

Cannabis Taxation, Permitting, and Licensing Report First Quarter - Fiscal Year 2025-26

Board of Supervisors
January 27, 2026



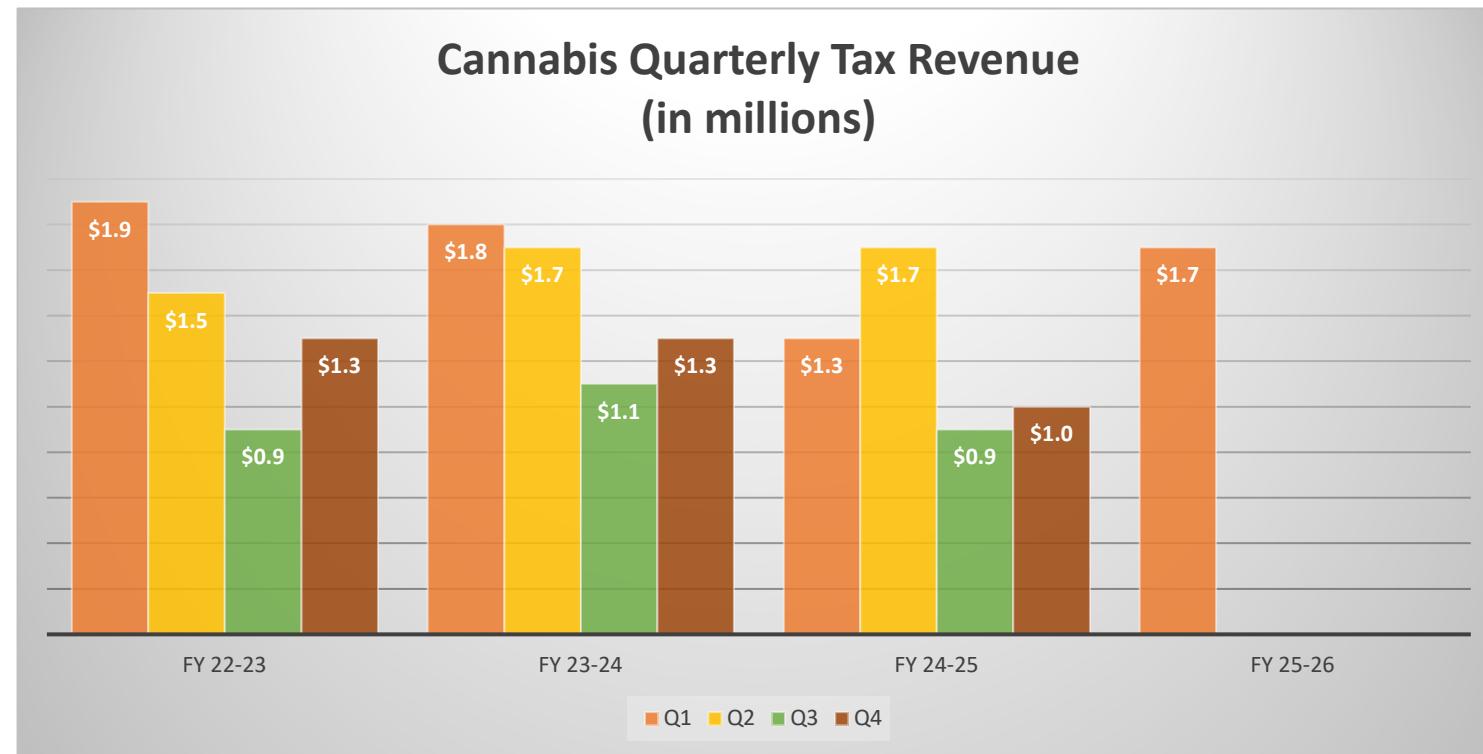
County Executive Office

Context

- Quarterly updates provided to summarize:
 - Tax receipts and compliance
 - Land use permitting and business license activity
 - Objectives for the upcoming quarters
- Seek any other board direction regarding the County's cannabis program

Tax Collection and Reporting

- Collected \$1.7M in cannabis gross tax receipts in Q1
- Collections were greater than Q1 last year
- FY25/26 adopted budget was \$5.1M



Indoor vs Outdoor Tax Collection

Tax Collection by Operation Types FY 2025-2026

Operation Type	Q1	Q2	Q3	Q4	Total
Cultivation Non-Outdoor	\$793,739	\$ -	\$ -	\$ -	\$793,739
Cultivation Outdoor	\$502,305	\$ -	\$ -	\$ -	\$502,305
Non-Cultivation	\$357,202	\$ -	\$ -	\$ -	\$357,202
	\$1,653,246	\$ -	\$ -	\$ -	\$1,653,246

Tax Collection and 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 25-26 Q1	<u>\$1.7M</u>	<u>0</u>	<u>40</u>	<u>7</u>	<u>47</u>

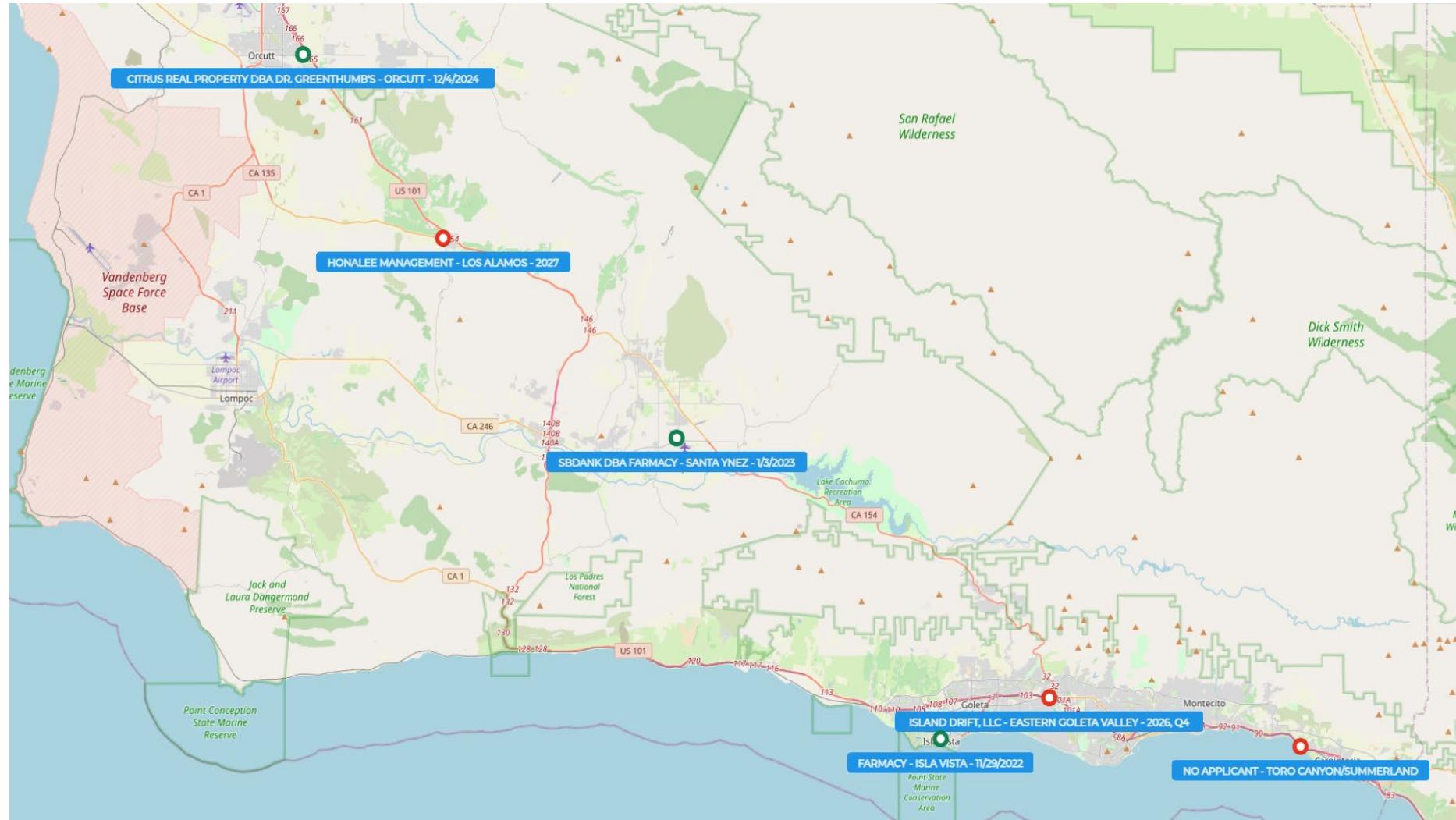
Land Use Permitting and Licensing

	Eligibility List Claimed Acreage	Acreage Left in the Cap	Acreage Cap
Carpinteria Agricultural Overlay	131.52	2.48	134
Remaining Unincorporated Area	1,018.32	398.68	1,417

CURRENT APPEAL TOTALS	
Number of Cannabis Projects on Appeal to Planning Commission	0
Number of Cannabis Projects on Appeal to Board of Supervisors	1
Total Number of Cannabis Projects Currently on Appeal	1

Land Use Permitting and Licensing

Retail Dispensaries



Land Use Permitting and Licensing

Odor Abatement

	Total Impacted Operators	MTCF <u>NOT</u> Installed			MTCF <u>Installed</u>		
		MTCF NOT Installed	OAP Pending	Extension Requests	MTCF Installed	OAP Pending	Extension Requests
Carpinteria Agricultural Overlay	25	15	10	11	10	8	NA
Remaining Unincorporated Area	3	3	3	0	0	0	NA
Totals	28	18	13	11	10	8	NA

Objectives for the Upcoming Quarters

- Propose and implement Ch 50 ordinance amendments
 - Consider program efficiencies and reorganization to simplify the issuance of administrative licenses
 - Update Cannabis Licensing fees in accordance with proposed amendment staffing reductions
- Consider reopening the retail application process for the Toro Canyon/Summerland Community Plan Area
- Monitor and coordinate new odor abatement requirement affidavits, extensions and installation deadlines

Recommended **Actions**

- a) Receive an update on the status of cannabis tax collection, land use permitting, and business licensing;
- b) Provide any other direction to staff regarding the County's cannabis program including whether to reopen the retail application process for the Toro Canyon/Summerland Community Plan Area; and
- c) Find that the proposed actions are administrative activities of the County, which will not result in direct or indirect changes to the environment and therefore are not a "project" as defined for the purposes of the California Environmental Quality Act (CEQA) under State CEQA Guidelines Section 15378(b)(5).