

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY**

DEPT: Chief Executive Office

BOARD AGENDA: 7.1  
AGENDA DATE: February 6, 2024

**SUBJECT:**

Accept an Update on the Stanislaus County Illegal Cannabis Enforcement Program

**BOARD ACTION AS FOLLOWS:**

**RESOLUTION NO. 2024-0049**

On motion of Supervisor B. Condit ----- Seconded by Supervisor Withrow -----  
and approved by the following vote,

Ayes: Supervisors: B. Condit, Chiesa, Withrow, C. Condit, and Chairman Grewal -----


Noes: Supervisors: None -----

Excused or Absent: Supervisors: None -----

Abstaining: Supervisor: None -----

- 1)  Approved as recommended
- 2)  Denied
- 3)  Approved as amended
- 4)  Other:

**MOTION:**

  
\_\_\_\_\_  
ATTEST: ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: Chief Executive Office

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CONSENT

CEO CONCURRENCE: YES

4/5 Vote Required: No

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**SUBJECT:**

Accept an Update on the Stanislaus County Illegal Cannabis Enforcement Program

**STAFF RECOMMENDATION:**

1. Accept an update on the Stanislaus County Illegal Cannabis Enforcement Program.

**DISCUSSION:**

On September 26, 2017 (Board Resolution 2017-557), the Board of Supervisors approved the development of a commercial cannabis allowance strategy for retail, cultivation, and other related cannabis business activities in the unincorporated area of Stanislaus County. On December 5, 2017, the Board adopted ordinances related to regulating Commercial Cannabis Activities and a cannabis activity enforcement and program monitoring strategy, which commenced in June 2018. This included a conservative allowance strategy of 61 permitted activities, not more than seven of those being retail. Of the 61 available activities, 27 are still active. The intent was to provide a revenue source to fund the County's enforcement strategy to remove the numerous illegal cannabis activities in the community. Revenue collected from the legal, permitted businesses supports this enforcement strategy.

Enforcement Activities

Enforcement is a critical component of the County Cannabis Program, both for permitted activities and unpermitted, illegal activities. An Enforcement Task Force has been established to address the illegal cannabis operations in Stanislaus County. Additionally, positions have been added to the Chief Executive Office, County Counsel, Sheriff's Office, District Attorney's Office, and Department of Environmental Resources Code Enforcement Unit. Enforcement activities are ongoing in support of the Board's commitment to address the illegal cannabis operations in our community.

**Sheriff's Department** – In Calendar Year 2023, the Marijuana Enforcement Team (MET) operations resulted in the seizure of 6,735 pounds of processed cannabis, the seizure and destruction of over 89,314 cannabis plants, the seizure of 138 firearms, and the seizure of over \$2.5 million in United States currency. Additionally, two properties were seized, and the operations resulted in 130 arrests.

**Department of Environmental Resources** – In Calendar Year 2023, the Department of Environmental Resources (DER) Code Enforcement opened 57 illegal cannabis

cases, determining that 11 of them had no illegal cannabis. A total of 31,172 plants were removed from the illegal grows.

**Department of Planning and Community Development** – In Calendar Year 2023, the Department of Planning and Community Development (Planning) issued Phase 1 General Inspection Permits for 87 parcels. These permits document all violations or issues that need correction after enforcement action has been taken on a parcel. Of the 87 parcels, 71 were issued Phase 2 Compliance Permits, addressing repairs and issues to specific buildings on the parcel. Of the total 158 Phase 1 and Phase 2 Permits issued, 115 have been finalized, while 43 remain unresolved.

**District Attorney** – In Calendar Year 2023, the District Attorney’s Office filed 104 cases, comprising 74 felony and 30 misdemeanor cannabis-related crimes. A total of 156 suspects were charged, resulting in 39 convictions thus far. Notably, 96 of the 156 suspects charged by the District Attorney’s Office were directly linked to the Sheriff’s Office investigation of illegal cannabis cases. It’s important to note that the total number of reported cases includes cannabis-related cases from all county law enforcement agencies.

#### Prop 64 Grant

On June 20, 2023 (Board Resolution No. 2023-0288), the Board of Supervisors authorized the Sheriff to accept \$3 million in grant funding over a 5-year period from the California Board of State and Community Corrections (BSCC) Proposition 64 Public Health & Safety Cohort 3 Grant Program. This program intends to enhance the cannabis enforcement efforts already in place by the County’s Cannabis Enforcement team for the next five years.

Prop 64 goals will be fulfilled with additional support from grant-funded positions assigned to Sheriff’s MET team, County Counsel, District Attorney and DER.

The grant funded several full-time positions: one Deputy Sheriff, one Crime Analyst, one Community Services Officer and one part-time Media Relations position for the Sheriff’s Department. Additionally, one full-time Zoning Enforcement Officer was funded for DER. These positions aim to enhance the current MET team’s ability to protect the public from illegal cannabis operators, addressing threats to the environment, community, public health, and the legal commercial cannabis market.

#### **POLICY ISSUE:**

The County Cannabis Program was established on December 5, 2017, with an implementation timeline for ongoing enforcement and program monitoring to commence in June of 2018. This report is an update to the Board of Supervisors on overall enforcement operations in the County.

#### **FISCAL IMPACT:**

The County Cannabis Program budget receives revenue from approved Development Agreements for permitted commercial cannabis business activities, which funds program oversight and enforcement activities of illegal cannabis activities. Total revenue received from approved Development Agreements in Fiscal Year 2023 totaled \$2.25 million. The failure of some operators to make timely payments as well as amendments to Development Agreements impacted Fiscal Year 2023 actual revenue. Expenditures

for Fiscal Year 2023 totaled \$3.15 million of which enforcement activities account for approximately \$3.1 million.

The 2024 Adopted Budget includes estimated revenue of nearly \$3 million and appropriations in the amount of \$4.4 million, of which \$4.2 are for enforcement activities. While each development agreement includes a flat rate based on the approved activity, estimated revenue for distribution, manufacturing, retail, and testing activities may vary depending on business' gross receipts. Staff is anticipating it will reduce the estimated revenue as part of the Midyear Financial Report due to changes in approved activity and anticipated payments. The difference between revenue and expenditures is covered by the Program's retained earnings. As of July 1, 2023, retained earnings had a balance of \$2.5 million.

**BOARD OF SUPERVISORS' PRIORITY:**

The recommended action supports the Board's priorities of *Developing a High-Performing Economy, Delivering Efficient Public Services, and Supporting a Strong and Safe Community* by regulating cannabis activities in the unincorporated area of Stanislaus County.

**STAFFING IMPACT:**

Staff from the Chief Executive Office, County Counsel, DER, Planning, District Attorney's Office, and the Sheriff's Office continue to support the overall goals of the County Cannabis Program.

Large enforcement operations utilize resources from Public Works, Stanislaus Animal Services Agency, and other Sheriff staffing resources, such as SWAT, Air Support, K-9 team, etc., to provide comprehensive support for enforcement activities.

**CONTACT PERSON:**

Erica Inacio, Deputy Executive Officer

(209) 480-2074



Presentation - February 6, 2024

# ILLEGAL CANNABIS ENFORCEMENT

Erica Inacio, Deputy Executive Officer

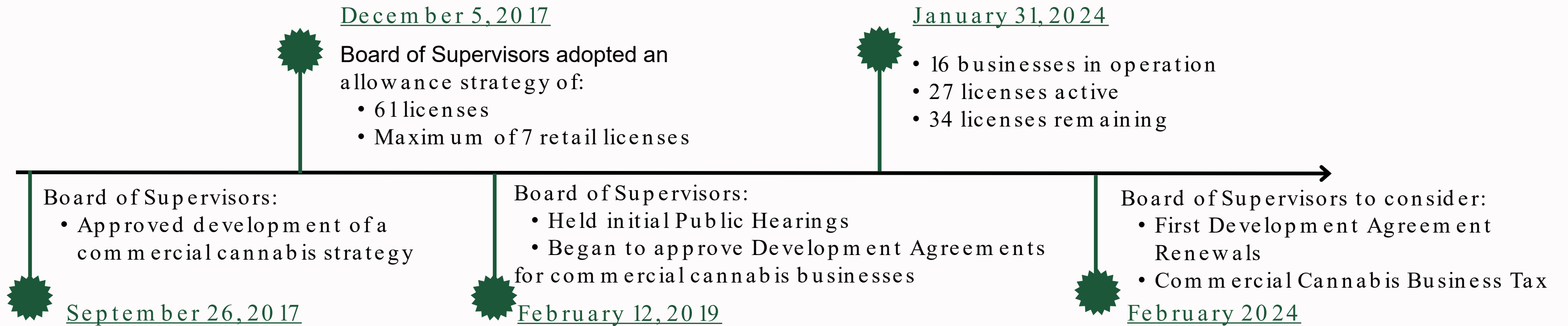
Jeff Dirkse, Sheriff

Lane Avilla, Code Enforcement Manager

Denny Ferreira, Chief Building Official

Jeff Laugero, District Attorney

# Cannabis Program Timeline



# THREATS POSED FROM ILLEGAL CANNABIS GROWS

Shootings

Homicide

Armed  
Robbery

Water Theft

Ground  
Contamination

Neighborhood  
Nuisance

Mortgage &  
Insurance  
Fraud

Money  
Laundering

# HOW INVESTIGATIONS WORK

- Tips are vetted and criminal cases are assigned
- Criminal investigation can take 1 -4 weeks to complete
- Follow -up investigations are important
- Locate and seize illegal cannabis and stop criminal enterprise
- Sheriff's Office investigates larger illegal grow operations and conducts asset forfeiture investigations
- Code Enforcement investigates smaller "backyard" grows



# Sheriff's Office

Fiscal Year 2023  
Expenditures  
\$2,185,871

## 2023 Calendar Year Statistics

Arrests

130

Plants  
Seized &  
Destroyed

89,314

Processed  
Cannabis  
Seized

6,735  
lbs.

Firearms  
Seized

138

US  
Currency  
Seized

\$2.5+  
Million

Asset  
Forfeiture  
Properties

2



# Sheriff's Office Enforcement Operations





# Code Enforcement

## 2023 Calendar Year Statistics

Fiscal Year 2023  
Expenditures  
\$95,337

57

Cannabis Complaints/Cases  
Opened

Complaints  
Unfounded

11

31,172

Plants  
Removed



# BACKYARD GROWS BEFORE & AFTER



August 10, 2023



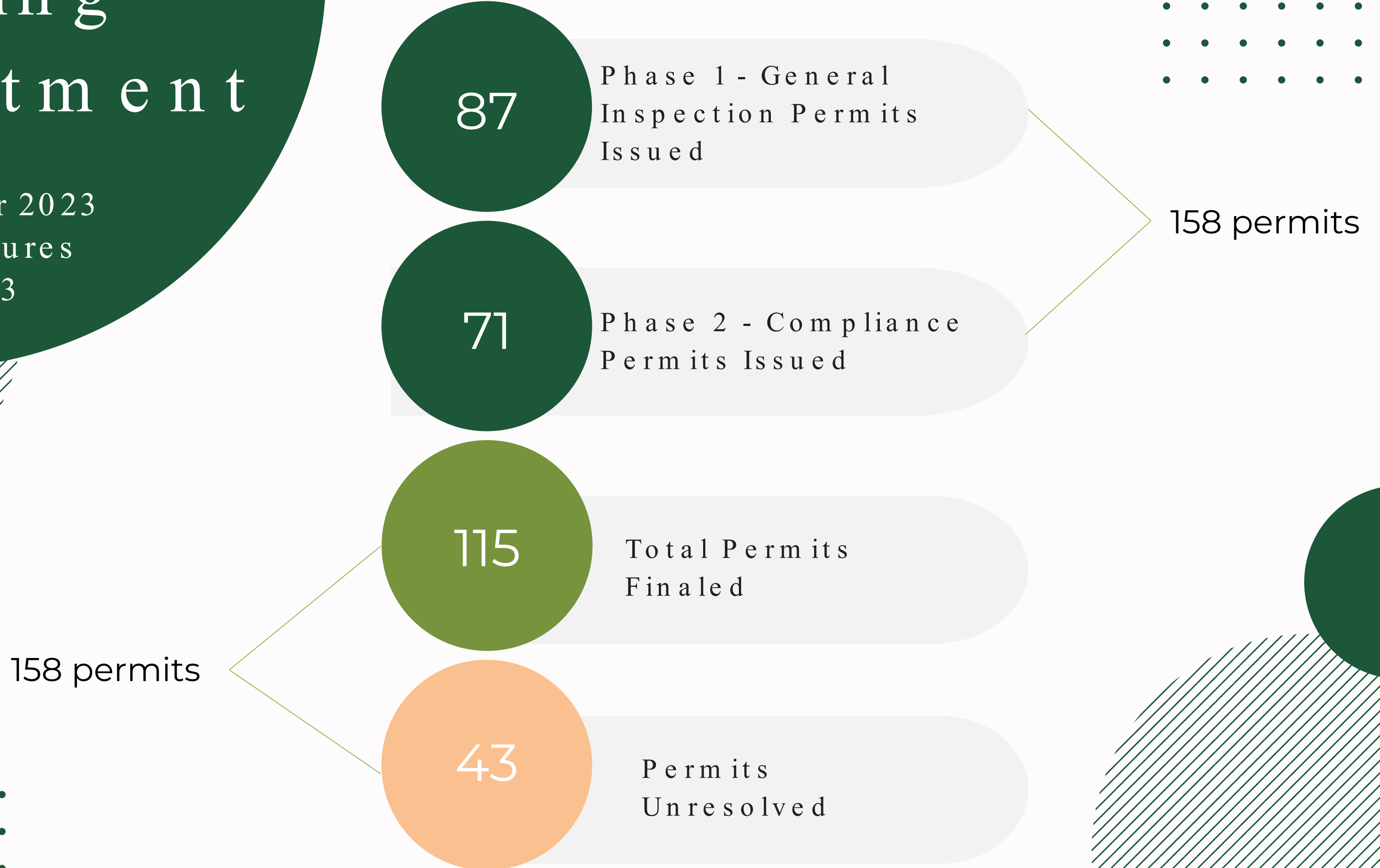
August 15, 2023



# Planning Department

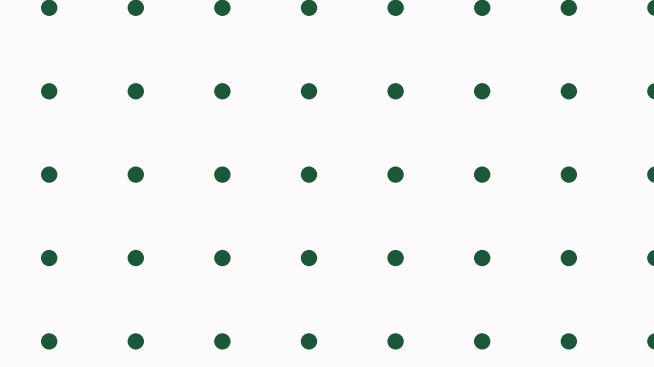
Fiscal Year 2023  
Expenditures  
\$4,083

## 2023 Calendar Year Statistics



# District Attorney

Fiscal Year 2023  
Expenditures  
\$212,071



## 2023 Calendar Year Statistics

74

Felony Cases

30

Misdemeanor  
Cases

156

Suspects  
Charged

39

Convictions

96

Suspects  
Related to SO  
Investigations

# PROP 64 GRANT

In May 2023, the California Board of State & Community Corrections (BSCC) Proposition 64 Public Health & Safety Cohort 3, awarded the Sheriff's Office \$3M in grant funding over a 5-year period and added:

- Deputy Sheriff (1)
- Crime Analyst (1)
- Community Service Officer (1)
- Media Relations staff (part-time) (1)
- Zoning Enforcement Officer (1)

The addition of these positions will enhance the Marijuana Enforcement Team's ability to protect the public from illegal cannabis operations threatening the community, the environment, public health, and the legal commercial cannabis industry.

# How does someone report illegal grows?

Crim estoppers  
www.stancrimetips.org  
1-866-60-CRIME

STAN CONNECT  
Download app on the  
app store

Sheriff's Office Tip Line  
(209) 525-7087

To Stay Anonymous - DO NOT leave any identifying personal information




# CANNABIS PROGRAM REVENUES/EXPENDITURES

Activity	Fiscal Year 2023 Actuals (July 1, 2022 – June 30, 2023)	Fiscal Year 2024 Legal Budget (July 1, 2023 – June 30, 2024)
Revenue	\$ 2.25 million	\$ 3 million
Expenditures	\$ 3.15 million	\$ 4.4 million
Use of Retained Earnings	\$ 900,000	\$ 1.4 million
Retained Earnings Balance	\$ 2.5 million	\$ 1.1 million

# CANNABIS PROGRAM EXPENDITURES FY 2024

Department/ Activity	Fiscal Year 2024 Adopted Budget	Fiscal Year 2024 Actuals (as of Dec. 31, 2023)
Annual Inspections (Fire, Ag, DER, CEO, Planning)	\$ 110,000	\$ 0
County Counsel	\$ 147,651	\$ 97,691
Chief Executive Office	\$ 195,906	\$ 78,949
District Attorney	\$ 328,055	\$ 111,135
Environmental Resources (Code Enforcement)	\$ 332,763	\$ 30,682
Planning	\$ 10,300	\$ 9,276
Sheriff	\$ 3,063,967	\$ 457,262
Community Benefit Contribution Program	\$ 191,273	\$ 10
Other (Clerk-Recorder filing fees, miscellaneous fees)	\$ 52,590	\$ 9,804
<b>Total</b>	<b>\$ 4,432,505</b>	<b>\$ 1,398,701</b>



THANK YOU!

ANY QUESTIONS?