



# MONTEREY COUNTY

## County Administrative Office

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To: Board of Supervisors

Fr: Joann Iwamoto

cc: Nicholas E. Chiulos

Re: Monthly Performance Outcomes on Cannabis Land Use Permits, Cannabis Business Permit Applications, Cannabis Cultivation Square Footage, and Program updates.

At the request of the Board Cannabis Committee, please find the summaries for commercial cannabis land use permits, business permits, cultivation square footage, and tax revenue.

### Monthly Recap of Cannabis Land Use Permits:

Status	5/19/2021	7/21/2021	+/-
Initial	25	27	+2
Incomplete	33	28	-5
Complete	16	18	+2
Approved	24	25	+1
	<b>98</b>	<b>98</b>	

### Monthly Recap of Cannabis Building Permits:

Status	7/21/2021
Applied/Reinstated	65
Expired	25
Extended/Revised	25
Incomplete	28
Issued/Ready to Issue	16
Temporary Occupancy	4
Final/Conditional Final	1
	<b>164</b>

**Fiscal Year Recap of Cannabis Business Permits:**

<b>Status</b>	<b>5/19/2021</b>	<b>7/21/2021</b>	<b>+/-</b>
Not Applied	1	1	
Applied		1	+1
Incomplete	97	97	
Complete			
Issued	15	15	
	<b>113</b>	<b>114</b>	<b>+1</b>

**Fiscal Year Recap of Annualized Cannabis Cultivation Square Footage:**

<b>Type</b>	<b>Beginning of FY 20-21</b>	<b>Beginning of FY 21-22</b>	<b>+/-</b>
Mixed Light	3,047,065	3,351,430	+304,366
Indoor	93,807	100,469	+6,663
Nursery	1,154,153	1,527,714	+373,561
Outdoor			
	<b>4,295,024</b>	<b>4,979,614</b>	<b>+684,590</b>

**Fiscal Year Recap of Annualized Cannabis Cultivation Acreage:**

<b>Type</b>	<b>Beginning of FY 20-21</b>	<b>Beginning of FY 21-22</b>	<b>+/-</b>
Mixed Light	70	77	+7
Indoor	2	2	
Nursery	26	35	+9
Outdoor			
	<b>99</b>	<b>114</b>	<b>+16</b>

**Fiscal Year Over Year Recap of Cannabis Tax Revenue Projected:**

<b>Type</b>	<b>Beginning of FY 20-21</b>	<b>Beginning of FY 21-22</b>	<b>+/-</b>
Mixed Light	\$15,235,324	\$16,757,152	+\$1,521,829
Indoor	\$750,452	\$803,755	+\$53,303
Nursery	\$1,154,153	\$1,527,714	+\$373,561
Outdoor			
	<b>\$17,139,929</b>	<b>\$19,088,622</b>	<b>+\$1,948,693</b>

**Fiscal Year Over Year Recap of Cannabis Tax Revenue Collected:**

<b>FY 16-17</b>	<b>FY 17-18</b>	<b>FY 18-19</b>	<b>FY 19-20</b>	<b>FY 20-21 YTD*</b>
\$3,143,037	\$14,533,062	\$15,768,705	\$16,878,601	\$13,453,960

\*Through Q3; Q4 Cannabis business taxes are due 7/31/2021

**Calendar Year Over Year Recap of Cannabis Sales by Type:**

Type	2019	2020	2021 YTD*
Cultivation	\$27,219,824	\$77,736,665	\$52,568,730
Retail		\$18,712,939	\$9,431,428
Manufacturing	\$58,667	\$120,547	
	<b>\$27,278,491</b>	<b>\$96,570,150</b>	<b>\$62,000,158</b>

\*Through June 2021

**Calendar Year Over Year Recap of Search Warrant Outcomes:**

Type	Calendar Year 2019	Calendar Year 2020	Calendar Year 2021
Cannabis Plants	31,938	32,888	3,306
Cannabis Processed (lbs)	3,981	5,476	27
Firearms	13	105	24
Currency	\$100,815	\$28,146	\$9,855
Clandestine Lab	0	2	2
Wholesale Market Value	\$35,919,000	\$38,364,000	\$3,333,000

**Balance of Allocation for Unlicensed Cannabis Enforcement:**

Item	Allocation	Remaining Balance
Sheriff's Office – Unlicensed Enforcement Overtime	\$200,000.00	\$65,849

**Balance of Cannabis Program Contingency:**

Type	Allocation	Remaining Balance*	Department
FY 20-21 Allocation Beginning Balance		\$236,400	CAO
Fence and Gate Work	\$4,790.00	\$231,610.00	Sheriff's Office
Body Cams	\$698.66	\$230,911.34	District Attorney
Permit Processing	\$37,909.28	\$193,002.06	HCD
License Plate Reader (x2)	\$46,072.09	\$146,929.97	Sheriff's Office
	<b>\$89,470.03</b>	<b>\$146,929.97</b>	

\*Program still receiving receipts

**Cannabis Program Updates:**

Fiscal Year 2021-22 Cannabis Program Budget

Attached is the FY 21-22 Cannabis Program allocations including non-cannabis staff and non-staff costs.

Prop 64 Grant

Cannabis Education Program staff will be attending upcoming community events to increase awareness of youth cannabis use and exposure, provide education on unlicensed cannabis goods, and conduct intercept surveys for better understanding of how youth and young adults obtain cannabis goods.

Events that will be attended include Farmers markets (Pacific Grove, Monterey, Salinas) and the West End Festival (Sand City). Findings from this outreach will inform the creation of media assets by the social media marketing firm.

### Industry Meetings

The Program continues to schedule industry meetings each month. On June 21, 2021, Greg Turner, CA Cannabis Authority (“CCA”), Executive Director was the guest speaker. Mr. Turner responded to several questions posed by operators and provided follow up responses to questions that went unanswered during the meeting due to time constraints.

On July 12, 2021, the industry discussed local odor control requirements, amendments to Chapter 7.90, and Assembly Bill 141. Proposed topics for the industry meeting in August include an update on the lead time for building permits, additional discussion on Chapter 7.90 amendments, and outcomes of the Equity Assessment findings.

### Department of Cannabis Control

The three state licensing offices have consolidated into the Department of Cannabis Control, with Nicole Elliott as the appointed Director. Elliott and her team are working quickly to share regulations and work on internal processes that will bring efficiencies to the local jurisdictions.

### Cannabis Program Priorities for Fiscal Year 2021-22

- Continued streamlining of local permit processing.
- Local Jurisdiction Assistance Grant application and award management.
- Clean up of the CNB deposits.
- Gain policy direction and implement a local Equity Program.
- Go-Biz Tier II Grant application and award management.
- Prop 64/BSCC Grant – 2nd of 3rd year grant award management.
- Ongoing compliance efforts, including Metrc.
- Amendments to Chapter 7.90 of Monterey County Code.
- Organizational Study of the Cannabis Program.
- Enhancements to the Accela Automation Cannabis Module.

**FY 2021-22 Cannabis Program Allocations**

<b>Allocation</b>	<b>Department</b>	<b>FTE Count</b>	<b>Staff Costs</b>	<b>Non-Staff Costs</b>	<b>Total Costs</b>
Weights & Measures Inspector	Ag Commissioner	1.00	\$ 131,422.00	\$ 20,399.00	\$ 151,821.00
Weights & Measures Inspector	Ag Commissioner	0.50	\$ 65,741.00	\$ 14,652.00	\$ 80,393.00
Inspector/Biologist	Ag Commissioner	1.00	\$ 131,422.00	\$ 20,399.00	\$ 151,821.00
<b>Ag Commissioner Total*</b>		<b>2.50</b>	<b>\$ 328,585.00</b>	<b>\$ 55,450.00</b>	<b>\$ 384,035.00</b>
*Non staff costs = vehicle, workstation, phone and computer					
Auditor Controller Analyst II	Auditor Controller	1.00	\$ 184,997.00		\$ 184,997.00
<b>Auditor Controller Total</b>		<b>1.00</b>	<b>\$ 184,997.00</b>	<b>\$ -</b>	<b>\$ 184,997.00</b>
Program Manager II	CAO Program	1.00	\$ 184,204.00		\$ 184,204.00
Management Analyst III	CAO Program	1.00	\$ 181,254.00		\$ 181,254.00
Management Analyst II	CAO Program	1.00	\$ 146,478.00		\$ 146,478.00
Permit Technician II	CAO Program	1.00	\$ 118,873.00		\$ 118,873.00
Senior Secretary	CAO Program	1.00	\$ 80,273.00		\$ 80,273.00
Services and Supplies	CAO Program			\$ 78,398.00	\$ 78,398.00
CA Cannabis Authority	CAO Membership			\$ 223,000.00	\$ 223,000.00
Program Contingency	CAO Program			\$ 501,680.00	\$ 501,680.00
<b>CAO Program Total</b>		<b>5.00</b>	<b>\$ 711,082.00</b>	<b>\$ 803,078.00</b>	<b>\$ 1,514,160.00</b>
Accountant	CAO Finance	1.00	\$ 99,487.00		\$ 99,487.00
<b>CAO Finance Total</b>		<b>1.00</b>	<b>\$ 99,487.00</b>	<b>\$ -</b>	<b>\$ 99,487.00</b>
Deputy County Counsel	CC	1.00	\$ 252,549.00		\$ 252,549.00
<b>CC Total</b>		<b>1.00</b>	<b>\$ 252,549.00</b>	<b>\$ -</b>	<b>\$ 252,549.00</b>
Deputy District Attorney	DA	1.00	\$ 253,909.00		\$ 253,909.00
District Attorney Investigator III	DA	1.00	\$ 240,456.00		\$ 240,456.00
DA Inspector III-Civil	DA	1.00	\$ 240,456.00		\$ 240,456.00
Accountant III	DA	0.50	\$ 71,903.00		\$ 71,903.00
<b>DA Total</b>		<b>3.50</b>	<b>\$ 806,724.00</b>	<b>\$ -</b>	<b>\$ 806,724.00</b>
Environment Health Specialist IV	Health	0.25	\$ 47,695.39		\$ 47,695.39
Environmental Health Specialist III	Health	1.00	\$ 187,428.18		\$ 187,428.18
Environmental Health Specialist III	Health	1.00	\$ 164,269.48		\$ 164,269.48
Environmental Health Specialist III	Health	1.00	\$ 143,444.13		\$ 143,444.13
Chronic Disease Prevention Coordinator	Health	1.00	\$ 129,371.00		\$ 129,371.00
Youth Prevention/Intervention	Health			\$ 125,000.00	\$ 125,000.00
Public Awareness	Health			\$ 100,000.00	\$ 100,000.00
<b>Health Total</b>		<b>4.25</b>	<b>\$ 672,208.18</b>	<b>\$ 225,000.00</b>	<b>\$ 897,208.18</b>
Code Compliance Inspector II	HCD	1.00	\$ 137,311.00		\$ 137,311.00
Code Compliance Inspector II	HCD	1.00	\$ 136,844.00		\$ 136,844.00
Code Compliance Inspector II	HCD	1.00	\$ 136,844.00		\$ 136,844.00
<b>HCD Total</b>		<b>3.00</b>	<b>\$ 410,999.00</b>	<b>\$ -</b>	<b>\$ 410,999.00</b>
Deputy Sheriff Operations	Sheriff Office	1.00	\$ 252,000.00		\$ 252,000.00
Deputy Sheriff Operations	Sheriff Office	1.00	\$ 279,730.00		\$ 279,730.00
Overtime for Enforcement	Sheriff Office			\$ 200,000.00	\$ 200,000.00
Two Vehicles including equip	Sheriff Office			\$ 62,836.00	\$ 62,836.00
<b>Sheriff Office Total</b>		<b>2.00</b>	<b>\$ 531,730.00</b>	<b>\$ 262,836.00</b>	<b>\$ 794,566.00</b>
Management Analyst III	TTC	0.66	\$ 104,833.00		\$ 104,833.00
Accountant III	TTC	0.66	\$ 102,805.00		\$ 102,805.00
Accounting Technician	TTC	0.66	\$ 71,377.00		\$ 71,377.00
IT, Clerical, Exec Oversight Overhead	TTC			\$ 114,467.00	\$ 114,467.00
<b>TTC Total</b>		<b>1.98</b>	<b>\$ 279,015.00</b>	<b>\$ 114,467.00</b>	<b>\$ 393,482.00</b>
<b>FY 21-22 Cannabis Program Proposed Budget</b>		<b>25.23</b>	<b>\$ 4,277,376.18</b>	<b>\$ 1,460,831.00</b>	<b>\$ 5,738,207.18</b>
Housing Analyst II	CAO	1.00	\$ 152,991.00		\$ 152,991.00
MVAO Representative	DSS	1.00	\$ 79,086.00		\$ 79,086.00
Public Guardian	Health	1.00	\$ 118,842.00		\$ 118,842.00
School Readiness Assessment	Health			\$ 130,000.00	\$ 130,000.00
Recovery and Response Coordination	Health			\$ 200,000.00	\$ 200,000.00
<b>Other Allocations Financed by Cannabis</b>		<b>3.00</b>	<b>\$ 350,919.00</b>	<b>\$ 330,000.00</b>	<b>\$ 680,919.00</b>