



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 22-187, Version: 1

- a. Receive a presentation by Citygate Associates, LLC of the report entitled “Organizational Review of the Current Cannabis Program, County of Monterey”
- b. Provide direction to staff

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Receive a presentation by Citygate Associates, LLC of the report entitled “Organizational Review of the Current Cannabis Program, County of Monterey”
- b. Provide direction to staff

SUMMARY/DISCUSSION:

On July 13, 2021 the Board of Supervisors accepted referral no. 2021.12 from Supervisor Phillips requesting “a review of the Cannabis Programs efficiencies, particularly the processes for permit review and compliance inspections”. The referral goes on to state that lack of progress in local authorization/permitting has impacted the cannabis industry’s ability to obtain State annual licenses. The referral also proposes that County permitting staff funded by cannabis tax revenue should report directly to the Cannabis program manager for a period of one year to streamline the County permitting process.

In order to address the Board’s referral, staff hired Citygate Associates, LLC to conduct an organizational review of the County’s cannabis program. Citygate was selected based on their already comprehensive knowledge of the County’s permit processes gained through their organizational study and recommendations related to the former Resource Management Agency(RMA).

The principal recommendation from Citygate led to the reorganization of the RMA into the Housing and Community Development Department and the Public Works and Facilities Department. Citygate made a number of other important recommendations to improve operational effectiveness. The majority of the Citygate recommendations have been implemented or are in the process of being implemented.

Staff’s experience with Citygate is that their work is very thorough, very professional and highly objective.

Citygate began its’ review of the County cannabis program in September 2021.

At its’ March 1, 2022 meeting, the Board of Supervisors will receive a presentation from Mr. Evert Palmer, Citygate project manager for the cannabis organizational study. Mr Palmer will address the study methodology, recommendations and proposed action/implementation plan.

A copy of the Citygate “Organizational Review of the Current Cannabis Program” is attached to this report.

OTHER AGENCY INVOLVEMENT:

County departments which are part of the cannabis program include CAO, County Counsel, Agricultural Commissioner, Auditor-Controller, District Attorney, Health/Environmental Health, Housing and Community Development, Sheriff-Coroner and Treasurer-Tax Collector. Representatives from these departments were interviewed by Citygate as part of the study, along with the Human Resources Director, representatives from Monterey County Regional Fire District and representatives from the cannabis industry.

FINANCING:

There is no impact to the General Fund from acceptance of this report. The cost of the Citygate cannabis organizational study was \$75,000, funded through the cannabis program.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The County cannabis program is an very important component of economic development in the agriculture sector. It is also, and has the potential to continue to be, an important revenue source for funding of County programs through collection of the cannabis general tax levied on the local industry. It is critical that the County cannabis program function in the most effective and efficient manner possible.

Mark a check to the related Board of Supervisors Strategic Initiatives

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Nicholas Chiulos, Asst CAO

Attachments:

“Organizational Review of Current Cannabis Program, County of Monterey” prepared by Citygate Associates, LLC

Cc: Jeanine Pacioni, District Attorney
Steve Bernal, Sheriff-Coroner
Mary Zeeb, Treasurer-Tax Collector
Rupa Shah, Auditor-Controller
Elsa Jimenez, Health Department
Ric Encarnacion, Environmental Health

Irma Ramirez-Bough, Human Resources Department
Les Girard, County Counsel
Kelly Donlon, County Counsel
Robert Brayer, County Counsel
Erik Lundquist, Housing and Community Development
Henry Gonzales, Agricultural Commissioner
Joann Iwamoto, Cannabis Program Manager
Dewayne Woods, Assistant CAO
Ezequiel Vega, County Budget Director