

# **ATTACHMENT B**

**Cannabis Taxation, Compliance, and Enforcement**

**FOURTH QUARTER**

**FISCAL YEAR 2022-2023**

## CANNABIS TAXES

Table 1 provides a comparison of fourth 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

Fourth Quarter	FY 20-21	FY 21-22	FY 22-23
Taxes Paid (M)	\$3.8M	\$2.4M	\$2.0M

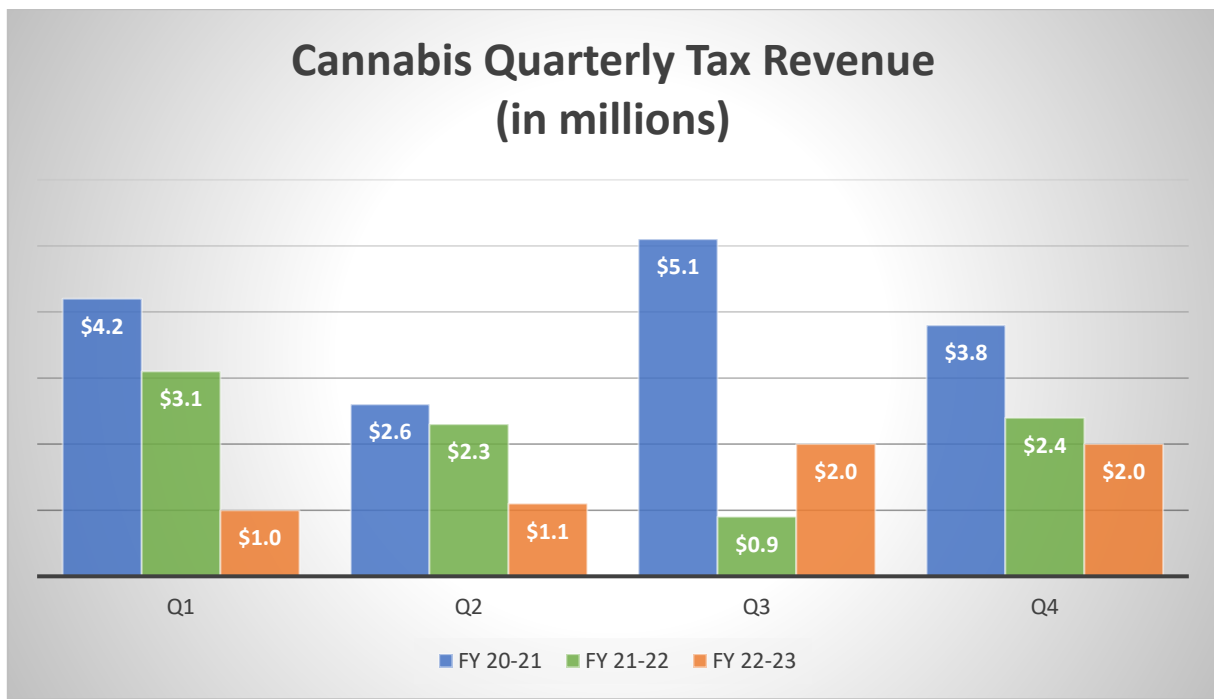


FIGURE 1. TAX REVENUE COMPARISON FY 20-21 TO 22-23 BY QUARTER

TABLE 2. CANNABIS TAXES – REPORTING

The table below summarizes information provided by the Office of the Treasurer-Tax Collector reporting on operators

Time Period FY 2022-23	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
Q4 (Apr – June)	\$2.0M	3	37	23	63

## 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	2,650.45	1,839.14	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 95 unique appeals of 63 cannabis projects. Of the 95 appeals received, 86 have been withdrawn, closed, or action has been taken by the decision maker. P&D is currently processing eight unique appeals of eight cannabis projects, six of which are on appeal to the County Planning Commission, and two or which are 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	6
Number of Cannabis Projects on Appeal to Board of Supervisors	2
<b>Total Number of Cannabis Projects Currently on Appeal</b>	<b>8</b>

TABLE 5. ELIGIBILITY LISTS FOR ACREAGE CAP

**Updated: 8/4/2023 CARPINTERIA AGRICULTURAL OVERLAY AREA**

<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>
					<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	10.42	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	8.98	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: 8/4/2023 REMAINING UNINCORPORATED AREA**

<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>
					<b>1,575</b>
1	Healy & Associates, LLC	09/27/19	39.57	39.57	1,535.43
2	Sierra Botanicals, LLC	10/03/19	3.50	3.50	1,531.93
3	Chips 18, Inc	10/07/19	60.29	60.29	1,471.64
4	TSBC Ranch, LLC	06/16/20	14.64	14.64	1,457.00
5	Fields, LLC	06/17/20	49.00	49.00	1,408.00
6	Castlerock Family Farms II, LLC	08/28/20	22.95	22.95	1,385.05
7	Santa Barbara Westcoast Farms, LLC	05/13/21	50.12	50.12	1,334.93
8	San Antonio Ranch 101, LLC	05/13/21	4.65	4.65	1,330.28
9	Central Coast Ag Farming, LLC	05/18/21	24.45	24.45	1,305.83
10	Central Coast Ag Farming, LLC	05/18/21	29.78	29.78	1,276.05
11	Cuyama Farms, LLC	06/15/21	34.70	Pending	1,241.35
12	Organic Liberty Santa Barbara, LLC	06/16/21	42.00	Pending	1,199.35
13	Greenies Management, LLC	06/29/21	4.93	4.93	1,194.42
14	Heavenly Green, Inc	06/29/21	60.40	Pending	1,134.02
15	Alamos Farm, Inc	07/01/21	8.56	8.56	1,125.46
16	Canyon Produce, LLC	07/06/21	62.47	62.47	1,062.99
17	Canna Rios, LLC	07/06/21	47.74	47.74	1,015.25
18	Clean and Clear, LLC	07/14/21	14.85	14.85	1,000.40
19	Xotics, LLC	07/15/21	4.45	4.73	995.95
20	BDZ, Inc	07/23/21	40.00	40.00	955.95
21	Villa Americana, Inc	07/23/21	6.50	Pending	949.45
22	Gypsy Canyon Farms, Inc.	08/11/21	10.21	10.21	939.24
23	Chips19 LLC	08/17/21	44.00	Pending	895.24
24	Cuyama Foothill Road Farm	08/19/21	91.49	Pending	803.75
25	SBGL, LLC	09/07/21	3.84	Pending	799.91
26	Tahquitz Farms LLC	09/07/21	15.72	Pending	784.19
27	Heirloom Valley	09/12/21	47.00	47.00	737.19
28	Ag Roots	09/12/21	33.02	33.02	704.17
29	Santa Rita Holdings, INC.	09/12/21	2.54	2.54	701.63
30	La Laguna Los Alamos, LLC	09/13/21	22.35	Pending	679.28
31	Coyote Hills Agricultural Enterprise, LLC	09/21/21	11.75	Pending	667.53
32	9500 Cultivators, LLC	09/23/21	93	93	574.53
33	Winchester LLC	09/28/21	17.23	Pending	557.30
34	Iron Angel	09/29/21	27.25	27.25	530.05
35	ABL Farms	09/29/21	5.2	Pending	524.85
36	The World is Yours, LLC	09/30/21	25.93	Pending	498.92
37	Castro Canyon	09/30/21	3.62	Pending	495.30

<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	ABL Farms 2085 Sweeney (017)	09/30/21	5.11	Pending	490.19
39	ABL Farms 2065 Sweeney (014)	09/30/21	3.52	Pending	486.67
40	Clear Source	10/1/2021	14.41	14.41	472.26
41	Morrison Farms, LLC	10/1/2021	0.66	0.66	471.60
42	Santa Barbara Cultivation, Inc	10/8/2021	1.26	Pending	470.34
43	Hidden Oaks Enterprises, LLC	11/10/2021	0.05	0.05	470.29
44	Tranquility AGI, LLC	1/20/2022	8.84	Pending	461.45
45	9451 Cultivators, LLC	2/8/2022	41.30	Pending	420.15
46	Anderson Development SB, LLC	6/16/2022	186.70	Pending	233.45
47	Farmily 805	12/15/2022	7.92	Pending	225.53
48	Cat Canyon, Inc.	5/22/2023	17.40	Pending	208.13
49	92nd G25 LLC	5/23/2023	4.17	Pending	203.96
50	Stateside Greens	6/20/2023	35.96	Pending	168.00
51	Cuyama Greens	6/28/2023	6.17	Pending	161.83

\* 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 Q3</u></b>	<b>Business Licenses Issued thru <u>FY22-23 Q4</u></b>	<b>Business Licenses Pending thru <u>FY22-23 Q4</u></b>	<b>Total Applications Rec'd thru <u>FY22-23 Q4</u></b>
<b>Cultivator</b>	56	60	40	129
<b>Nursery</b>	36	40	19	70
<b>Manufacturer</b>	1	1	0	1
<b>Retail Non-Storefront</b>	3	3	0	4
<b>Retail Storefront</b>	2	2	2	4
<b>Distributor</b>	1	2	3	10
<b>Totals</b>	<b>99</b>	<b>108</b>	<b>66</b>	<b>220</b>

\*Total of applications received through FY 22-23 Q4 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		
	Q2	Q3	Q4	Q2	Q3	Q4	Q2	Q3	Q4
<b># of Enforcement Actions</b>	5	6	4	7	4	6	6	4	9
<b># Live Plants Confiscated</b>	1,969	0	554	9,886	78	1,701	64	78	6,975
<b>Live Plant Value \$\$</b>	\$974 K	0	\$274K	\$4.9M	\$38.6K	\$842K	\$32K	\$38.6K	\$4.2M
<b>Dried Product Confiscated (lbs.)</b>	586	2,657	20	2,313	41	9	180	41	1,615
<b>Dried Product Value \$\$</b>	\$664.5K	\$3.4M	\$35K	\$2.3M	\$40.7K	\$13.5K	\$315K	\$40.7K	\$1.9M