



# County of Monterey

## ADMINISTRATIVE OFFICE

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February 23, 2026

To: Board of Supervisors Cannabis Committee

Fr: Michelle House, Cannabis Program Manager

Cc: Nicholas E. Chiulos, Chief Assistant County Administrative Officer

Re: Cannabis Program Updates, Budget, and Performance Measures

## **Cannabis Program Updates, Budget and Performance Measures**

### Cannabis Program Updates

The Office of the Agricultural Commissioner will hold an informative workshop for cannabis growers, operation supervisors and managers on April 9, 2026, from 8:00am to 11:00am. The goal of the workshop is to provide guidance on the State's pesticide use permitting process, employee training and safety responsibilities, and proper pesticide use in compliance with California regulations. Registration is required in advance of attendance.

### Cannabis Program Budget

The Cannabis Program (Program) began tracking changes to the canopy square footage in July of 2025 as changes to square footage feeds directly into tax revenue and is a marker to how the industry is adapting to an ever-changing market. The Program tracks canopy changes using July 1, 2025, as a baseline. Since the December 15, 2025, meeting, the following changes have occurred; 1) increase in indoor of 15,360 sq. feet, 2) decrease in outdoor of 25,000 sq. feet 3) decrease in nursery of 20,000 sq. feet, and 4) mixed light had no changes.

The Program estimates 3.5 million will be collected during fiscal year (FY) 25-26. Due to farm and dispensary closures in quarter one and two, Program staff anticipates a decrease in cannabis tax revenue estimating 3.2 million in taxes will be generated in FY 25-26. Monitoring cannabis tax revenue has been identified as a priority and is part of goal D within the current strategic plan. The Treasurer Tax Collector completed quarter two cannabis tax collections at the end of January. The table below reflects the breakdown of taxes collected July 1, 2025, through February 12, 2026.

<b>Tax</b>	<b>Amount</b>
FY 24-25	\$965,683
FY 25-26	\$1,631,978
<b>Total</b>	<b>\$2,597,662</b>

Performance Measures

- A. Facilitate provisional to annual cannabis business permits has been identified as a priority and is part of goal A within the current strategic plan. Since the December 15, 2025, Cannabis Committee meeting, the last provisional permittee transitioned to an annual, one potential applicant was onboarded and three applications were closed, decreasing the potential applicants from eight to five. Currently, there are 49 active commercial cannabis business operators; 7 dispensaries, 37 farms, and 5 others (manufacturing, distribution, and processing). The Program closed one nursery, and one farm filed a cessation of business.
- B. Assisting with the movement of cannabis land use permits has been identified as a priority and is part of goal A within the current strategic plan.
- C. No cannabis land use permits have been approved for FY 25-26. The first outdoor commercial cannabis cultivation site will be discussed on the February 25, County of Monterey Planning Commission. If approved, an amendment to the text of the Central Salinas Valley Area Plan would be added to Policy CSV-1.8, to create a special treatment area on APN 420-063-014-000. The special treatment area will allow up to 20,000 square feet of outdoor cannabis cultivation.
- D. Conduct Quarterly Compliance Inspection has been identified as a priority and is part of goal C within the current strategic plan. Inspectors from Housing and Community Development will enforce county code and work directly with regional fire districts, and the industry to ensure compliance with local and state law building and/or fire code requirements. The Program strives to maintain a service level of 100 percent.

<b>Fiscal Year</b>	FY 25-26, Q1	FY 25-26, Q2	FY 25-26, Q3	FY 25-26, Q4
<b>Quarterly Inspections</b>	100%	100%	100%	

- E. Issuing of a cannabis business permit has been identified as a priority based on results from the FY 2021-22 County of Monterey Civil 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.

<b>Fiscal Year</b>	FY 25-26, Q1	FY 25-26, Q2	FY 25-26, Q3	FY 25-26, Q4
<b>Service Level</b>	100%	100%	100%	

- F. Renewing of a cannabis business permit has been identified as a priority based on results from the FY 2021-22 County of Monterey Civil 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.

<b>Fiscal Year</b>	FY 25-26, Q1	FY 25-26, Q2	FY 25-26, Q3	FY 25-26, Q4
<b>Service Level</b>	100%	100%	100%	

G. Enforcing unlicensed cannabis activity has been identified as a priority and is part of goal B within the current strategic plan. The County of Monterey Marijuana Eradication Team (COMMET) provides the Program with information on outcomes of search warrants and abatement activities. The chart contains all COMMET data for calendar year (CY) 2025, and no data for CY 26 is available currently.

Type	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026
Number of Cannabis Plants	18,602	97,703	1,220	130	114	0
Cannabis Processed (lbs.)	1,716	38,430	506	352	135.8	0
Gross Weight Abated (tons)	10.2	68.1	2.8	0.176	0	0
Firearms	97	24	1	16	1	0
Currency	\$104,700	\$5,500	\$0	\$13,538	\$0.0	0
Explosive Material (lbs.)	0	25	0	0	0	0
Meth (lbs.)	0	1	0	0.073	0.121	0
Cocaine (lbs.)	0	0	0.03	0.039	0	0
Clandestine Lab	5	0	0	0	0	0
Wholesale Market Value	\$20,303,000	\$68,066,500	\$2,834,635	\$241,433	\$124,900	\$0.00