



County of Monterey

ADMINISTRATIVE OFFICE

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

Re: Cannabis Program Budget, Local Jurisdiction Grant, and Performance Measures

Cannabis Program Budget, Local Jurisdiction Grant, and Performance Measures

Cannabis Program Budget

A. Cannabis Program (Program) Contingency:

The table below reflects the fiscal year (FY) 24-25 contingency balance, no funds have been utilized for quarter two.

	Allocation	Remaining Balance
Cannabis Program Contingency	\$10,750.00	\$10,750.00

B. Program Taxes (Priority, Goal D):

The Program has estimated 4 million will be collected during FY 2024-2025. In quarter two, the Program collected \$1,074,645 in taxes. The table below reflects the breakdown of taxes collected November 22, 2024, through February 18, 2025.

Tax	Amount
FY 24-25	\$1,068,493
FY 24-25 (delayed revenue)	\$0.00
FY 21-22 (extended payment plan)	\$6,152.00
Total	\$1,074,645



Local Jurisdiction Grant Activity

The Program received the full grant award (\$1,737,035) in September of 2024 from the Department of Cannabis Control (DCC) and must be administer all grant funds by March 31, 2025. The budget and scope of work revision was approved by the DCC in December of 2024, providing capacity to increase passthrough funds and improve the cannabis business permit on-line application process.

The Program will work with 14 provisional cannabis business permit (PCBP) holders to coordinate the distribution of passthrough funds to reimburse operators for expenditures related to transitioning from provisional to annual permit/licensure. The current maximum request is \$51,594 per applicant. The Program distributed \$60,000 thousand dollars between three operators in quarter one and is currently in process with five operators to distribute an additional \$186,000.

In December of 2024, the Program contracted with Visionary Integration Professionals to improve Accela Automation reporting and the cannabis business permit on-line application process. Accela Automation improvements include ability to create and PDF Ad Hoc reports, automatic emails notifying operators 45 days prior to their Cannabis Business Permit expiration date, and update DCC permit expiration notifications.

Performance Measures

A. Facilitate Provisional to Annual Cannabis Business Permits (Priority, Goal A):

Currently there are 55 active commercial cannabis business operators (8 dispensaries and 47 cultivators). Staff is working with 10 potential cannabis business applicants. Since the December Cannabis Committee meeting, one PCBP's have moved to annual. The table below shows the number and type of cannabis business permits issued as of February 26,2025.

Type of Permit	Number
Potential Applicants	10
Annual	41
Provisional	14
Forced Closure	3
Closed	92
Total	160

B. Cannabis Land Use Permits (Priority, Goal B):

The table below shows the number of cannabis land use permits approved by fiscal year. No additional cannabis land use permits have been approved since the December Cannabis Committee meeting. The Program is working with one landowner to gain approval for commercial cannabis land use activities.

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
FY 24-25	0
Total	65

C. Enforce Unlicensed Cannabis Activity (Priority, Goal B):

The County of Monterey Marijuana Eradication Team (COMMET) provides the Program with information to update the Cannabis Committee on outcomes of search warrant and abatement activities. To date, COMMET has issued three search warrants. Additional items seized during the search warrants included one pet coyote and THC infused edible. The information below illustrates the outcome of their work. COMMET has no data for quarter two, calendar year (CY) 2025.

Type	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024
Number of Cannabis Plants	31,938	32,888	18,602	97,703	1,220	130
Cannabis Processed (lbs.)	3,981	5,476	1,716	38,430	506	352
Gross Weight Abated (tons)	18.0	19.2	10.2	68.1	2.8	0.176
Firearms	13	105	97	24	1	16
Currency	\$100,815	\$28,146	\$104,700	\$5,500	\$0	\$13,538
Explosive Material (lbs.)	0	0	0	25	0	0
Meth (lbs.)	0	0	0	1	0	0.073
Cocaine (lbs.)	0	0	0	0	0.03	0.039
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	\$241,433

D. Conduct Quarterly Compliance Inspection (Priority, Goal C)

Inspectors from Housing and Community Development (HCD) enforce county code and work directly with regional fire districts and the industry to ensure compliance with local and state law and building and/or fire code requirements.

Fiscal Year	FY 24-25, Q1	FY 24-25, Q2	FY 24-25, Q3	FY 24-25, Q4
Quarterly Inspections	100%	100%		

E. Issuing of a Cannabis Business Permit (Grand Jury Report):

The Program will issue a Cannabis Business Permit (CBP) within three business days of the operator satisfying requirements from Housing and Community Development, Health Department, and respective Regional Fire Districts. The Program strives to maintain a service level of 100 percent.

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

F. Renewing of a CBP (Grand Jury Report):

The Program will renew a CBP within three business days of the operator satisfying requirements from Housing and Community Development, Health Department, and respective Regional Fire Districts. The Program strives to maintain a service level of 100 percent.

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