

ATTACHMENT C

Cannabis Taxation, Compliance, and Enforcement

SECOND QUARTER

FISCAL YEAR 2022-2023

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 two fiscal years.

TABLE 1. CANNABIS TAXES – REVENUES

Second Quarter	FY 20-21	FY 21-22	FY 22-23
Taxes Paid (M)	\$2.6	\$2.3	\$1.1

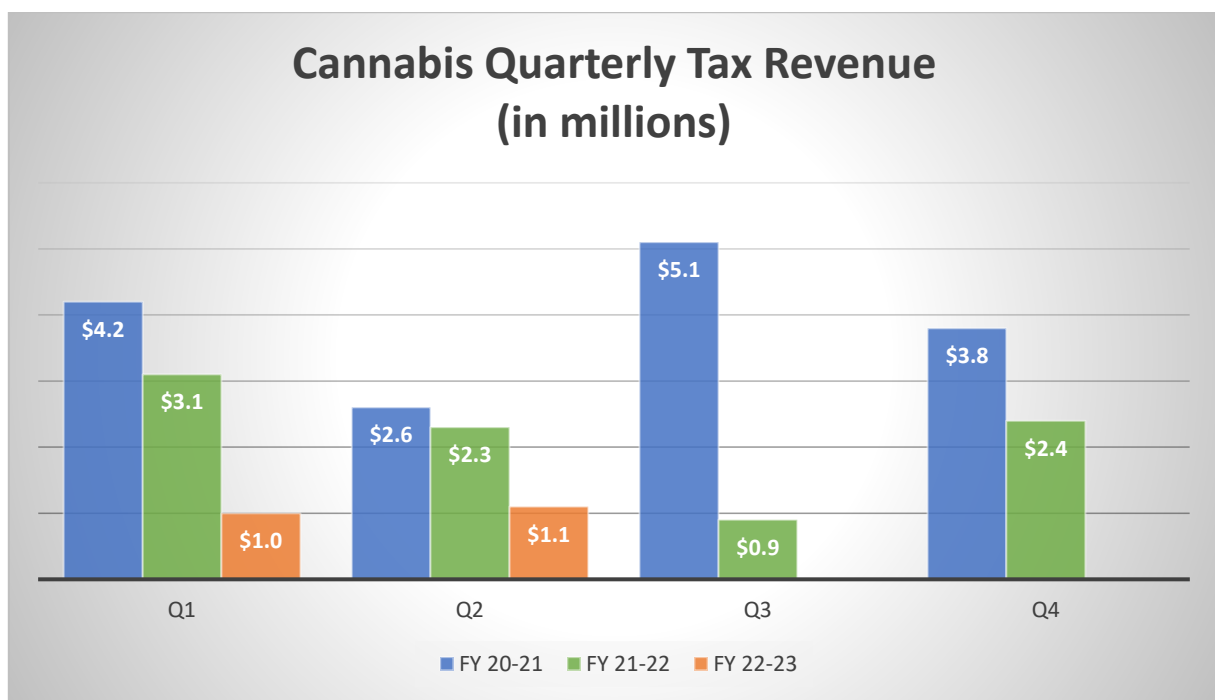


FIGURE 1. TAX REVENUE COMPARISON FY 20-21 TO 22-23 BY QUARTER

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 Q2	\$1.1M	16	40	15	71

CANNABIS COMPLIANCE: LAND USE ENTITLEMENT PERMITS

As of January 11, 2023, P&D has approved 165.95 acres of cannabis cultivation within the Carpinteria Agricultural Overlay Area and 1,857.84 acres of cannabis cultivation within the remaining unincorporated area. Of those approved acres, 68.16 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 January 11, 2023 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	214.41	165.95	68.16
Remaining Unincorporated Area	1,575	2,818.75	1,857.84	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down from previous quarterly data due to changes to approved projects during the appeal process or when a project is withdrawn after approval.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 89 unique appeals of 58 cannabis projects. Of the 89 appeals received, 76 have been withdrawn, closed, or action has been taken by the decision maker. P&D is currently processing 13 unique appeals of 11 cannabis projects, ten 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

CURRENT APPEAL TOTALS	
Number of Cannabis Projects on Appeal to Planning Commission	10
Number of Cannabis Projects on Appeal to Board of Supervisors	1
Total Number of Cannabis Projects Currently on Appeal	11

TABLE 5. ELIGIBILITY LISTS FOR ACREAGE CAP

Updated: 1/16/2023 CARPINTERIA AGRICULTURAL OVERLAY AREA

Rank	Operator	Date Placed on List	Acreage Requested	Acreage Issued in License	Acreage left in cap
					186
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	Pending	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	Pending	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	Pending	100.26
17	Ceres Farm, LLC	11/12/21	10.42	Pending	89.84
18	Yamaoka	11/23/21	3.2	Pending	86.64
19	New Horizon Farming, Inc.	12/23/21	4.59	Pending	82.05
20	JJ Agriculture, Inc	12/23/21	0.92	Pending	81.13
21	Glass House Cultivation LLC	01/25/22	0.57	Pending	80.56
22	CKC Farms	01/25/22	1.08	Pending	79.48
23	Life Remedy Farms	01/26/22	3.19	Pending	76.29
24	Orbiter Blooms, Inc	01/26/22	2.13	Pending	74.16
25	Saga Farms, Inc	01/27/22	2.25	Pending	71.91
26	Valley Crest Farms, LLC	02/09/22	8.98	Pending	62.93
27	Melodious Plots	02/11/22	3.35	Pending	59.58
28	Ednigma, Inc	02/11/22	7.39	Pending	52.19
29	New Generation Farms Inc	02/18/22	0.84	Pending	51.35
30	Blue Whale Agriculture Inc	02/18/22	1.66	Pending	49.69
31	Twisted Roots, Inc	3/10/2022	2.25	Pending	47.44
32	Flora Coast, Inc	3/10/2022	1.9	Pending	45.54
33	Mission Health Associates, Inc	04/25/22	3.36	Pending	42.18
34	VR1 Farms	05/25/22	14	Pending	28.18

Updated: 1/16/2023 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	Sierra Botanicals, LLC	10/03/19	3.50	3.50	1,531.9
3	Chips 18, Inc	10/07/19	60.00	60.00	1,471.9
4	Sunset Point Nursery	04/16/20	7.10	7.10	1,464.8
5	TSBC Ranch, LLC	06/16/20	14.64	14.64	1,450.16
6	Fields, LLC	06/17/20	49.00	49.00	1,401.16
7	Castlerock Family Farms II, LLC	08/28/20	22.95	22.95	1,378.21
8	Santa Barbara Westcoast Farms, LLC	05/13/21	50.12	50.12	1,328.09
9	San Antonio Ranch 101, LLC	05/13/21	4.65	4.65	1,323.44
10	Santa Barbara's Finest, LLC	05/14/21	8.69	8.69	1,314.75
11	Chips 18, Inc (modification)	05/18/21	0.29	0.29	1,314.46
12	Central Coast Ag Farming, LLC	05/18/21	24.45	24.45	1,290.01
13	Central Coast Ag Farming, LLC	05/18/21	29.78	29.78	1,260.23
14	Cuyama Farms, LLC	06/15/21	34.70	Pending	1,225.53
15	Organic Liberty Santa Barbara, LLC	06/16/21	42.00	Pending	1,183.53
16	Greenies Management, LLC	06/29/21	4.93	4.93	1,178.60
17	Heavenly Green, Inc	06/29/21	37.00	Pending	1,141.60
18	Alamos Farm, Inc	07/01/21	8.56	8.56	1,133.04
19	Canyon Produce, LLC	07/06/21	62.47	62.47	1,070.57
20	Canna Rios, LLC	07/06/21	47.74	47.74	1,022.83
21	Clean and Clear, LLC	07/14/21	14.85	14.85	1,007.98
22	Rancho Riviera, Inc	07/15/21	4.09	Pending	1,003.89
23	Xotics, LLC	07/15/21	4.73	4.73	999.16
24	BDZ, Inc	07/23/21	40.00	40.00	959.16
25	Villa Americana, Inc	07/23/21	6.50	Pending	952.66
26	Gypsy Canyon Farms, Inc.	08/11/21	10.21	10.21	942.45
27	Chips19 LLC	08/17/21	44.00	Pending	898.45
28	Cuyama Foothill Road Farm	08/19/21	91.49	Pending	806.96
29	SBC Farms, LLC	08/19/21	167.28	Pending	639.68
30	SBGL, LLC	09/07/21	3.84	Pending	635.84
31	Tahquitz Farms LLC	09/07/21	15.72	Pending	620.12
32	Heirloom Valley	09/12/21	47.00	47.00	573.12
33	Ag Roots	09/12/21	33.02	33.02	540.10
34	Santa Rita Holdings, Inc.	09/12/21	2.54	2.54	537.56

Rank	Operator	Date Placed on List	Acreage Requested	Acreage Issued in License	Acreage left in cap
35	La Laguna Los Alamos, LLC	09/13/21	22.35	Pending	515.21
36	Coyote Hills Ag Enterprise, LLC	09/21/21	11.75	Pending	503.46
37	9500 Cultivators, LLC	09/23/21	93.00	93.00	410.46
38	SFS Farms OpCo1, LLC	09/27/21	86.8	Pending	323.66
39	Winchester LLC	09/28/21	17.23	Pending	306.43
40	Iron Angel	09/29/21	27.25	27.25	279.18
41	ABL Farms	09/29/21	5.20	Pending	273.98
42	The World is Yours, LLC	09/30/21	25.93	Pending	248.05
43	Castro Canyon	09/30/21	3.62	Pending	244.43
44	ABL Farms 2085 Sweeney (017)	09/30/21	5.11	Pending	239.32
45	ABL Farms 2065 Sweeney (014)	09/30/21	3.52	Pending	235.80
46	Clear Source, LLC	10/1/21	14.41	Pending	221.39
47	JJPC Creekside, LLC	10/1/21	9.19	Pending	212.20
48	Morrison Farms, LLC	10/1/21	0.66	0.66	211.54
49	Santa Barbara Cultivation, Inc	10/8/21	1.26	Pending	210.28
50	WTMCA, LLC	10/14/21	63.16	Pending	147.12
51	Hidden Oaks Enterprises, LLC	11/10/21	0.05	0.05	147.07
52	Tranquility AGI, LLC	1/20/22	8.84	Pending	138.23
53	9451 Cultivators, LLC	2/8/22	41.3	Pending	96.93
54	Anderson Development SB, LLC	6/16/22	85.01	Pending	11.92
55	Elements 5.0 Corporation	7/19/22	4.00	Pending	7.92
56	Family 805	12/15/22	7.92	Pending	0.00

* 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

	Business Licenses Issued thru <u>FY22-23 Q1</u>	Business Licenses Issued thru <u>FY22-23 Q2</u>	Business Licenses Pending thru <u>FY22-23 Q2</u>	Total Applications Rec'd thru <u>FY22-23 Q2</u>
Cultivator	35	42	56	122
Nursery	23	28	31	68
Manufacturer	0	0	0	0
Retail Non-Storefront	3	3	0	4
Retail Storefront	0	1	2	3
Distributor	1	1	4	14
Totals	62	76	93	210*

*Total of applications received through FY 22-23 Q2 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	Q1	Q2	Q1	Q2
# of Enforcement Actions	4	5	8	7	5	6
# Live Plants Confiscated	300	1,969	3,253	9,886	7,220	64
Live Plant Value \$\$	\$148.5K	\$974 K	\$1.6M	\$4.9M	\$3.6M	\$32K
Dried Product Confiscated (lbs.)	62	586	1,205	2,313	250	180
Dried Product Value \$\$	\$77.5K	\$664.5K	\$1.8M	\$2.3M	\$250K	\$315K