

Sheila de la Guerra

# Public Comment

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**From:** info@carpgrowers.org  
**Sent:** Monday, March 11, 2024 5:00 PM  
**To:** sbcob  
**Cc:** Supervisor Das Williams; Laura Capps; Joan Hartmann; Supervisor Nelson; Steve Lavagnino; graham@glasshousefarms.org  
**Subject:** D5. Cannabis tax, enforcement compliance comments - March 12, 2024  
**Attachments:** CARP\_sqfttax\_3.12.24.FINAL.pdf

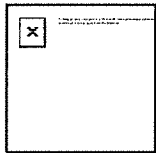


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Honorable Supervisors, Please find comments attached from CARP Growers regarding the discussion on changing county cannabis taxes. Thank you for your time and dedication to Santa Barbara County.

Peter Dugré

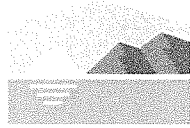
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[info@carpgrowers.org](mailto:info@carpgrowers.org)

[805.635.7186](tel:805.635.7186)



**CARP  
GROWERS**

March 11, 2024

Re: March 12 Hearing D5; Cannabis Taxation, Compliance and Enforcement

Chair Lavagnino and Honorable Supervisors,

Thank you for considering our comments regarding amending Santa Barbara County cannabis taxes to a square-footage or other alternative taxation model.

CARP Growers has been an active cannabis farmers group of 10 greenhouse cannabis producers operating at 20 properties in Carpinteria Valley since 2018. As a group of responsible farmers, our association supported the original ballot measure in 2018 to create a robust tax structure in order to support Santa Barbara County's general fund through cannabis taxation. Since then, Santa Barbara County has collected tens of millions of dollars from our members.

We have been in discussions regarding a change in taxes to the square-foot model for several months as your board has proposed exploring the idea. **In concept, our membership could support bringing a change in the model of taxation to the square-footage model.** We understand this would serve the purposes of making tax collection more efficient, transparent and predictable. We agree with those objectives. It is good for farmers to know what taxes we will pay annually as we all plan for the next harvest.

However, the figures presented in the staff letter are an inaccurate starting point for setting square-footage rates. As a result, greenhouse farmers would pay 8 times more per square foot than outdoor farmers. Other counties have used rates that are closer to 2-to-1 in the ratio of greenhouse/indoor to outdoor cultivation tax rates.

In fact, many other counties have moved to temporarily suspend taxes due to challenging cannabis market conditions experienced since 2021.

If Santa Barbara County would like to change its model of taxing cannabis farmers, we think further discussion is needed to arrive at rates that accurately reflect the value of greenhouse versus outdoor square feet of cannabis production.

In general, our association asks that facts and figures used to calculate new rates accurately reflect our industry metrics and that care is taken to support the businesses all operators have created over the past several years in compliance with the county's rules, regulations and taxes.

We value the continued partnership created between cannabis farm operators and Santa Barbara County and thank you for your continued support of agriculture in Carpinteria Valley.

Sincerely,

Graham Farrar, President, CARP Growers