farming, Inc.	12/23/21	4.59	4.59	85.25
19	JJ Agriculture, Inc	12/23/21	0.92	0.92	84.33
20	Glass House Cultivation LLC	01/25/22	0.57	Pending	83.76
21	CKC Farms	01/25/22	1.08	1.08	82.68
22	Life Remedy Farms	01/26/22	3.19	3.19	79.49
23	Orbiter Blooms, Inc	01/26/22	2.13	2.13	77.36
24	Saga Farms, Inc	01/27/22	2.25	2.25	75.11
25	Valley Crest Farms, LLC	02/09/22	8.98	Pending	66.13
26	Melodious Plots	02/11/22	3.35	3.35	62.78
27	Ednigma, Inc	02/11/22	7.39	7.39	55.39
28	New Generation Farms Inc	02/18/22	0.84	0.84	54.55
29	Blue Whale Agriculture Inc	02/18/22	1.66	1.66	52.89
30	Twisted Roots, Inc	3/10/2022	2.25	Pending	50.64
31	Flora Coast, Inc	3/10/2022	1.9	Pending	48.74
32	Mission Health Associates, Inc	04/25/22	3.36	3.36	45.38
33	VR1 Farms	05/25/22	14	Pending	31.38

Updated: 5/4/2023 REMAINING UNINCORPORATED AREA

Rank	Operator	Date Placed on List	Acreage Requested	Acreage Issued in License	Acreage left in cap
					<b>1,575</b>
1	Healy & Associates, LLC	09/27/19	39.60	39.60	1,535.40
2	Sierra Botanicals, LLC	10/03/19	3.50	3.50	1,531.90
3	Chips 18, Inc	10/07/19	60.29	60.29	1,471.61
4	TSBC Ranch, LLC	06/16/20	14.64	14.64	1,456.97
5	Fields, LLC	06/17/20	49.00	49.00	1,407.97
6	Castlerock Family Farms II, LLC	08/28/20	22.95	22.95	1,385.02
7	Santa Barbara Westcoast Farms, LLC	05/13/21	50.12	50.12	1,334.90
8	San Antonio Ranch 101, LLC	05/13/21	4.65	4.65	1,330.25
9	Central Coast Ag Farming, LLC	05/18/21	24.45	24.45	1,305.80
10	Central Coast Ag Farming, LLC	05/18/21	29.78	29.78	1,276.02
11	Cuyama Farms, LLC	06/15/21	34.70	Pending	1,241.32
12	Organic Liberty Santa Barbara, LLC	06/16/21	42.00	Pending	1,199.32
13	Greenies Management, LLC	06/29/21	4.93	4.93	1,194.39
14	Heavenly Green, Inc	06/29/21	60.40	Pending	1,133.99
15	Alamos Farm, Inc	07/01/21	8.56	8.56	1,125.43
16	Canyon Produce, LLC	07/06/21	62.47	62.47	1,062.96
17	Canna Rios, LLC	07/06/21	47.74	47.74	1,015.22
18	Clean and Clear, LLC	07/14/21	14.85	14.85	1,000.37
19	Xotics, LLC	07/15/21	4.73	4.73	995.64
20	BDZ, Inc	07/23/21	40.00	40.00	955.64
21	Villa Americana, Inc	07/23/21	6.50	Pending	949.14
22	Gypsy Canyon Farms, Inc.	08/11/21	10.21	10.21	938.93
23	Chips19 LLC	08/17/21	44.00	Pending	894.93
24	Cuyama Foothill Road Farm	08/19/21	91.49	Pending	803.44
25	SBC Farms, LLC	08/19/21	167.28	Pending	636.16
26	SBGL, LLC	09/07/21	3.84	Pending	632.32
27	Tahquitz Farms LLC	09/07/21	15.72	Pending	616.60
28	Heirloom Valley	09/12/21	47.00	47.00	569.60
29	Ag Roots	09/12/21	33.02	33.02	536.58
30	Santa Rita Holdings, Inc.	09/12/21	2.54	2.54	534.04
31	La Laguna Los Alamos, LLC	09/13/21	22.35	Pending	511.69
32	Coyote Hills Ag Enterprise, LLC	09/21/21	11.75	Pending	499.94
33	9500 Cultivators, LLC	09/23/21	93.00	93.00	406.94
34	Winchester LLC	09/28/21	17.23	Pending	389.71
35	Iron Angel	09/29/21	27.25	27.25	362.46
36	ABL Farms	09/29/21	5.20	Pending	357.26
37	The World is Yours, LLC	09/30/21	25.93	Pending	331.33

<b>Rank</b>	<b>Operator</b>	<b>Date Placed on List</b>	<b>Acreage Requested</b>	<b>Acreage Issued in License</b>	<b>Acreage left in cap</b>
38	Castro Canyon	09/30/21	3.62	Pending	327.71
39	ABL Farms 2085 Sweeney (017)	09/30/21	5.11	Pending	322.60
40	ABL Farms 2065 Sweeney (014)	09/30/21	3.52	Pending	319.08
41	Clear Source, LLC	10/1/21	14.41	Pending	304.67
42	Morrison Farms, LLC	10/1/21	0.66	0.66	304.01
43	Santa Barbara Cultivation, Inc	10/8/21	1.26	Pending	302.75
44	Hidden Oaks Enterprises, LLC	11/10/21	0.05	0.05	302.70
45	Tranquility AGI, LLC	1/20/22	8.84	Pending	293.86
46	9451 Cultivators, LLC	2/8/22	41.30	Pending	252.56
47	Anderson Development SB, LLC	6/16/22	186.70	Pending	65.86
48	Farmily 805	12/15/22	7.92	Pending	57.94

\* Remaining acreage offered to Wait List operation pending completion of business license application

CANNABIS COMPLIANCE: COUNTY BUSINESS LICENSING

TABLE 6. CANNABIS BUSINESS LICENSES ISSUED AND PENDING

	<b>Business Licenses Issued thru <u>FY22-23 Q2</u></b>	<b>Business Licenses Issued thru <u>FY22-23 Q3</u></b>	<b>Business Licenses Pending thru <u>FY22-23 Q3</u></b>	<b>Total Applications Rec'd thru <u>FY22-23 Q3</u></b>
<b>Cultivator</b>	42	56	34	122
<b>Nursery</b>	28	36	18	68
<b>Manufacturer</b>	1	1	0	1
<b>Retail Non-Storefront</b>	3	3	0	4
<b>Retail Storefront</b>	1	2	1	3
<b>Distributor</b>	1	1	4	14
<b>Totals</b>	<b>76</b>	<b>99</b>	<b>57</b>	<b>210*</b>

\*Total of applications received through FY 22-23 Q3 includes applications that have since been withdrawn, revised, or reissued

CANNABIS ENFORCEMENT

TABLE 7. CANNABIS ENFORCEMENT ACTIVITIES

	FY 22-23			FY 21-22			FY 20-21		
	Q1	Q2	Q3	Q1	Q2	Q3	Q1	Q2	Q3
<b># of Enforcement Actions</b>	4	5	6	8	7	4	5	6	4
<b># Live Plants Confiscated</b>	300	1,969	0	3,253	9,886	78	7,220	64	594
<b>Live Plant Value \$\$</b>	\$148.5K	\$974 K	0	\$1.6M	\$4.9M	\$38.6K	\$3.6M	\$32K	\$297K
<b>Dried Product Confiscated (lbs.)</b>	62	586	2,657	1,205	2,313	41	250	180	123
<b>Dried Product Value \$\$</b>	\$77.5K	\$664.5K	\$3.4M	\$1.8M	\$2.3M	\$40.7K	\$250K	\$315K	\$291K