

ATTACHMENT A

Cannabis Taxation, Compliance, and Enforcement

SECOND QUARTER

FISCAL YEAR 2024-2025

CANNABIS TAXES

Table 1 provides a comparison of second quarter tax revenue data received from the Treasurer Tax-Collector's Office for this fiscal year versus the last three fiscal years. Q1 numbers reported on 1.14.25 have been adjusted to reflect timely payments processed post-reporting period.

TABLE 1. CANNABIS TAXES – REVENUES

Second Quarter	FY 21-22	FY 22-23	FY 23-24	FY 24-25
Taxes Paid (M)	\$2.2M	\$1.5M	\$1.7M	\$1.7M

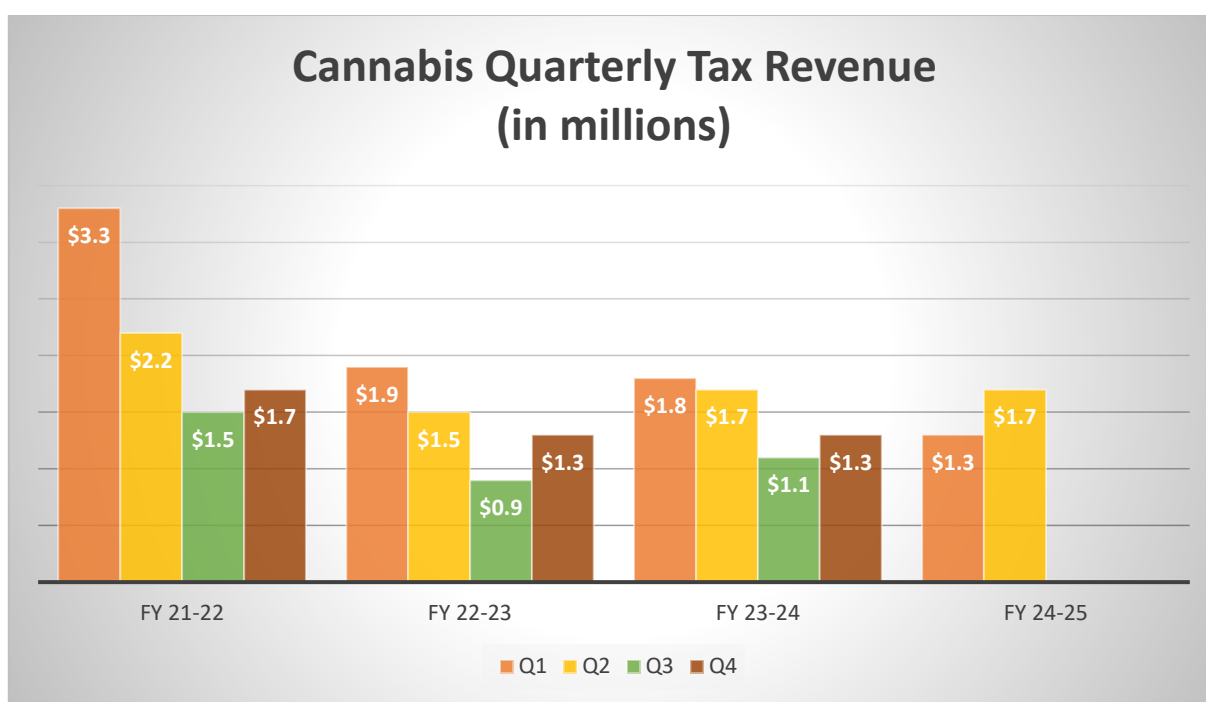


FIGURE 1. TAX REVENUE COMPARISON FY 21-22 TO 24-25 BY QUARTER

TABLE 2. CANNABIS TAXES – OPERATORS REQUIRED TO REPORT

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
FY24-25 Q2	\$1.6M	2	42	8	52

The operators that did not report are not currently in operation; they do not hold active State licenses, one operator surrendered their business license, and the other license was denied.

CANNABIS COMPLIANCE: LAND USE ENTITLEMENT PERMITS

As of January 17, 2025, P&D has approved 170.45 acres of cannabis cultivation within the Carpinteria Agricultural Overlay Area and 1,760.81 acres of cannabis cultivation within the remaining unincorporated area. Of those approved acres, 148.75 acres within the Carpinteria Agricultural Overlay Area and 1,019.17 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 January 17, 2025, through the land use entitlement process.

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

	Acreage Cap	Submitted Permit Acreage¹	Approved Permit Acreage^{2,4}	Issued Permit Acreage³
Carpinteria Agricultural Overlay	186	208.70	170.45	148.75
Remaining Unincorporated Area	1,575	2,462.73	1,760.81	1,019.17

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 99 unique appeals of 64 cannabis projects. Of the 99 appeals received, 95 have been withdrawn, closed, or action has been taken by the decision maker. There are currently two active appeals to the County Planning Commission, including the Appeal of the Sugarhill Cannabis Cultivation Conditional Use Permit and the Appeal of the G&K Processing Building Design Review. The Island View Cannabis Cultivation Coastal Development Permit is currently on appeal to the County Board of Supervisors.

TABLE 4. STATUS OF CANNABIS APPEALS

CURRENT APPEAL TOTALS	
Number of Cannabis Projects on Appeal to Planning Commission	2
Number of Cannabis Projects on Appeal to Board of Supervisors	1
Total Number of Cannabis Projects Currently on Appeal	3

CANNABIS COMPLIANCE: COUNTY BUSINESS LICENSING

TABLE 5. CANNABIS BUSINESS LICENSES ISSUED

	Unincorporated	Carpinteria	Total
Cultivator	22	21	43
Nursery	14	14	28
Manufacturer	0	1	1
Retail Non-Storefront	0	0	0
Retail Storefront	3	0	3
Distributor	0	3	3
Total	39	39	78

TABLE 6. INITIAL APPLICATIONS PENDING BY LICENSE TYPE

	Unincorporated	Carpinteria	Total
Cultivator	17	7	24
Nursery	7	5	12
Manufacturer	0	0	0
Retail Non-Storefront	0	0	0
Retail Storefront	3	0	3
Distributor	0	1	1
Total	27	13	40

TABLE 7. CANNABIS BUSINESS LICENSE & APPLICATION WITHDRAWALS BY LICENSE TYPE

	Unincorporated (Applications)	Unincorporated (Licenses)	Carpinteria (Applications)	Carpinteria (Licenses)
Cultivator	5	-	2	2
Nursery	2	-	2	1
Manufacturer	-	-	-	-
Retail Non- Storefront	-	-	-	-
Retail Storefront	-	-	-	-
Distributor	1	-	-	-
Total	8	-	4	3

3 initial applicants withdrew their business license applications, and 4 initial applicants' projects were deemed abandoned; representing 12 initial licenses. 2 licensed operators surrendered their cannabis business licenses; representing 3 licenses.

CANNABIS ENFORCEMENT

TABLE 8. CANNABIS ENFORCEMENT ACTIVITIES

	FY 22-23				FY 23-24				FY 24-25	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
# of Enforcement Actions	4	5	6	4	5	4	5	5	5	6
# Live Plants Confiscated	300	1,969	0	554	N/A	1,259	423	N/A	94	300,514
Live Plant Value \$\$	\$148.5K	\$974K	0	\$274K	N/A	\$624K	\$140K	N/A	\$57K	\$72.1M
Dried Product Confiscated (lbs.)	62	586	2,657	20	303	259	271	303	48	65
Dried Product Value \$\$	\$77.5K	\$664.5K	\$3.4M	\$35K	\$304.5K	\$261K	\$180K	\$304.5K	\$29K	\$39K
Processed Products - Vapes/Edibles/Prerolls (units)	-	-	-	-	-	-	-	-	-	4,706
Processed Products Value	-	-	-	-	-	-	-	-	-	\$70K