

ATTACHMENT B

Cannabis Taxation, Compliance, and Enforcement

FOURTH QUARTER

FISCAL YEAR 2021/2022

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 19-20	FY 20-21	FY 21-22
Taxes Paid (M)	\$5.5M	\$3.8M	\$2.4M

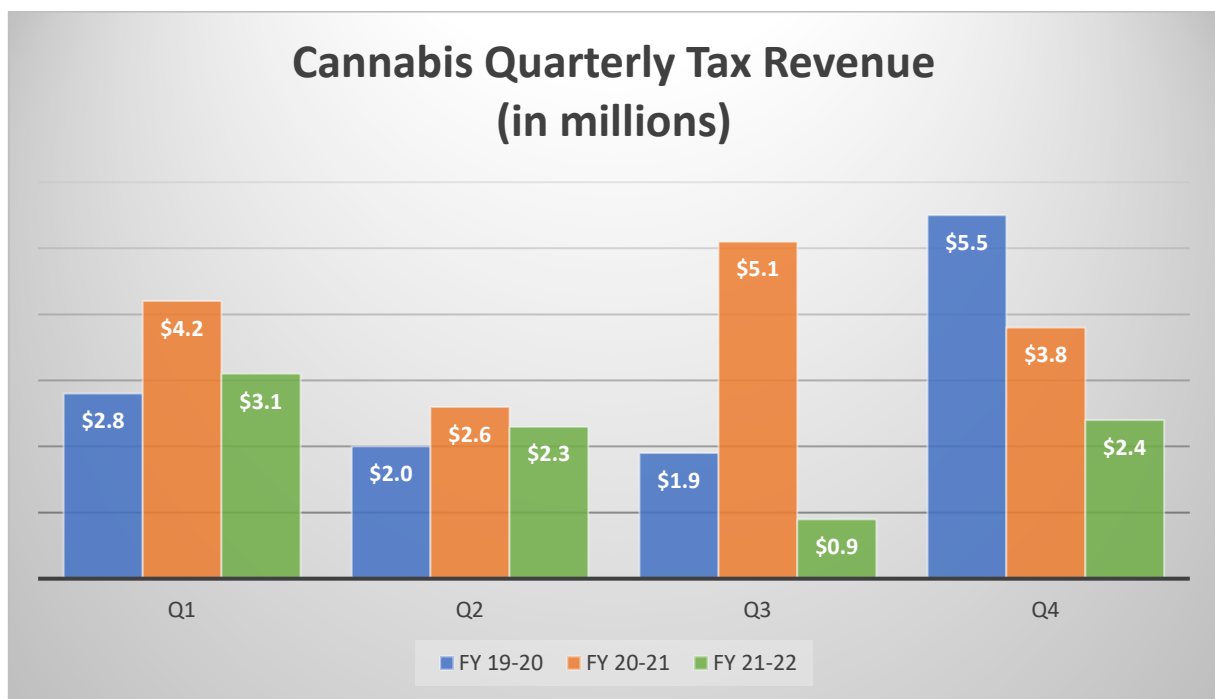


FIGURE 1. TAX REVENUE COMPARISON FY 19-20 TO 21-22 BY QUARTER

TABLE 2. CANNABIS TAXES – REPORTING

Time Frame	Tax Revenue Received	Number of Operators Reporting Gross Receipts	Number of Operators Reporting Zero Gross Receipts	Operators that Did Not Report	Total
FY 21-22 Q4	\$2.4M	38	20	17	75

CANNABIS COMPLIANCE: LAND USE ENTITLEMENT PERMITS

As of July 25, 2022, P&D has approved 165.95 acres of cannabis cultivation within the Carpinteria Agricultural Overlay Area and 1,872.49 acres of cannabis cultivation within the remaining unincorporated area. Of those approved acres, 68.16 acres within the Carpinteria Agricultural Overlay Area and 998.28 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 July 25, 2022 through the land use entitlement process.

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

	Acreage Cap	Submitted Permit Acreage¹	Approved Permit Acreage²	Issued Permit Acreage³
Carpinteria Agricultural Overlay	186	215.91	165.95	68.16
Remaining Unincorporated Area	1,575	2,964.71	1,872.49	998.28

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down from previous quarterly data due to changes to approved projects during the appeal process or when a project is withdrawn after approval.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 82 unique appeals of 56 cannabis projects. Of the 82 appeals received, 62 have been withdrawn, closed, or action has been taken by the decision maker. P&D is currently processing 20 unique appeals of 14 cannabis projects, 12 of which are on appeal to the County Planning Commission, and two are on appeal to the Board of Supervisors.

TABLE 4. STATUS OF CANNABIS APPEALS

CURRENT APPEAL TOTALS	
Number of Cannabis Projects on Appeal to Planning Commission	12
Number of Cannabis Projects on Appeal to Board of Supervisors	2
Total Number of Cannabis Projects Currently on Appeal	14

TABLE 5. ELIGIBILITY LISTS FOR ACREAGE CAP

Updated: 7/28/2022 CARPINTERIA AGRICULTURAL OVERLAY AREA

Rank	Operator	Date Placed on List	Acreage Requested	Acreage Issued in License	Acreage left in cap
					186
1	Olivella, Inc	04/15/20	0.03	0.03	185.97
2	G&K Produce/K&G Produce	10/01/19	8.17	8.17	177.80
3	Farmlane, Inc	11/20/19	5.60	5.60	172.20
4	Ednigma, Inc	04/22/21	3.80	3.80	168.40
5	Emmawood B1, LLC	06/14/21	7.95	7.95	160.45
6	CAS Road Investments, LLC	06/24/21	4.73	Pending	155.72
7	Bosim 1628 Management Co, LLC	06/25/21	5.63	Pending	150.09
8	Farmlane, Inc	06/28/21	8.90	8.90	141.19
9	Twisted Roots, Inc	06/29/21	0.43	Pending	140.76
10	CP1 Supply Systems, Inc	07/15/21	4.76	Pending	136.00
11	Autumn Brands, LLC	08/06/21	6.19	6.19	129.81
12	Pacific Grown Organics LLC	09/13/21	4.89	4.89	124.92
13	Ocean Hill Farms, LLC	11/09/21	3.37	Pending	121.55
14	Vista Verde Farms, LLC	11/09/21	13.29	Pending	108.26
15	Carp Red Barn Inc	11/10/21	0.45	Pending	107.81
16	Primetime Farms, LLC	11/10/21	7.58	Pending	100.23
17	Ceres Farm, LLC	11/12/21	10.42	Pending	89.81
18	Yamaoka	11/23/21	3.2	Pending	86.61
19	New Horizon Farming, Inc.	12/23/21	4.59	Pending	82.02
20	JJ Agriculture, Inc	12/23/21	0.92	Pending	81.1
21	SLO Cultivation, Inc	12/23/21	7.98	Pending	73.12
22	Glass House Cultivation LLC	01/25/22	0.57	Pending	72.55
23	CKC Farms	01/25/22	1.08	Pending	71.47
24	Life Remedy Farms	01/26/22	3.19	Pending	68.28
25	Orbiter Blooms, Inc	01/26/22	2.13	Pending	66.15
26	Saga Farms, Inc	01/27/22	2.25	Pending	63.90
27	Valley Crest Farms	02/9/22	8.98	Pending	54.92
28	Melodious Plots	02/11/22	3.35	Pending	51.57
29	Ednigma, Inc	02/11/22	7.39	Pending	44.18
30	New Generation Farms, Inc	02/18/22	0.84	Pending	43.34
31	Blue Whale Agriculture, Inc	02/18/22	1.66	Pending	41.68
32	Twisted Roots, Inc	03/10/22	2.25	Pending	39.43
33	Flora Coast, Inc	03/10/22	1.90	Pending	37.53
34	Mission Health Associates, Inc	04/25/22	3.36	Pending	34.17
35	VR1 Farms	5/25/2022	14.00	Pending	20.17

Updated: 7/28/2022 REMAINING UNINCORPORATED AREA

Rank	Operator	Date Placed on List	Acreage Requested	Acreage Issued in License	Acreage left in cap
					1,575
1	Healy & Associates, LLC	09/27/19	39.60	39.60	1,535.40
2	Cuyama Ventures, LLC	10/03/19	0.23	0.23	1,535.17
3	Sierra Botanicals, LLC	10/03/19	3.50	3.50	1,531.67
4	Chips 18, Inc	10/07/19	60.00	60.00	1,471.67
5	Busy Bee's Family Farm	10/22/19	22.33	22.33	1,449.34
6	Central Coast Chronic, LLC	12/23/19	11.55	Pending	1,437.79
7	Sunset Point Nursery	04/16/20	7.10	7.10	1,430.69
8	TSBC Ranch, LLC	06/16/20	14.64	14.64	1,416.05
9	Fields, LLC	06/17/20	49.00	49.00	1,367.05
10	Castlerock Family Farms II, LLC	08/28/20	22.95	22.95	1,344.10
11	SB Westcoast Farms, LLC	05/13/21	50.12	50.12	1,293.98
12	San Antonio Ranch 101, LLC	05/13/21	4.65	Pending	1,289.33
13	Santa Barbara's Finest, LLC	05/14/21	8.69	8.69	1,280.64
14	Chips 18, Inc (modification)	05/18/21	0.29	Pending	1,280.35
15	Central Coast Ag Farming, LLC	05/18/21	24.45	Pending	1,255.90
16	Central Coast Ag Farming, LLC	05/18/21	29.78	Pending	1,226.12
17	Cuyama Farms, LLC	06/15/21	34.70	Pending	1,191.42
18	Organic Liberty SB, LLC	06/16/21	42.00	Pending	1,149.42
19	Greenies Management, LLC	06/29/21	4.93	4.93	1,144.49
20	Heavenly Green, Inc	06/29/21	37.00	Pending	1,107.49
21	Alamos Farm, Inc	07/01/21	8.56	8.56	1,098.93
22	Canyon Produce, LLC	07/06/21	62.47	62.47	1,036.46
23	Canna Rios, LLC	07/06/21	47.74	47.74	988.72
24	Clean and Clear, LLC	07/14/21	14.85	14.85	973.87
25	Rancho Riviera, Inc	07/15/21	4.09	Pending	969.78
26	Xotics, LLC	07/15/21	4.73	Pending	965.05
27	BDZ, Inc	07/23/21	40.00	40.00	925.05
28	Villa Americana, Inc	07/23/21	6.50	Pending	918.55
29	Gypsy Canyon Farms, Inc.	08/11/21	10.21	Pending	908.34
30	Chips19 LLC	08/17/21	44.00	Pending	864.34
31	Cuyama Foothill Road Farm	08/19/21	91.49	Pending	772.85
32	SBC Farms, LLC	08/19/21	167.28	Pending	605.57
33	SBGL, LLC	09/07/21	3.84	Pending	601.73
34	Tahquitz Farms LLC	09/07/21	15.72	Pending	586.01
35	Heirloom Valley	09/12/21	47.00	Pending	539.01
36	Ag Roots	09/12/21	33.02	Pending	505.99
37	Santa Rita Holdings, INC.	09/12/21	2.54	Pending	503.45

Rank	Operator	Date Placed on List	Acreage Requested	Acreage Issued in License	Acreage left in cap
38	La Laguna Los Alamos, LLC	09/13/21	22.35	Pending	481.10
39	Coyote Hills Ag Enterprise, LLC	09/21/21	11.75	Pending	469.35
40	9500 Cultivators, LLC	09/23/21	93	93	376.35
41	SFS Farms OpCo1, LLC	09/27/21	86.8	Pending	289.55
42	Winchester LLC	09/28/21	17.23	Pending	272.32
43	Iron Angel	09/29/21	27.25	Pending	245.07
44	ABL Farms	09/29/21	5.2	Pending	239.87
45	The World is Yours, LLC	09/30/21	25.93	Pending	213.94
46	Castro Canyon	09/30/21	3.62	Pending	210.32
47	ABL Farms 2085 Sweeney (017)	09/30/21	5.11	Pending	205.21
48	ABL Farms 2065 Sweeney (014)	09/30/21	3.52	Pending	201.69
49	G and B Family Farms, LLC	09/30/21	6.52	Pending	195.17
50	Clear Source	10/1/2021	14.41	Pending	180.76
51	JJPC Creekside, LLC	10/1/2021	9.19	Pending	171.57
52	Morrison Farms, LLC	10/1/2021	0.66	Pending	170.91
53	Santa Barbara Cultivation, Inc	10/8/2021	1.26	Pending	169.65
54	WTMCA, LLC	10/14/2021	63.16	Pending	106.49
55	Hidden Oaks Enterprises, LLC	11/10/2021	0.05	0.05	106.44
56	Tranquility AGI, LLC	1/20/2022	8.84	Pending	97.60
57	9451 Cultivators, LLC	2/8/2022	30.06	Pending	56.30
58	Foxen Canyon Farms	2/8/2022	2.11	Pending	54.19
59	Anderson Development SB, LLC	6/16/2022	36.41	Pending	17.78
60	Elements 5.0 Corporation	7/19/2022	4	Pending	13.78

CANNABIS COMPLIANCE: COUNTY BUSINESS LICENSING

TABLE 6. CANNABIS BUSINESS LICENSES ISSUED AND PENDING

	Business Licenses Issued thru <u>FY21-22 Q3</u>	Business Licenses Issued thru <u>FY21-22 Q4</u>	Business Licenses Pending thru <u>FY21-22 Q4</u>	Total Applications Rec'd thru <u>FY21-22 Q4</u>
Cultivator	20	31	68	122
Nursery	14	20	38	68
Manufacturer	0	0	0	0
Retail Non-Storefront	2	3	0	4
Retail Storefront	0	0	3	3
Distributor	0	1	6	14
Totals	36	55	114	210*

*Total of applications received through FY21-22 Q4 includes applications that have since been withdrawn, revised, or reissued.

CANNABIS ENFORCEMENT

TABLE 7. CANNABIS ENFORCEMENT ACTIVITIES

	FY 21-22			FY 20-21			FY 19-20		
	Q2	Q3	Q4	Q2	Q3	Q4	Q2	Q3	Q4
# of Enforcement Actions	7	4	6	6	4	9	8	5	7
# Live Plants Confiscated	9,886	78	1,701	64	594	6,975	100	0	3,100
Live Plant Value \$\$	\$4.9M	\$38.6K	\$842K	\$32K	\$297K	\$4.2M	\$20K	\$0	\$775K
Dried Product Confiscated (lbs.)	2,313	41	9	180	123	1,615	74	1,831	8,492
Dried Product Value \$\$	\$2.3M	\$40.7K	\$13.5K	\$315K	\$291K	\$1.9M	\$59.2K	\$2M	\$8M