



COUNTY OF MONTEREY

County Administrative Office

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September 5, 2024

To: Board of Supervisors Cannabis Committee
Fr: Michelle House, Cannabis Program Manager
cc: Nicholas E. Chiulos, Chief Assistant County Administrative Officer

Re: Cannabis Program performance indicators, SMART goals, and active grants.

CANNABIS PROGRAM BUDGET AND GRANTS

A. Balance of Cannabis Program Contingency

The table below reflects Fiscal Year (FY) 24-25 allocation, which was utilized for indirect costs in the County Administrative Office as these were not otherwise funded.

Type	Allocation	Remaining Balance
Cannabis Program Contingency	\$10,750.00	10,750.00
Cannabis Program indirect costs		

B. Grant Activity and Other

Local Jurisdiction Assistance Grant (LJAG)

The County originally received 80 percent (\$1,389,628) of the overall grant award in March 2022. Staff have been working closely with the Department of Cannabis Control to receive the remaining 20 percent (\$347,407) of the overall grant award (\$1,737,035). The Program is still waiting for the Department of Cannabis Control's determination of the remaining 20 percent.

Staff have coordinated meetings between provisional cannabis business permit holders and collaborative County departments and external agencies to discuss the remaining requirements to obtain local authorization. Operators are being reminded of the passthrough funding opportunity through the course of these meetings. Passthrough funding would reimburse operators for work that assists them in transitioning from provisional to annual state licensure. The current maximum request is \$20,000.

CANNABIS PERMIT INFORMATION

C. Cannabis Land Use Permits

The table below shows the number of cannabis land use permits approved by fiscal year. There have been no additional approvals since the prior Cannabis Committee meeting.

Fiscal Year	# Approved
FY 17-18	1
FY 18-19	3
FY 19-20	8
FY 20-21	8
FY 21-22	22
FY 22-23	18
FY 23-24	5
Total	65

D. Commercial Cannabis Business Permits

Currently there are 61 active commercial cannabis business operators (9 dispensaries and 52 cultivators). Staff is working with 12 potential cannabis business applicants. The table below shows the number and type of cannabis business permits issued as of August 30, 2024.

Type of Permit	Number
Potential Applicants	12
Annual	40
Provisional	21
Forced Closure	2
Closed	85
Total	160

ENFORCEMENT AGAINST UNLICENSED CANNABIS ACTIVITY

The County of Monterey Marijuana Eradication Team provides the Program with information to update the Committee on outcomes of search warrant and abatement activities. To ensure data accuracy, the District Attorney and Sheriff’s Office will report on enforcement activities during our December meeting.

Type	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024
Cannabis Plants	31,938	32,888	18,602	97,703	1,220	0
Cannabis Processed (lbs.)	3,981	5,476	1,716	38,430	506	0
Gross Weight Abated (tons)	18.0	19.2	10.2	68.1	2.8	0.0
Firearms	13	105	97	24	1	0
Currency	\$100,815	\$28,146	\$104,700	\$5,500	\$0	\$0
Explosive Material (lbs.)	0	0	0	25	0	0
Meth (lbs.)	0	0	0	1	0	0
Cocaine (lbs.)	0	0	0	0	0.03	0
Clandestine Lab	0	2	5	0	0	0
Wholesale Market Value	\$35,919,000	\$38,364,000	\$20,303,000	\$68,066,500	\$2,834,635	\$0

CANNABIS PROGRAM SMART GOALS

SMART Goal #1: Issuing a Cannabis Business Permit (CBP)

The Program will issue a CBP within three business days of the operator submitting a complete CBP initial application and satisfying departmental requirements, in addition to the property owner receiving a fully cleared Land Use Entitlement.

Service level: 100%

Fiscal Year	FY 24-25, Q1	FY 24-25, Q2	FY 24-25, Q3	FY 24-25, Q4
Service Level	100%			

SMART Goal #2: Renewing a CBP

The Program will renew CBPs within three business days of the operator submitting a complete CBP renewal application and satisfying departmental requirements.

Service level: 100%

Fiscal Year	FY 24-25, Q1	FY 24-25, Q2	FY 24-25, Q3	FY 24-25, Q4
Service Level	100%			

SMART Goal #3: Providing local authorization using the Provisional Cannabis Business Permit (PCBP)*

No later than August 1, 2022, up to 100 Operators who have not obtained an annual CBP will be issued a PCBP under good standing criteria expiring one year from its issuance date. This goal was met with a 100 percent service level in the reporting period it occurred (FY 22-23, Q1).

SMART Goal #4: Providing renewal of the Provisional Cannabis Business Permit (PCBP) †

The Cannabis Management Team will review outstanding requirements related to the land use entitlement and the cannabis business permit. Only those that have completed critical requirements and/or made significant progress to complete will be issued a one-time renewal of the PCBP expiring January 1, 2026, for Class B provisional cannabis permittees. This goal was met with a 100 percent service level in the reporting period it occurred (FY 23-24, Q2).