



Economic Impact Analysis of the Cannabis Industry in Greater Palm Springs (2020)

Prepared for:
Visit Greater Palm Springs

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1 Research Overview

Introduction

The cannabis industry has grown rapidly in Greater Palm Springs over the past few years as it became legal for adults to purchase marijuana for recreational personal use from retailers that are licensed by both the state of California and the city where the retailer is located. Given the significant growth, the industry is now an important driver of visitation – one that attracts visitors that participate in other activities beyond cannabis while visiting the area – and economic activity in Greater Palm Springs supporting local jobs and generating local tax revenue.

Currently, the following five cities in Greater Palm Springs allow for the sale of cannabis:

- Cathedral City
- Coachella
- Desert Hot Springs
- Palm Desert
- Palm Springs

Visit Greater Palm Springs commissioned Tourism Economics to conduct an economic impact analysis to quantify the impact the cannabis industry has on tourism in Greater Palm Springs, as well as each individual city.

Tourism Economics prepared a comprehensive model using multiple primary and secondary data sources to quantify the impacts arising from the following components:

- Impacts of resident spending in the cannabis industry
- Impacts of visitor spending in the cannabis industry
- Impacts of “cannabis” visitor spending in the broader economy

Impact modeling is based on an IMPLAN Input-Output (I-O) model for Riverside County. The results of this study show the scope of the cannabis industry’s impact in terms of direct visitor spending, as well as total economic impacts, including employment, household income, and fiscal (tax) impacts.

2 Key Findings



GREATER PALM SPRINGS CANNABIS INDUSTRY

SUMMARY ECONOMIC IMPACTS

DIRECT SPENDING IMPACTS

The cannabis industry in Greater Palm Springs generated significant economic impacts as residents and visitors purchased cannabis from retailers in Greater Palm Springs.

In addition to purchasing cannabis, out-of-town “cannabis” visitors also spent money at local establishments during their stay in Greater Palm Springs, including local restaurants, hotels, retailers, and recreation/entertainment venues.

Total direct spending associated with the cannabis industry amounted to \$265.1 million in 2020.



\$265.1 MILLION

Total Direct Spending Impact of the Cannabis Industry in Greater Palm Springs



\$117.3 MILLION

Resident and Visitor Spending on Cannabis



\$147.9 MILLION

“Cannabis” Visitor Spending in the Local Economy

TOTAL ECONOMIC IMPACTS

The cannabis industry’s direct spending impact of \$265.1 million generated a total economic impact of \$374.7 million in the local economy in 2020, which supported 8,150 part-time and full-time jobs and generated \$109.3 million in state and local taxes.



\$374.7 MILLION

Total Impact of the Cannabis Industry

ECONOMIC IMPACTS OF THE CANNABIS INDUSTRY



\$374.7M

**Total
Economic
Impact**



8,150

**Total
Jobs
Generated**



\$109.3M

**Total
State & Local
Tax Revenues**

CATHEDRAL CITY CANNABIS INDUSTRY

SUMMARY ECONOMIC IMPACTS

DIRECT SPENDING IMPACTS

The cannabis industry in Cathedral City generated significant economic impacts as residents and visitors purchased cannabis from retailers in Cathedral City.

In addition to purchasing cannabis, out-of-town “cannabis” visitors also spent money at local establishments during their stay in Cathedral City, including local restaurants, hotels, retailers, and recreation/entertainment venues.

Total direct spending associated with the cannabis industry amounted to \$39.4 million in 2020.



\$39.4 MILLION

Total Direct Spending Impact of the Cannabis Industry in Cathedral City



\$19.5 MILLION

Resident and Visitor Spending on Cannabis



\$19.9 MILLION

“Cannabis” Visitor Spending in the Local Economy

TOTAL ECONOMIC IMPACTS

The cannabis industry’s direct spending impact of \$39.4 million generated a total economic impact of \$55.1 million in the local economy in 2020, which supported 2,600 part-time and full-time jobs and generated \$20.7 million in state and local taxes.



\$55.1 MILLION

Total Impact of the Cannabis Industry

ECONOMIC IMPACTS OF THE CANNABIS INDUSTRY



\$55.1M

**Total
Economic
Impact**



2,600

**Total
Jobs
Generated**



\$20.7M

**Total
State & Local
Tax Revenues**

COACHELLA CANNABIS INDUSTRY

SUMMARY ECONOMIC IMPACTS

DIRECT SPENDING IMPACTS

The cannabis industry in Coachella generated significant economic impacts as residents and visitors purchased cannabis from retailers in Coachella.

In addition to purchasing cannabis, out-of-town “cannabis” visitors also spent money at local establishments during their stay in Coachella, including local restaurants, hotels, retailers, and recreation/entertainment venues.

Total direct spending associated with the cannabis industry amounted to \$22.1 million in 2020.



\$22.1 MILLION

Total Direct Spending Impact of the Cannabis Industry in Coachella



\$9.0 MILLION

Resident and Visitor Spending on Cannabis



\$13.1 MILLION

“Cannabis” Visitor Spending in the Local Economy

TOTAL ECONOMIC IMPACTS

The cannabis industry’s direct spending impact of \$22.1 million generated a total economic impact of \$31.7 million in the local economy in 2020, which supported 1,000 part-time and full-time jobs and generated \$7.3 million in state and local taxes.



\$31.7 MILLION

Total Impact of the Cannabis Industry

ECONOMIC IMPACTS OF THE CANNABIS INDUSTRY



\$31.7M

**Total
Economic
Impact**



1,000

**Total
Jobs
Generated**



\$7.3M

**Total
State & Local
Tax Revenues**

DESERT HOT SPRINGS CANNABIS INDUSTRY

SUMMARY ECONOMIC IMPACTS

DIRECT SPENDING IMPACTS

The cannabis industry in Desert Hot Springs generated significant economic impacts as residents and visitors purchased cannabis from retailers in Desert Hot Springs.

In addition to purchasing cannabis, out-of-town “cannabis” visitors also spent money at local establishments during their stay in Desert Hot Springs, including local restaurants, hotels, retailers, and recreation/entertainment venues.

Total direct spending associated with the cannabis industry amounted to \$38.5 million in 2020.



\$38.5 MILLION

Total Direct Spending Impact of the Cannabis Industry in Desert Hot Springs



\$27.4 MILLION

Resident and Visitor Spending on Cannabis



\$11.1 MILLION

“Cannabis” Visitor Spending in the Local Economy

TOTAL ECONOMIC IMPACTS

The cannabis industry’s direct spending impact of \$38.5 million generated a total economic impact of \$55.9 million in the local economy in 2020, which supported 2,450 part-time and full-time jobs and generated \$22.0 million in state and local taxes.



\$55.9 MILLION

Total Impact of the Cannabis Industry

ECONOMIC IMPACTS OF THE CANNABIS INDUSTRY



\$55.9M

**Total
Economic
Impact**



2,450

**Total
Jobs
Generated**



\$22.0M

**Total
State & Local
Tax Revenues**

PALM DESERT CANNABIS INDUSTRY

SUMMARY ECONOMIC IMPACTS

DIRECT SPENDING IMPACTS

The cannabis industry in Palm Desert generated significant economic impacts as residents and visitors purchased cannabis from retailers in Palm Desert.

In addition to purchasing cannabis, out-of-town “cannabis” visitors also spent money at local establishments during their stay in Palm Desert, including local restaurants, hotels, retailers, and recreation/entertainment venues.

Total direct spending associated with the cannabis industry amounted to \$83.8 million in 2020.



\$83.8 MILLION

Total Direct Spending Impact of the Cannabis Industry in Palm Desert



\$33.0 MILLION

Resident and Visitor Spending on Cannabis



\$50.8 MILLION

“Cannabis” Visitor Spending in the Local Economy

TOTAL ECONOMIC IMPACTS

The cannabis industry’s direct spending impact of \$83.8 million generated a total economic impact of \$116.9 million in the local economy in 2020, which supported 800 part-time and full-time jobs and generated \$28.8 million in state and local taxes.



\$116.9 MILLION

Total Impact of the Cannabis Industry

ECONOMIC IMPACTS OF THE CANNABIS INDUSTRY



\$116.9M

**Total
Economic
Impact**



800

**Total
Jobs
Generated**



\$28.8M

**Total
State & Local
Tax Revenues**

PALM SPRINGS CANNABIS INDUSTRY

SUMMARY ECONOMIC IMPACTS

DIRECT SPENDING IMPACTS

The cannabis industry in Palm Springs generated significant economic impacts as residents and visitors purchased cannabis from retailers in Palm Springs.

In addition to purchasing cannabis, out-of-town “cannabis” visitors also spent money at local establishments during their stay in Palm Springs, including local restaurants, hotels, retailers, and recreation/entertainment venues.

Total direct spending associated with the cannabis industry amounted to \$81.3 million in 2020.



\$81.3 MILLION

Total Direct Spending Impact of the Cannabis Industry in Palm Springs



\$28.4 MILLION

Resident and Visitor Spending on Cannabis



\$52.9 MILLION

“Cannabis” Visitor Spending in the Local Economy

TOTAL ECONOMIC IMPACTS

The cannabis industry’s direct spending impact of \$81.3 million generated a total economic impact of \$115.1 million in the local economy in 2020, which supported 1,300 part-time and full-time jobs and generated \$30.4 million in state and local taxes.



\$115.1 MILLION

Total Impact of the Cannabis Industry

ECONOMIC IMPACTS OF THE CANNABIS INDUSTRY



\$115.1M

**Total
Economic
Impact**



1,300

**Total
Jobs
Generated**



\$30.4M

**Total
State & Local
Tax Revenues**

3 Research Approach



Direct Impact Approach

Direct impact summary

The direct spending generated by the Greater Palm Springs cannabis industry amounted to \$265.1 million in 2020.

The first step in economic impact analysis is to estimate direct spending impacts for each of the Greater Palm Spring cities that legalized recreational cannabis, which are separated into two main categories:

- 1. Resident and visitor spending in the cannabis industry (“cannabis spending”)
- 2. Spending by “cannabis” visitors at establishments in the local economy (“visitor spending”)

These direct impacts ultimately serve as the inputs for the economic impact model.

Direct impact summary
(\$ millions)

	Cannabis Spending	Visitor Spending	Total Direct Spending	Detailed Info
Greater Palm Springs	\$117.3	\$147.9	\$265.1	Pages 15 – 23
Cathedral City	\$19.5	\$19.9	\$39.4	Pages 24 – 28
Coachella	\$9.0	\$13.1	\$22.1	Pages 29 – 33
Desert Hot Springs	\$27.4	\$11.1	\$38.5	Pages 34 – 38
Palm Desert	\$33.0	\$50.8	\$83.8	Pages 39 – 43
Palm Springs	\$28.4	\$52.9	\$81.3	Pages 44 – 48

Note: sums may not total due to rounding

Source: city management, Longwoods International, Tourism Economics

Economic Impact Approach

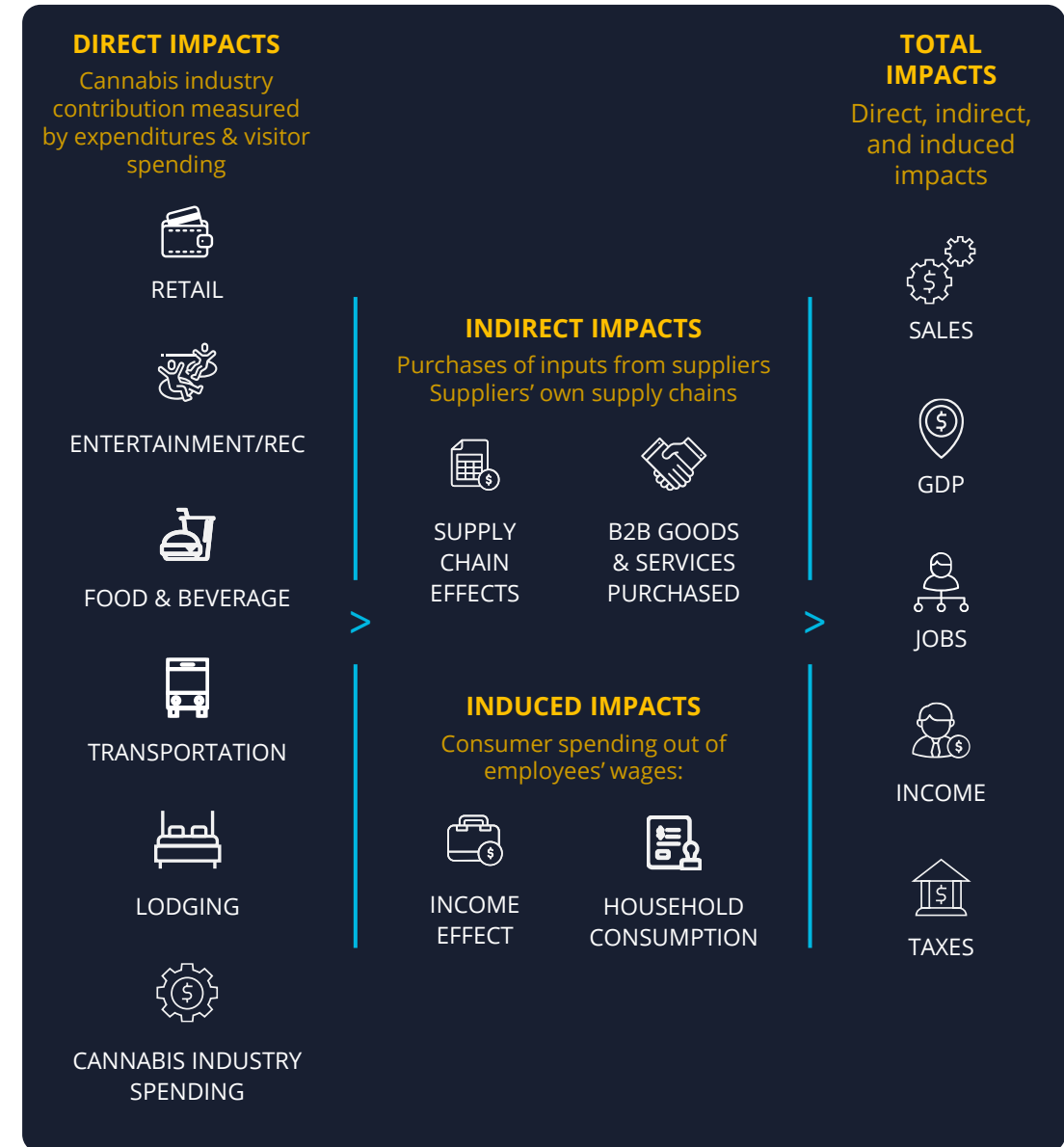
Introduction and definitions

The economic impacts of the direct spending from the cannabis industry were estimated using a regional Input-Output (I-O) model based on a customized IMPLAN (www.implan.com) model for the economy of Riverside County. IMPLAN is recognized as an industry standard in local-level I-O models. An I-O model represents a profile of an economy by measuring the relationships among industries and consumers to track the flow of industry revenue to wages, profits, capital, taxes and suppliers. The supply chain is traced as dollars flow through the economy, representing indirect impacts. The model also calculates the induced impacts of spending. Induced impacts represent benefits to the economy as incomes earned from direct spending in the local economy, generating additional sales, jobs, taxes, and income.

The modeling process begins with aligning the direct expenditure measurements with the related sectors in the model (e.g. hotels, restaurants, retail, and recreation). The model is then run to trace the flow of these expenditures through the economy. In this process, the inter-relationships between consumers and industries generate each level of impact.

IMPLAN calculates three levels of impact – direct, indirect, and induced – for a broad set of indicators. These include the following:

- Business sales (also called gross output)
- Household income (including wages and benefits)
- Employment
- Federal taxes
- State and local taxes



4 Greater Palm Springs



Greater Palm Springs

Direct impact: cannabis businesses

There are five types of cannabis businesses in Greater Palm Springs, the majority of which possess a cannabis cultivation license.

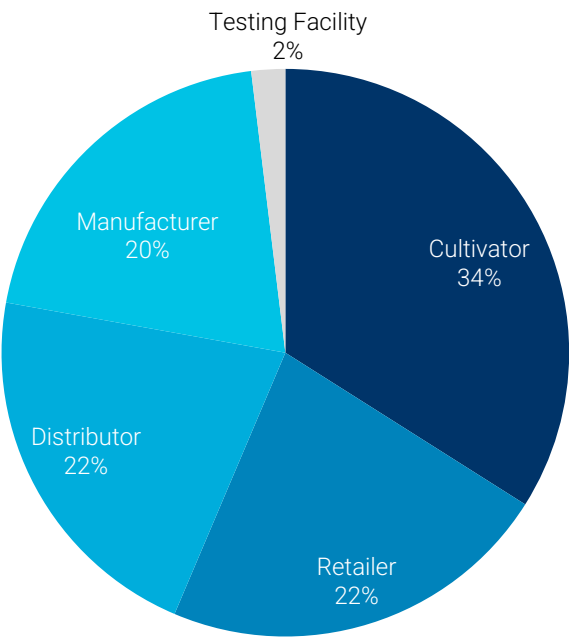
Greater Palm Springs is home to five types of cannabis business:

- 1. **Cultivator:** an entity licensed to engage in the business of planting, growing, harvesting, drying, curing, grading, or trimming cannabis.
- 2. **Retailer:** an entity licensed to sell cannabis and/or cannabis products directly to a consumer.
- 3. **Distributor:** an entity licensed to procure, sell, and/or transport cannabis between licensed cannabis businesses, such as a cultivator, manufacturer, or retailer.
- 4. **Manufacturer:** an entity licensed to produce or prepare cannabis or cannabis products at a fixed location, package or repackage cannabis or cannabis products, or label or relabel its container.
- 5. **Testing Facility:** an entity licensed to analyze and certify the safety and potency of cannabis.

There are hundreds of operational cannabis businesses throughout Greater Palm Springs, some of which possess licenses across multiple business types.

In total, the operational cannabis businesses in Greater Palm Springs possess more than 400 licenses.

Number of cannabis licenses by business type
(percentage of licenses)



Source: city management

Greater Palm Springs

Direct impact: cannabis taxes

The cannabis businesses in each locality are required to abide by state and local regulations and pay cannabis-related taxes at both the state and local level.

Cannabis businesses in California are regulated at the state and local levels, with each city in Greater Palm Springs implementing a unique tax structure.

At the state level, cannabis businesses are required to pay an excise or cultivation tax, depending on business type. The 15% excise tax is imposed upon retail purchasers of all cannabis and cannabis products. The cultivation tax is imposed on cultivators for all harvested cannabis, except immature plants and seeds, that enters the commercial market based on the weight and category of the cannabis.

Similarly, all cities that legalized cannabis in Greater Palm Springs impose a retail tax (ranging from 6% to 15% of gross receipts), a cultivation tax (based either on square footage or gross receipts), and a manufacturing tax (ranging from 0% to 40% of gross receipts). Coachella and Palm Springs also impose a tax on distribution and testing, which are based on gross receipts.

In total, the local governments in Greater Palm Springs generated \$18.1 million in local cannabis taxes in 2020.

Local cannabis taxes

(% gross receipts, \$/square foot/year - manufacturing, \$ millions – local taxes)

	Local cannabis tax rates					Local taxes
	Retail	Cultivation	Manufacturing	Distribution	Testing	
Cathedral City	10%	\$15	5% - 40%	-	-	\$5.1
Coachella	6%	4%	2%	2%	1%	\$1.2
Desert Hot Springs	10%	\$10	0%	-	-	\$4.8
Palm Desert	10%	\$13	2%	-	-	\$3.3
Palm Springs	10% - 15%	\$5 - \$10	2% - 15%	0% - 15%	0% - 15%	\$3.7

Source: city management

Greater Palm Springs

Direct impact: cannabis spending

Residents and visitors spent \$117.3 million on cannabis in Greater Palm Springs in 2020.

The cannabis industry in Greater Palm Springs is supported by residents and visitors. In total, Greater Palm Springs residents and visitors spent \$117.3 million on cannabis. In addition to spending within the cannabis industry, visitors also spent money at establishments in the local economy, as detailed on the following page.

Cannabis retail sales
(\$ millions)

	Retail sales
Greater Palm Springs	\$117.3
Cathedral City	\$19.5
Coachella	\$9.0
Desert Hot Springs	\$27.4
Palm Desert	\$33.0
Palm Springs	\$28.4

Source: city management

Greater Palm Springs

Direct impact: “cannabis” visitor spending by industry

The “cannabis” visitor direct spending impacts was spread across a wide range of sectors within the local economy.

The “cannabis” visitors to Greater Palm Springs spent \$147.9 million in the local economy in 2020. This includes spending at local restaurants, hotels, retailers, and recreation/entertainment venues.

The “cannabis” visitor spending was spread across several industries, including \$48.8 million in the lodging industry, \$36.7 million in retail, \$36.4 million in spending in the food and beverage industry, \$14.2 million in local transportation, and \$11.7 million in the recreation and entertainment industry. This excludes spending on cannabis products.



Note: sums may not total due to rounding
Source: Tourism Economics

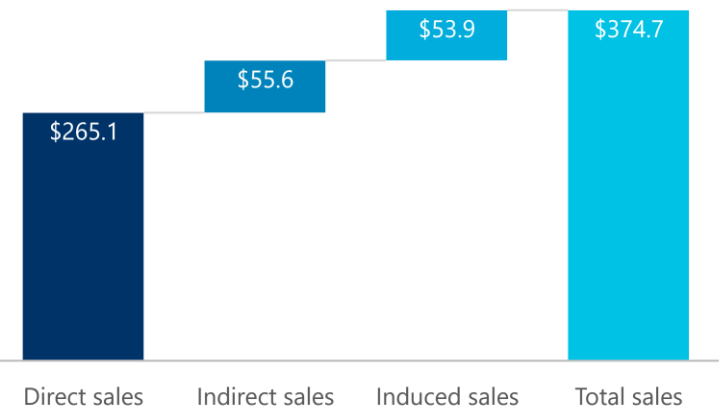
Greater Palm Springs

Economic impact: business sales by industry

The Greater Palm Springs cannabis industry supported \$374.7 million of total output (business sales) in 2020.

The \$265.1 million in Greater Palm Springs cannabis industry direct spending generated \$55.6 million in indirect expenditures and \$53.9 million in induced expenditures, resulting in a total economic impact of \$374.7 million in Greater Palm Springs.

Summary economic impacts
(\$ millions)



Business sales impacts by industry
(\$ millions)

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$265.1	\$55.6	\$53.9	\$374.7
By industry				
Retail Trade	\$81.6	\$0.8	\$5.0	\$87.4
Lodging	\$48.8	\$0.0	\$0.0	\$48.8
Food & Beverage	\$36.4	\$2.5	\$5.2	\$44.1
Finance, Insurance and Real Estate	\$1.3	\$14.9	\$17.5	\$33.7
Agriculture, Fishing, Mining	\$29.4	\$1.9	\$0.0	\$31.4
Manufacturing	\$22.1	\$1.0	\$0.3	\$23.4
Other Transport	\$16.2	\$4.9	\$1.4	\$22.5
Wholesale Trade	\$9.8	\$6.4	\$2.7	\$18.9
Business Services	\$1.3	\$12.3	\$3.8	\$17.4
Recreation and Entertainment	\$11.7	\$1.2	\$0.8	\$13.6
Education and Health Care		\$0.1	\$8.4	\$8.5
Gasoline Stations	\$6.6	\$0.2	\$0.4	\$7.2
Government		\$3.3	\$1.9	\$5.2
Personal Services		\$1.5	\$3.6	\$5.1
Communications		\$2.5	\$1.6	\$4.1
Construction and Utilities		\$2.0	\$1.2	\$3.1
Air Transport		\$0.0	\$0.1	\$0.1

Note: sums may not total due to rounding

Source: Tourism Economics

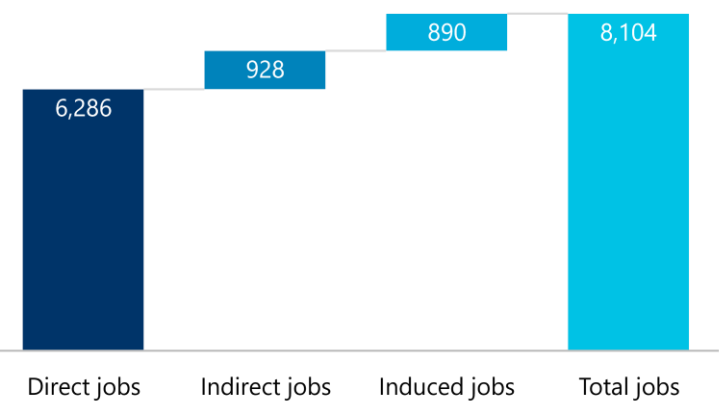
Greater Palm Springs

Economic impact: employment by industry

The Greater Palm Springs cannabis industry supported 8,104 total jobs in 2020.

The Greater Palm Springs cannabis industry directly supported 6,286 full-time and part-time jobs in 2020. Indirect and induced impacts generated 928 indirect jobs and 890 induced jobs.

Summary employment impacts
(number of jobs)



Employment impacts by industry
(number of jobs)

	Direct Employment	Indirect Employment	Induced Employment	Total Employment
Total, all industries	6,286	928	890	8,104
By industry				
Agriculture, Fishing, Mining	3,055	214	1	3,270
Retail Trade	828	11	122	962
Manufacturing	886	5	2	893
Food & Beverage	445	52	156	653
Other Transport	380	108	41	529
Lodging	472	0	0	473
Business Services	30	224	88	342
Finance, Insurance and Real Estate	5	153	81	239
Recreation and Entertainment	169	23	27	219
Education and Health Care		2	198	200
Personal Services		28	115	142
Wholesale Trade	10	51	18	80
Government		30	17	47
Construction and Utilities		13	10	24
Communications		8	8	16
Gasoline Stations	5	4	5	15
Air Transport		0	1	1

Note: sums may not total due to rounding

Source: Tourism Economics

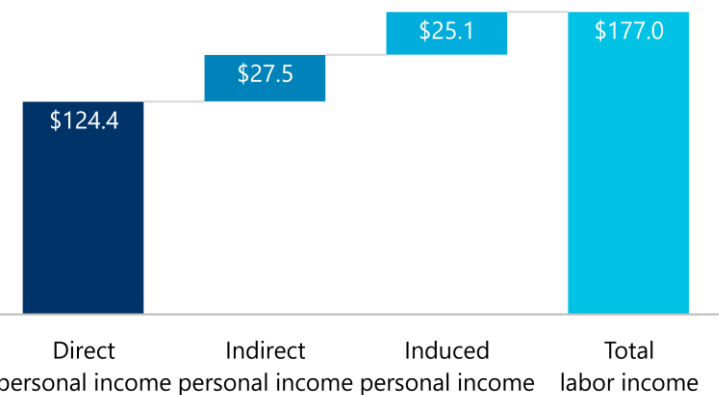
Greater Palm Springs

Economic impact: personal income by industry

The Greater Palm Springs cannabis industry generated \$177.0 million in total personal income in 2020.

The Greater Palm Springs cannabis industry generated \$124.4 million in direct income and \$177.0 million in total income, including indirect and induced income in 2020.

Summary personal income impacts
(\$ millions)



Personal income impacts by industry
(\$ millions)

	Direct Personal Income	Indirect Personal Income	Induced Personal Income	Total Personal Income
Total, all industries	\$124.4	\$27.5	\$25.1	\$177.0
By industry				
Agriculture, Fishing, Mining	\$45.2	\$4.0	\$0.0	\$49.3
Lodging	\$20.3	\$0.0	\$0.0	\$20.3
Retail Trade	\$16.9	\$0.3	\$2.7	\$19.9
Food & Beverage	\$12.8	\$1.4	\$3.1	\$17.3
Other Transport	\$8.7	\$3.7	\$1.0	\$13.4
Manufacturing	\$12.6	\$0.2	\$0.1	\$13.0
Business Services	\$1.8	\$7.1	\$2.5	\$11.4
Education and Health Care		\$0.1	\$7.0	\$7.1
Recreation and Entertainment	\$4.6	\$0.4	\$0.5	\$5.5
Finance, Insurance and Real Estate	\$0.3	\$3.0	\$1.6	\$4.9
Personal Services		\$1.3	\$3.5	\$4.7
Wholesale Trade	\$0.7	\$2.5	\$1.0	\$4.2
Government		\$2.1	\$1.0	\$3.1
Construction and Utilities		\$0.7	\$0.4	\$1.1
Communications		\$0.7	\$0.4	\$1.0
Gasoline Stations	\$0.4	\$0.2	\$0.3	\$0.8
Air Transport		\$0.0	\$0.0	\$0.0

Note: sums may not total due to rounding

Source: Tourism Economics

Greater Palm Springs

Economic impact: tax generation

The Greater Palm Springs cannabis industry sustained \$133.9 million in governmental revenue in 2020, the vast majority of which was generated by cannabis-specific taxes.

The Greater Palm Springs cannabis industry generated a total fiscal (tax) impact of \$133.9 million in 2020.

The State of California government collected \$71.4 million and the local governments collected \$38.0 million in 2020.

In total, the cannabis taxes generated \$52.1 million for state and local governments, \$18.1 million of which went to local governments in Greater Palm Springs.

State and local tax revenue (\$ millions)

	State	Local	Total
Total taxes	\$71.4	\$38.0	\$109.3
Sales	\$31.7	\$5.1	\$36.8
Bed Tax	\$0.0	\$6.8	\$6.8
Personal Income	\$3.4	\$0.0	\$3.4
Corporate	\$0.6	\$0.0	\$0.6
Social Insurance	\$0.6	\$0.0	\$0.6
Excise and Fees	\$0.9	\$1.0	\$1.9
Property	\$0.3	\$6.9	\$7.2
Cannabis	\$34.0	\$18.1	\$52.1

Total tax revenue (\$ millions)

	Direct	Indirect / Induced	Total
Total Tax Revenues	\$116.9	\$17.0	\$133.9
Federal	\$17.2	\$7.4	\$24.6
Personal Income	\$5.9	\$2.8	\$8.7
Corporate	\$0.8	\$0.6	\$1.4
Indirect Business	\$0.9	\$0.4	\$1.2
Social Insurance	\$9.6	\$3.6	\$13.2
State and Local	\$99.7	\$9.6	\$109.3
Sales	\$31.4	\$5.3	\$36.8
Bed Tax	\$6.8	\$0.0	\$6.8
Personal Income	\$2.3	\$1.1	\$3.4
Corporate	\$0.4	\$0.3	\$0.6
Social Insurance	\$0.4	\$0.1	\$0.6
Excise and Fees	\$1.3	\$0.6	\$1.9
Property	\$5.0	\$2.2	\$7.2
Cannabis	\$52.1	\$0.0	\$52.1

Note: sums may not total due to rounding

Source: Tourism Economics

5 Cathedral City



Cathedral City

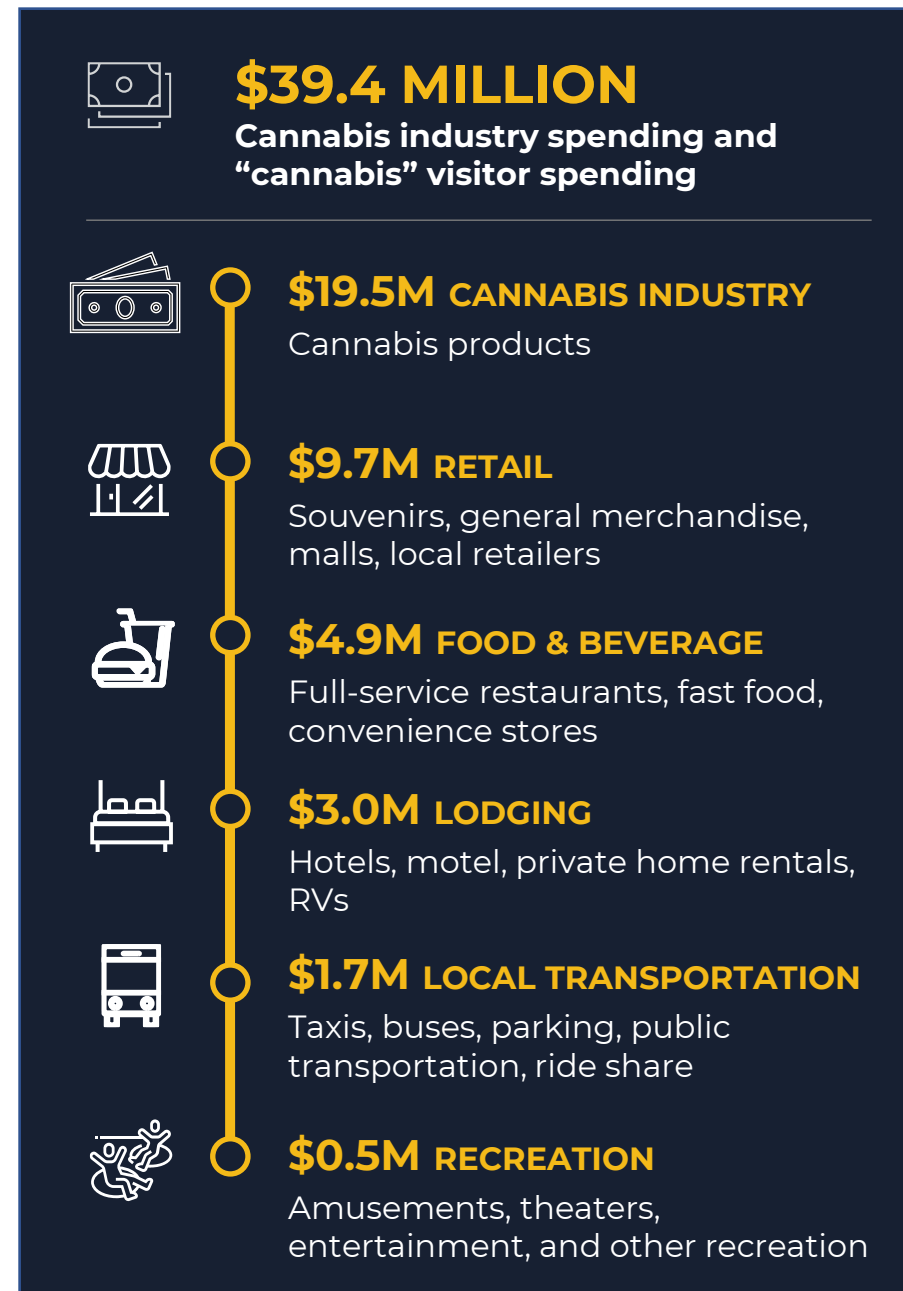
Direct impact: cannabis spending and visitor spending

The cannabis industry in Cathedral City generated \$39.4 million in direct spending in 2020, which includes \$19.5 million in spending within the cannabis industry and \$19.9 million in spending by “cannabis” visitors.

Cathedral City residents and visitors spent \$19.5 million in the cannabis industry in 2020.

In addition to spending within the cannabis industry, “cannabis” visitors in Cathedral City spent \$19.9 million at local restaurants, hotels, retailers, and recreation/entertainment venues.

The “cannabis” visitor spending was spread across several industries, including \$9.7 million in retail, \$4.9 million in spending in the food and beverage industry, \$3.0 million in the lodging industry, \$1.7 million in local transportation, and \$0.5 million in the recreation and entertainment industry.



Note: sums may not total due to rounding
Source: Tourism Economics

Cathedral City

Economic impact: business sales by industry

Business sales impacts by industry

(\$ millions)

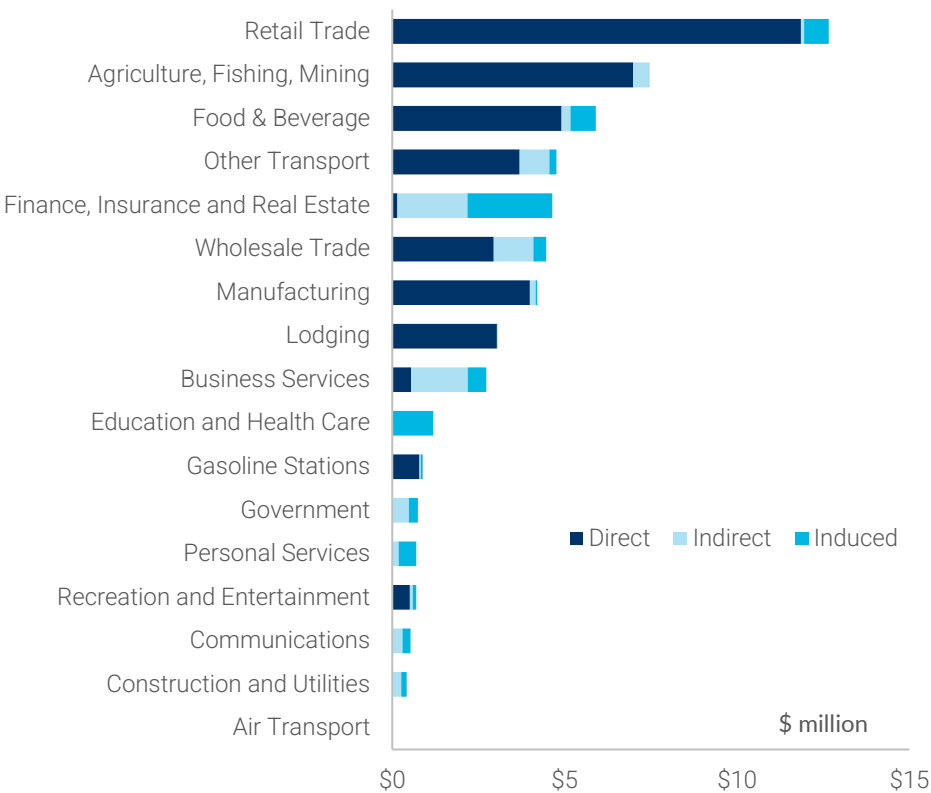
	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$39.4	\$8.0	\$7.6	\$55.1
By industry				
Retail Trade	\$11.9	\$0.1	\$0.7	\$12.7
Agriculture, Fishing, Mining	\$7.0	\$0.5	\$0.0	\$7.5
Food & Beverage	\$4.9	\$0.3	\$0.7	\$5.9
Other Transport	\$3.7	\$0.9	\$0.2	\$4.8
Finance, Insurance and Real Estate	\$0.2	\$2.0	\$2.5	\$4.6
Wholesale Trade	\$2.9	\$1.2	\$0.4	\$4.5
Manufacturing	\$4.0	\$0.2	\$0.0	\$4.2
Lodging	\$3.0	\$0.0	\$0.0	\$3.0
Business Services	\$0.6	\$1.6	\$0.5	\$2.7
Education and Health Care		\$0.0	\$1.2	\$1.2
Gasoline Stations	\$0.8	\$0.0	\$0.0	\$0.9
Government		\$0.5	\$0.3	\$0.7
Personal Services		\$0.2	\$0.5	\$0.7
Recreation and Entertainment	\$0.5	\$0.1	\$0.1	\$0.7
Communications		\$0.3	\$0.2	\$0.5
Construction and Utilities		\$0.3	\$0.2	\$0.4
Air Transport		\$0.0	\$0.0	\$0.0

Note: sums may not total due to rounding

Source: Tourism Economics

Business sales impacts by industry

(\$ millions)



Source: Tourism Economics

Cathedral City

Economic impact: employment by industry

Employment impacts by industry

(number of jobs)

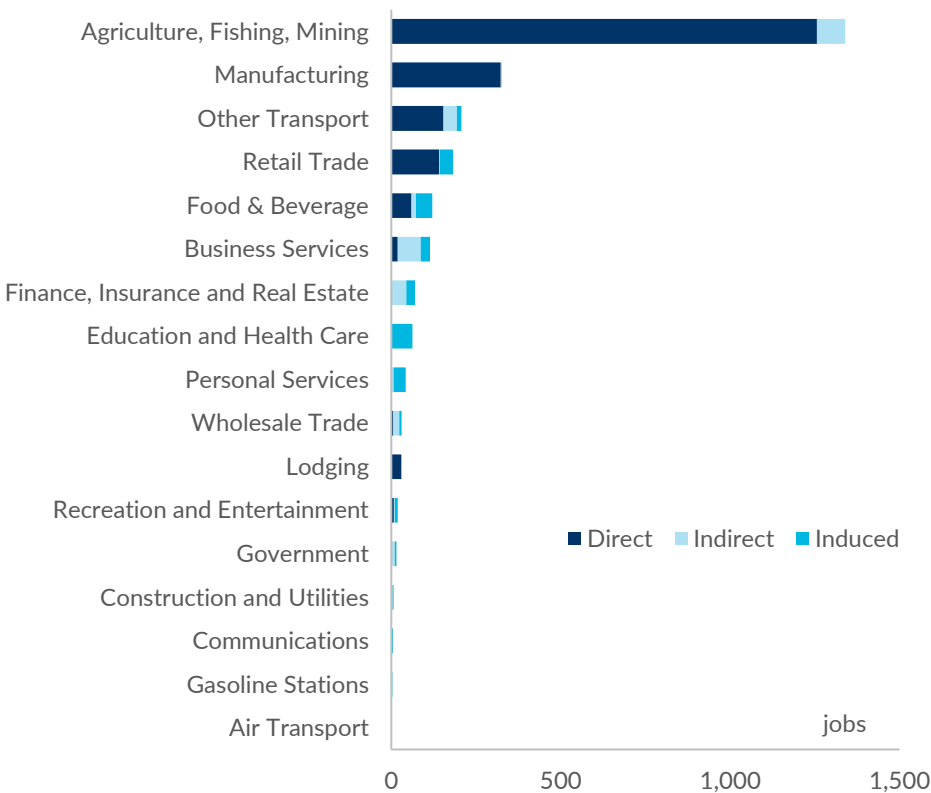
	Direct Employment	Indirect Employment	Induced Employment	Total Employment
Total, all industries	1,999	295	278	2,572
By industry				
Agriculture, Fishing, Mining	1,257	80	0	1,337
Manufacturing	323	2	1	326
Other Transport	154	40	13	207
Retail Trade	141	3	38	182
Food & Beverage	60	12	49	121
Business Services	19	68	27	115
Finance, Insurance and Real Estate	1	44	25	70
Education and Health Care		0	62	62
Personal Services		7	36	43
Wholesale Trade	6	19	6	30
Lodging	29	0	0	29
Recreation and Entertainment	7	3	8	19
Government		10	5	15
Construction and Utilities		4	3	7
Communications		2	2	5
Gasoline Stations	1	2	2	4
Air Transport		0	0	0

Note: sums may not total due to rounding

Source: Tourism Economics

Employment impacts by industry

(number of jobs)



Source: Tourism Economics

Cathedral City

Economic impact: tax generation

Total tax revenue

(\$ millions)

	Direct	Indirect / Induced	Total
Total Tax Revenues	\$21.8	\$2.4	\$24.2
Federal	\$2.4	\$1.1	\$3.5
Personal Income	\$0.8	\$0.4	\$1.2
Corporate	\$0.1	\$0.1	\$0.2
Indirect Business	\$0.1	\$0.1	\$0.2
Social Insurance	\$1.3	\$0.5	\$1.9
State and Local	\$19.4	\$1.3	\$20.7
Sales	\$5.0	\$0.7	\$5.7
Bed Tax	\$0.5	\$0.0	\$0.5
Personal Income	\$0.3	\$0.2	\$0.5
Corporate	\$0.1	\$0.0	\$0.1
Social Insurance	\$0.1	\$0.0	\$0.1
Excise and Fees	\$0.2	\$0.1	\$0.3
Property	\$0.6	\$0.3	\$1.0
Cannabis	\$12.7	\$0.0	\$12.7

Note: sums may not total due to rounding

Source: Tourism Economics

State and local tax revenue

(\$ millions)

	State	Local	Total
Total taxes	\$13.3	\$7.4	\$20.7
Sales	\$5.0	\$0.7	\$5.7
Bed Tax	\$0.0	\$0.5	\$0.5
Personal Income	\$0.5	\$0.0	\$0.5
Corporate	\$0.1	\$0.0	\$0.1
Social Insurance	\$0.1	\$0.0	\$0.1
Excise and Fees	\$0.1	\$0.1	\$0.3
Property	\$0.0	\$0.9	\$1.0
Cannabis	\$7.6	\$5.1	\$12.7

Note: sums may not total due to rounding

Source: Tourism Economics

6 Coachella



Coachella

Direct impact: cannabis spending and visitor spending

The cannabis industry in Coachella generated \$22.1 million in direct spending in 2020, which includes \$9.0 million in spending within the cannabis industry and \$13.1 million in spending by “cannabis” visitors.

Coachella residents and visitors spent \$9.0 million in the cannabis industry in 2020.

In addition to spending within the cannabis industry, “cannabis” visitors in Coachella spent \$13.1 million at local restaurants, hotels, retailers, and recreation/entertainment venues.

The “cannabis” visitor spending was spread across several industries, including \$4.1 million in the lodging industry, \$3.2 million in spending in the food and beverage industry, \$2.7 million in retail, \$1.8 million in the recreation and entertainment industry, and \$1.3 million in local transportation.



Note: sums may not total due to rounding
Source: Tourism Economics

Coachella

Economic impact: business sales by industry

Business sales impacts by industry

(\$ millions)

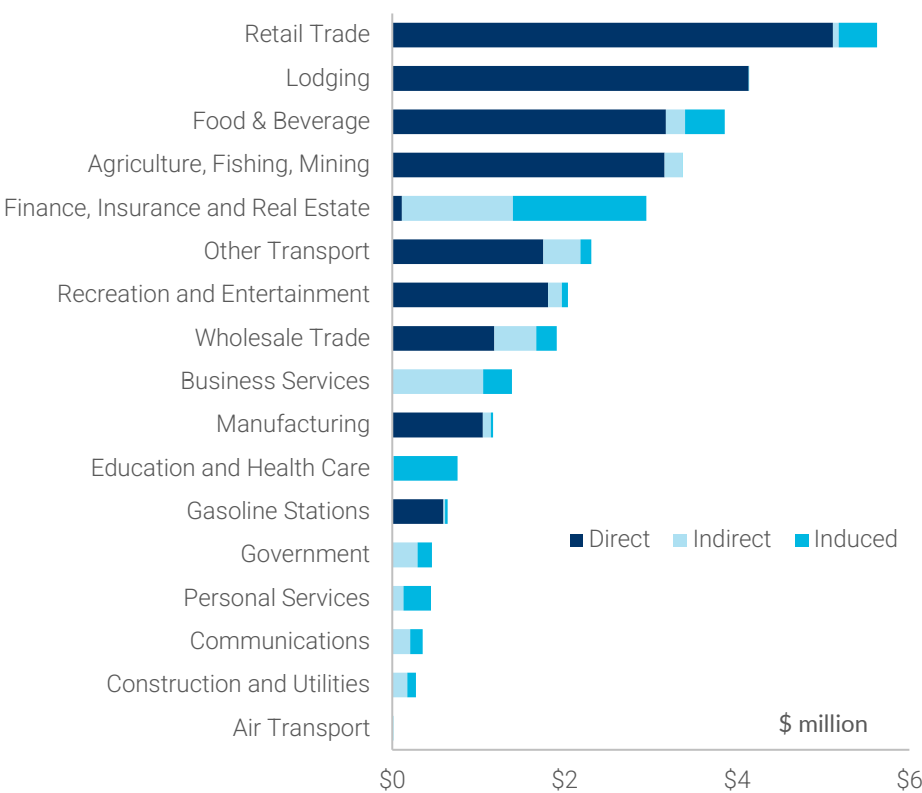
	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$22.1	\$4.9	\$4.8	\$31.7
By industry				
Retail Trade	\$5.1	\$0.1	\$0.4	\$5.6
Lodging	\$4.1	\$0.0	\$0.0	\$4.1
Food & Beverage	\$3.2	\$0.2	\$0.5	\$3.9
Agriculture, Fishing, Mining	\$3.2	\$0.2	\$0.0	\$3.4
Finance, Insurance and Real Estate	\$0.1	\$1.3	\$1.5	\$2.9
Other Transport	\$1.8	\$0.4	\$0.1	\$2.3
Recreation and Entertainment	\$1.8	\$0.2	\$0.1	\$2.0
Wholesale Trade	\$1.2	\$0.5	\$0.2	\$1.9
Business Services		\$1.1	\$0.3	\$1.4
Manufacturing	\$1.1	\$0.1	\$0.0	\$1.2
Education and Health Care		\$0.0	\$0.7	\$0.8
Gasoline Stations	\$0.6	\$0.0	\$0.0	\$0.6
Government		\$0.3	\$0.2	\$0.5
Personal Services		\$0.1	\$0.3	\$0.5
Communications		\$0.2	\$0.1	\$0.4
Construction and Utilities		\$0.2	\$0.1	\$0.3
Air Transport		\$0.0	\$0.0	\$0.0

Note: sums may not total due to rounding

Source: Tourism Economics

Business sales impacts by industry

(\$ millions)



Source: Tourism Economics

Coachella

Economic impact: employment by industry

Employment impacts by industry

(number of jobs)

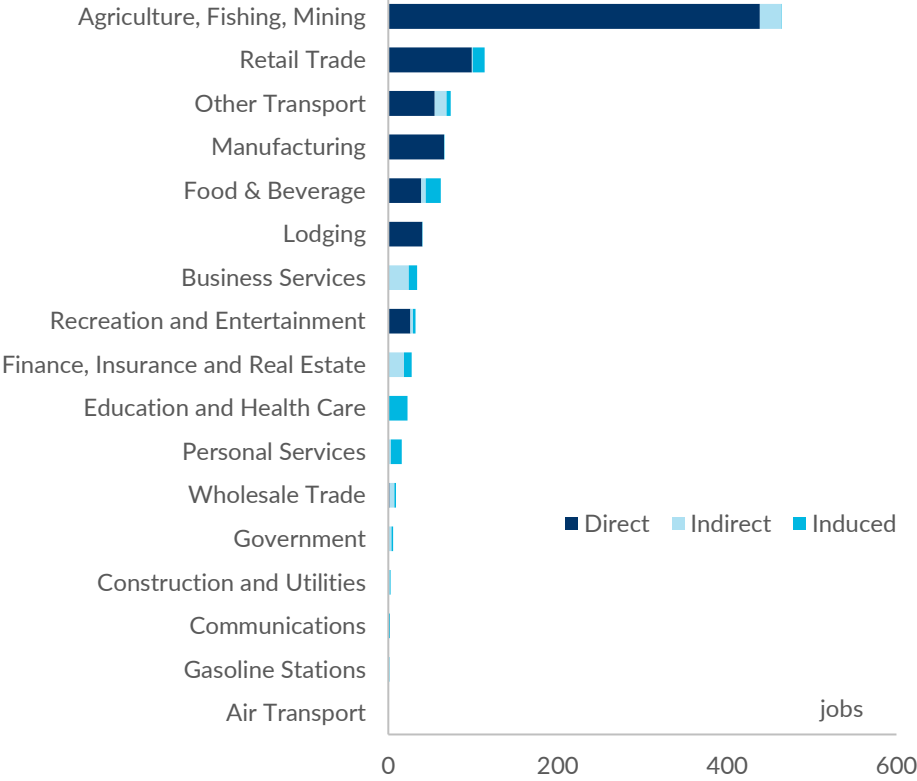
	Direct Employment	Indirect Employment	Induced Employment	Total Employment
Total, all industries	766	107	101	975
By industry				
Agriculture, Fishing, Mining	439	26	0	465
Retail Trade	99	1	14	114
Other Transport	55	14	5	74
Manufacturing	66	1	0	67
Food & Beverage	39	5	18	62
Lodging	40	0	0	40
Business Services		24	10	34
Recreation and Entertainment	26	3	3	32
Finance, Insurance and Real Estate	0	18	9	28
Education and Health Care		0	23	23
Personal Services		3	13	16
Wholesale Trade	2	5	2	9
Government		4	2	6
Construction and Utilities		2	1	3
Communications		1	1	2
Gasoline Stations	0	1	1	2
Air Transport		0	0	0

Note: sums may not total due to rounding

Source: Tourism Economics

Employment impacts by industry

(number of jobs)



Source: Tourism Economics

Coachella

Economic impact: tax generation

Total tax revenue

(\$ millions)

	Direct	Indirect / Induced	Total
Total Tax Revenues	\$7.9	\$1.5	\$9.5
Federal	\$1.5	\$0.7	\$2.2
Personal Income	\$0.5	\$0.2	\$0.8
Corporate	\$0.1	\$0.1	\$0.1
Indirect Business	\$0.1	\$0.0	\$0.1
Social Insurance	\$0.9	\$0.3	\$1.2
State and Local	\$6.4	\$0.9	\$7.3
Sales	\$2.0	\$0.5	\$2.5
Bed Tax	\$0.5	\$0.0	\$0.5
Personal Income	\$0.2	\$0.1	\$0.3
Corporate	\$0.0	\$0.0	\$0.1
Social Insurance	\$0.0	\$0.0	\$0.1
Excise and Fees	\$0.1	\$0.1	\$0.2
Property	\$0.4	\$0.2	\$0.6
Cannabis	\$3.2	\$0.0	\$3.2

Note: sums may not total due to rounding

Source: Tourism Economics

State and local tax revenue

(\$ millions)

	State	Local	Total
Total taxes	\$4.5	\$2.8	\$7.3
Sales	\$2.0	\$0.5	\$2.5
Bed Tax	\$0.0	\$0.5	\$0.5
Personal Income	\$0.3	\$0.0	\$0.3
Corporate	\$0.1	\$0.0	\$0.1
Social Insurance	\$0.1	\$0.0	\$0.1
Excise and Fees	\$0.1	\$0.1	\$0.2
Property	\$0.0	\$0.6	\$0.6
Cannabis	\$2.0	\$1.2	\$3.2

Note: sums may not total due to rounding

Source: Tourism Economics

7 Desert Hot Springs



Desert Hot Springs

Direct impact: cannabis spending and visitor spending

The cannabis industry in Desert Hot Springs generated \$38.5 million in direct spending in 2020, which includes \$27.4 million in spending within the cannabis industry and \$11.1 million in spending by “cannabis” visitors.

Desert Hot Springs residents and visitors spent \$27.4 million in the cannabis industry in 2020.

In addition to spending within the cannabis industry, “cannabis” visitors in Desert Hot Springs spent \$11.1 million at local restaurants, hotels, retailers, and recreation/entertainment venues.

The “cannabis” visitor spending was spread across several industries, including \$4.2 million in the lodging industry, \$3.1 million in retail, \$2.6 million in spending in the food and beverage industry, \$0.9 million in local transportation, and \$0.2 million in the recreation and entertainment industry.



Note: sums may not total due to rounding
Source: Tourism Economics

Desert Hot Springs

Economic impact: business sales by industry

Business sales impacts by industry

(\$ millions)

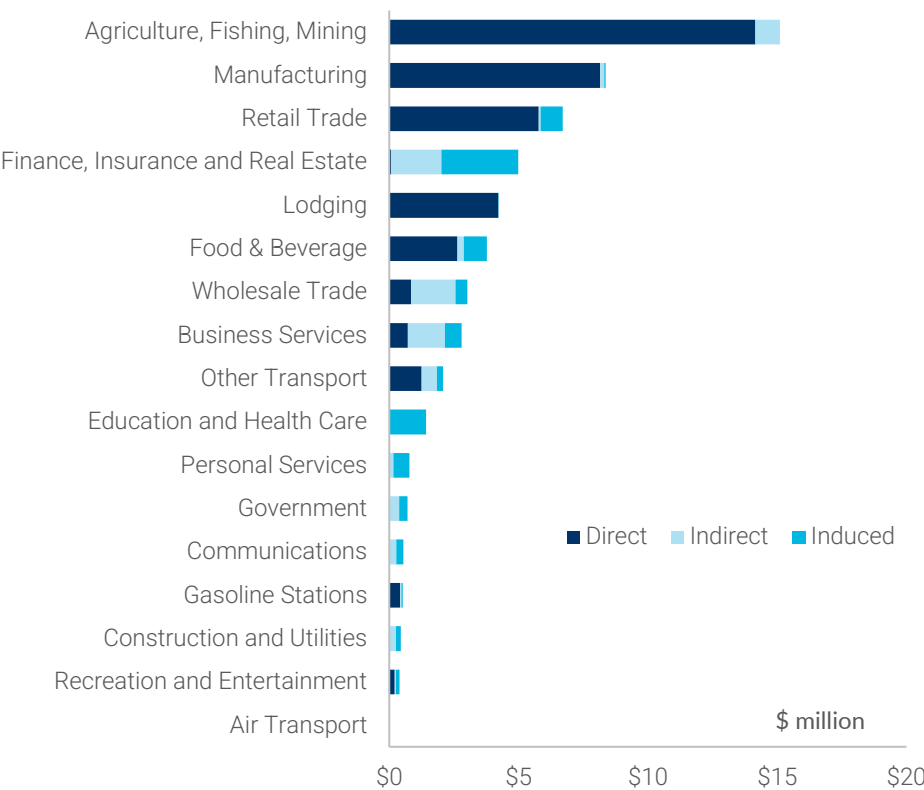
	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$38.5	\$8.3	\$9.1	\$55.9
By industry				
Agriculture, Fishing, Mining	\$14.2	\$0.9	\$0.0	\$15.1
Manufacturing	\$8.2	\$0.2	\$0.1	\$8.4
Retail Trade	\$5.8	\$0.1	\$0.9	\$6.7
Finance, Insurance and Real Estate	\$0.1	\$1.9	\$3.0	\$5.0
Lodging	\$4.2	\$0.0	\$0.0	\$4.2
Food & Beverage	\$2.6	\$0.3	\$0.9	\$3.8
Wholesale Trade	\$0.8	\$1.7	\$0.5	\$3.0
Business Services	\$0.7	\$1.4	\$0.6	\$2.8
Other Transport	\$1.2	\$0.6	\$0.2	\$2.1
Education and Health Care		\$0.0	\$1.4	\$1.4
Personal Services		\$0.2	\$0.6	\$0.8
Government		\$0.4	\$0.3	\$0.7
Communications		\$0.3	\$0.3	\$0.5
Gasoline Stations	\$0.4	\$0.0	\$0.1	\$0.5
Construction and Utilities		\$0.3	\$0.2	\$0.5
Recreation and Entertainment	\$0.2	\$0.1	\$0.1	\$0.4
Air Transport		\$0.0	\$0.0	\$0.0

Note: sums may not total due to rounding

Source: Tourism Economics

Business sales impacts by industry

(\$ millions)



Source: Tourism Economics

Desert Hot Springs

Economic impact: employment by industry

Employment impacts by industry

(number of jobs)

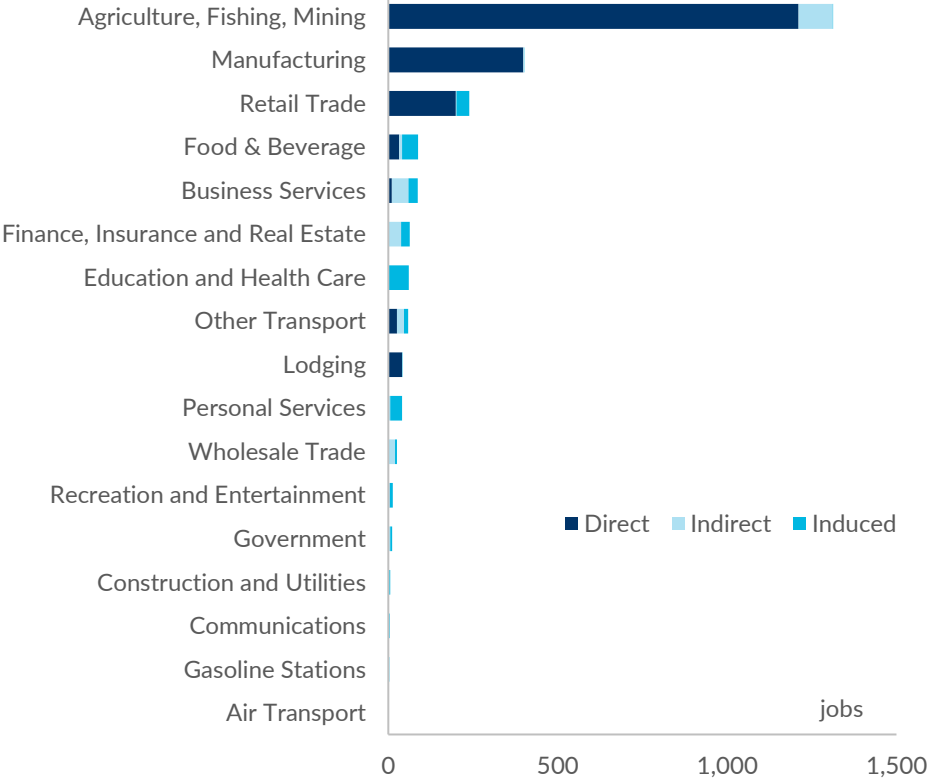
	Direct Employment	Indirect Employment	Induced Employment	Total Employment
Total, all industries	1,923	260	273	2,456
By industry				
Agriculture, Fishing, Mining	1,211	101	0	1,313
Manufacturing	399	1	1	401
Retail Trade	199	2	38	239
Food & Beverage	32	8	48	88
Business Services	11	49	27	87
Finance, Insurance and Real Estate	0	38	25	63
Education and Health Care		0	61	61
Other Transport	26	21	13	59
Lodging	41	0	0	41
Personal Services		5	35	41
Wholesale Trade	1	19	6	25
Recreation and Entertainment	3	2	8	13
Government		6	5	11
Construction and Utilities		3	3	6
Communications		2	2	4
Gasoline Stations	0	1	2	3
Air Transport		0	0	0

Note: sums may not total due to rounding

Source: Tourism Economics

Employment impacts by industry

(number of jobs)



Source: Tourism Economics

Desert Hot Springs

Economic impact: tax generation

Total tax revenue

(\$ millions)

	Direct	Indirect / Induced	Total
Total Tax Revenues	\$23.6	\$2.6	\$26.2
Federal	\$2.9	\$1.2	\$4.1
Personal Income	\$1.0	\$0.4	\$1.5
Corporate	\$0.2	\$0.1	\$0.3
Indirect Business	\$0.1	\$0.1	\$0.1
Social Insurance	\$1.7	\$0.6	\$2.3
State and Local	\$20.6	\$1.4	\$22.0
Sales	\$5.1	\$0.7	\$5.8
Bed Tax	\$0.6	\$0.0	\$0.6
Personal Income	\$0.4	\$0.2	\$0.6
Corporate	\$0.1	\$0.0	\$0.1
Social Insurance	\$0.1	\$0.0	\$0.1
Excise and Fees	\$0.1	\$0.1	\$0.2
Property	\$0.4	\$0.4	\$0.8
Cannabis	\$13.8	\$0.0	\$13.8

Note: sums may not total due to rounding

Source: Tourism Economics

State and local tax revenue

(\$ millions)

	State	Local	Total
Total taxes	\$15.3	\$6.8	\$22.0
Sales	\$5.4	\$0.4	\$5.8
Bed Tax	\$0.0	\$0.6	\$0.6
Personal Income	\$0.6	\$0.0	\$0.6
Corporate	\$0.1	\$0.0	\$0.1
Social Insurance	\$0.1	\$0.0	\$0.1
Excise and Fees	\$0.1	\$0.1	\$0.2
Property	\$0.0	\$0.8	\$0.8
Cannabis	\$8.9	\$4.8	\$13.8

Note: sums may not total due to rounding

Source: Tourism Economics

8 Palm Desert



Palm Desert

Direct impact: cannabis spending and visitor spending

The cannabis industry in Palm Desert generated \$83.8 million in direct spending in 2020, which includes \$33.0 million in spending within the cannabis industry and \$50.8 million in spending by “cannabis” visitors.

Palm Desert residents and visitors spent \$33.0 million in the cannabis industry in 2020.

In addition to spending within the cannabis industry, “cannabis” visitors in Palm Desert spent \$50.8 million at local restaurants, hotels, retailers, and recreation/entertainment venues.

The “cannabis” visitor spending was spread across several industries, including \$14.9 million in retail, \$13.1 million in the lodging industry, \$12.2 million in spending in the food and beverage industry, \$6.0 million in the recreation and entertainment industry, and \$4.7 million in local transportation.



Note: sums may not total due to rounding
Source: Tourism Economics

Palm Desert

Economic impact: business sales by industry

Business sales impacts by industry

(\$ millions)

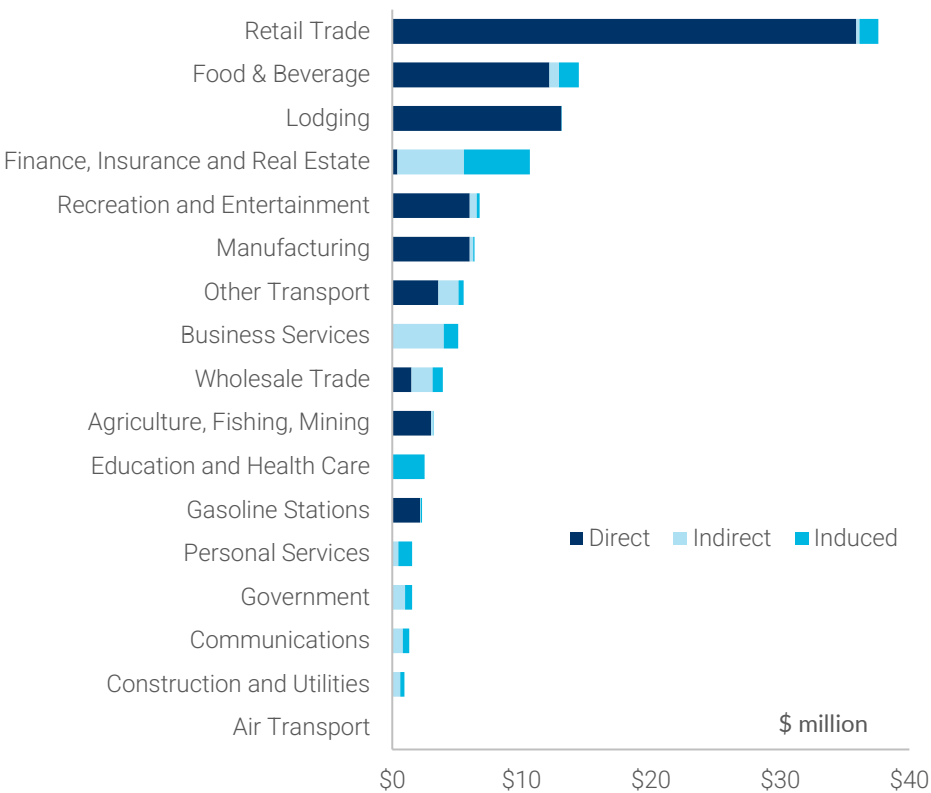
	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$83.8	\$17.4	\$15.7	\$116.9
By industry				
Retail Trade	\$35.9	\$0.2	\$1.5	\$37.6
Food & Beverage	\$12.2	\$0.7	\$1.5	\$14.4
Lodging	\$13.1	\$0.0	\$0.0	\$13.1
Finance, Insurance and Real Estate	\$0.4	\$5.1	\$5.1	\$10.6
Recreation and Entertainment	\$6.0	\$0.6	\$0.2	\$6.8
Manufacturing	\$6.0	\$0.3	\$0.1	\$6.4
Other Transport	\$3.6	\$1.5	\$0.4	\$5.5
Business Services		\$4.0	\$1.1	\$5.1
Wholesale Trade	\$1.5	\$1.6	\$0.8	\$3.9
Agriculture, Fishing, Mining	\$3.0	\$0.2	\$0.0	\$3.2
Education and Health Care		\$0.1	\$2.4	\$2.5
Gasoline Stations	\$2.2	\$0.0	\$0.1	\$2.3
Personal Services		\$0.5	\$1.1	\$1.5
Government		\$1.0	\$0.5	\$1.5
Communications		\$0.8	\$0.5	\$1.3
Construction and Utilities		\$0.6	\$0.3	\$1.0
Air Transport		\$0.0	\$0.0	\$0.0

Note: sums may not total due to rounding

Source: Tourism Economics

Business sales impacts by industry

(\$ millions)



Source: Tourism Economics

Palm Desert

Economic impact: employment by industry

Employment impacts by industry

(number of jobs)

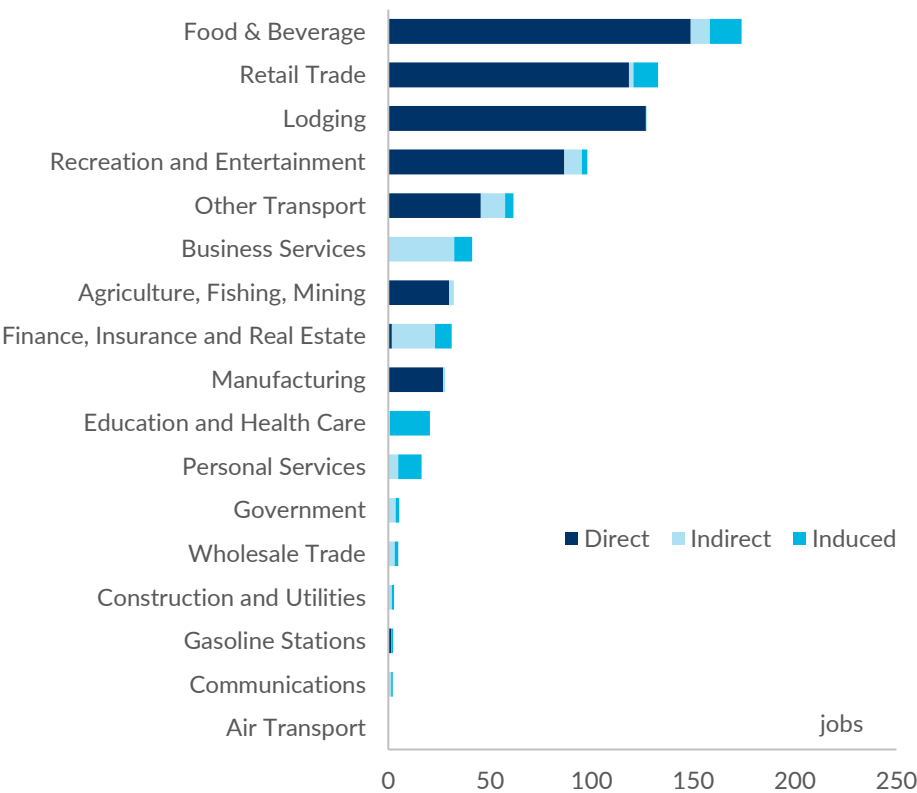
	Direct Employment	Indirect Employment	Induced Employment	Total Employment
Total, all industries	587	104	89	780
By industry				
Food & Beverage	149	9	15	174
Retail Trade	118	2	12	133
Lodging	127	0	0	127
Recreation and Entertainment	87	9	3	98
Other Transport	46	12	4	62
Business Services		33	9	41
Agriculture, Fishing, Mining	30	2	0	32
Finance, Insurance and Real Estate	2	21	8	31
Manufacturing	27	1	0	28
Education and Health Care		1	20	20
Personal Services		5	11	16
Government		4	2	5
Wholesale Trade	0	3	2	5
Construction and Utilities		2	1	3
Gasoline Stations	2	0	1	2
Communications		1	1	2
Air Transport		0	0	0

Note: sums may not total due to rounding

Source: Tourism Economics

Employment impacts by industry

(number of jobs)



Source: Tourism Economics

Palm Desert

Economic impact: tax generation

Total tax revenue

(\$ millions)

	Direct	Indirect / Induced	Total
Total Tax Revenues	\$31.1	\$4.9	\$36.0
Federal	\$5.0	\$2.2	\$7.2
Personal Income	\$1.7	\$0.8	\$2.5
Corporate	\$0.2	\$0.2	\$0.4
Indirect Business	\$0.3	\$0.1	\$0.4
Social Insurance	\$2.8	\$1.1	\$3.8
State and Local	\$26.1	\$2.8	\$28.8
Sales	\$9.7	\$1.5	\$11.3
Bed Tax	\$1.8	\$0.0	\$1.8
Personal Income	\$0.7	\$0.3	\$1.0
Corporate	\$0.1	\$0.1	\$0.2
Social Insurance	\$0.1	\$0.0	\$0.2
Excise and Fees	\$0.5	\$0.2	\$0.6
Property	\$1.8	\$0.6	\$2.4
Cannabis	\$11.4	\$0.0	\$11.4

Note: sums may not total due to rounding

Source: Tourism Economics

State and local tax revenue

(\$ millions)

	State	Local	Total
Total taxes	\$19.7	\$9.1	\$28.8
Sales	\$10.0	\$1.3	\$11.3
Bed Tax	\$0.0	\$1.8	\$1.8
Personal Income	\$1.0	\$0.0	\$1.0
Corporate	\$0.2	\$0.0	\$0.2
Social Insurance	\$0.2	\$0.0	\$0.2
Excise and Fees	\$0.3	\$0.4	\$0.6
Property	\$0.1	\$2.3	\$2.4
Cannabis	\$8.1	\$3.3	\$11.4

Note: sums may not total due to rounding

Source: Tourism Economics

9 Palm Springs



Palm Springs

Direct impact: cannabis spending and visitor spending

The cannabis industry in Palm Springs generated \$81.3 million in direct spending in 2020, which includes \$28.4 million in spending within the cannabis industry and \$52.9 million in spending by “cannabis” visitors.

Palm Springs residents and visitors spent \$28.4 million in the cannabis industry in 2020.

In addition to spending within the cannabis industry, “cannabis” visitors in Palm Springs spent \$52.9 million at local restaurants, hotels, retailers, and recreation/entertainment venues.

The “cannabis” visitor spending was spread across several industries, including \$24.3 million in the lodging industry, \$13.5 million in spending in the food and beverage industry, \$6.2 million in retail, \$5.7 million in local transportation, and \$3.2 million in the recreation and entertainment industry.



Note: sums may not total due to rounding
Source: Tourism Economics

Palm Springs

Economic impact: business sales by industry

Business sales impacts by industry

(\$ millions)

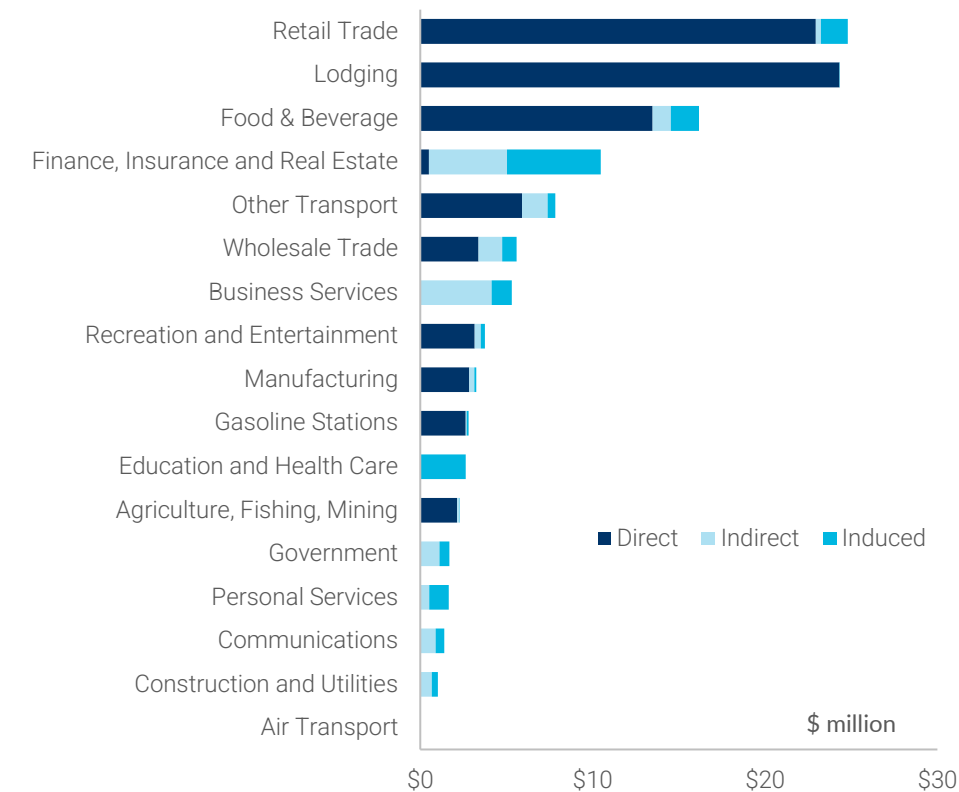
	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$81.3	\$17.0	\$16.7	\$115.1
By industry				
Retail Trade	\$22.9	\$0.3	\$1.6	\$24.8
Lodging	\$24.3	\$0.0	\$0.0	\$24.3
Food & Beverage	\$13.5	\$1.1	\$1.6	\$16.2
Finance, Insurance and Real Estate	\$0.5	\$4.5	\$5.4	\$10.5
Other Transport	\$5.9	\$1.5	\$0.4	\$7.8
Wholesale Trade	\$3.4	\$1.4	\$0.8	\$5.6
Business Services		\$4.1	\$1.2	\$5.3
Recreation and Entertainment	\$3.2	\$0.4	\$0.2	\$3.8
Manufacturing	\$2.8	\$0.3	\$0.1	\$3.2
Gasoline Stations	\$2.6	\$0.0	\$0.1	\$2.8
Education and Health Care		\$0.0	\$2.6	\$2.6
Agriculture, Fishing, Mining	\$2.1	\$0.2	\$0.0	\$2.3
Government		\$1.1	\$0.6	\$1.7
Personal Services		\$0.5	\$1.1	\$1.7
Communications		\$0.9	\$0.5	\$1.4
Construction and Utilities		\$0.7	\$0.4	\$1.0
Air Transport		\$0.0	\$0.0	\$0.0

Note: sums may not total due to rounding

Source: Tourism Economics

Business sales impacts by industry

(\$ millions)



Source: Tourism Economics

Palm Springs

Economic impact: employment by industry

Employment impacts by industry

(number of jobs)

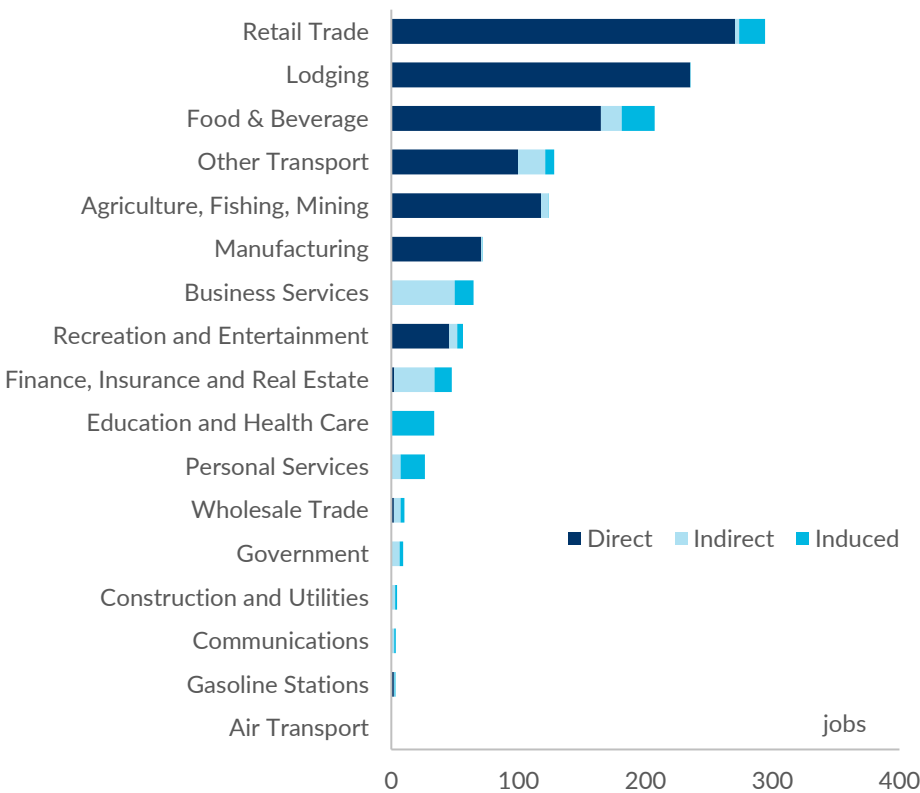
	Direct Employment	Indirect Employment	Induced Employment	Total Employment
Total, all industries	1,011	162	149	1,322
By industry				
Retail Trade	271	3	21	294
Lodging	235	0	0	235
Food & Beverage	165	16	26	207
Other Transport	100	21	7	128
Agriculture, Fishing, Mining	118	6	0	124
Manufacturing	71	1	0	72
Business Services		50	15	65
Recreation and Entertainment	46	6	5	56
Finance, Insurance and Real Estate	2	32	14	48
Education and Health Care		1	33	34
Personal Services		7	19	27
Wholesale Trade	2	5	3	10
Government		7	3	9
Construction and Utilities		3	2	5
Communications		2	1	3
Gasoline Stations	2	0	1	3
Air Transport		0	0	0

Note: sums may not total due to rounding

Source: Tourism Economics

Employment impacts by industry

(number of jobs)



Source: Tourism Economics

Palm Springs

Economic impact: tax generation

Total tax revenue

(\$ millions)

	Direct	Indirect / Induced	Total
Total Tax Revenues	\$32.5	\$5.5	\$38.1
Federal	\$5.4	\$2.3	\$7.6
Personal Income	\$1.8	\$0.9	\$2.7
Corporate	\$0.3	\$0.2	\$0.4
Indirect Business	\$0.3	\$0.1	\$0.4
Social Insurance	\$3.0	\$1.1	\$4.1
State and Local	\$27.1	\$3.3	\$30.4
Sales	\$9.5	\$2.0	\$11.5
Bed Tax	\$3.4	\$0.0	\$3.4
Personal Income	\$0.7	\$0.3	\$1.0
Corporate	\$0.1	\$0.1	\$0.2
Social Insurance	\$0.1	\$0.0	\$0.2
Excise and Fees	\$0.5	\$0.2	\$0.6
Property	\$1.7	\$0.7	\$2.4
Cannabis	\$11.1	\$0.0	\$11.1

Note: sums may not total due to rounding

Source: Tourism Economics

State and local tax revenue

(\$ millions)

	State	Local	Total
Total taxes	\$18.5	\$11.9	\$30.4
Sales	\$9.3	\$2.2	\$11.5
Bed Tax	\$0.0	\$3.4	\$3.4
Personal Income	\$1.0	\$0.0	\$1.0
Corporate	\$0.2	\$0.0	\$0.2
Social Insurance	\$0.2	\$0.0	\$0.2
Excise and Fees	\$0.3	\$0.3	\$0.6
Property	\$0.1	\$2.3	\$2.4
Cannabis	\$7.4	\$3.7	\$11.1

Note: sums may not total due to rounding

Source: Tourism Economics

10 Social Impacts



Social Impacts

The legalization of adult-use cannabis in Greater Palm Springs has brought about numerous economic and social impacts.

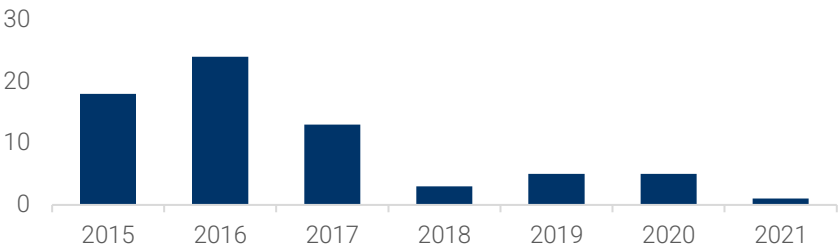
The economic impacts were previously detailed, but it’s important to note the significant taxes that were generated by the industry. In particular, the cannabis tax alone generated \$52.1 million for state and local governments in 2020, \$18.1 million of which went to local governments in Greater Palm Springs.

The cannabis tax is put into the General Fund in each city except in Palm Desert, where it is used to supplement the public safety budget. Each city determines the use of their General Fund, but some uses include police protection and crime suppression services, fire prevention and suppression services, emergency medical services, and education, among others.

In addition to the economic benefits, the cannabis industry also generated social impacts. The City of Coachella launched a Cannabis Social Equity Program intended to “assist individuals who have been negatively impacted by the disproportionate enforcement of cannabis-related crimes by providing them assistance and opportunity to participate in the cannabis industry. The program is also meant to revitalize neighborhoods with new business development through the reinvestment of funds.

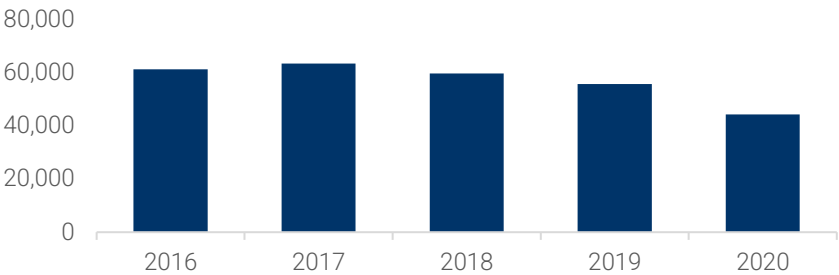
Other social impacts that can be monitored include cannabis related crimes and hospital visits.

In Palm Springs, the number of cannabis-related arrests decreased over the past five years. In 2021, there was only one cannabis related arrest, down from 24 in 2016.



Source: City of Palm Springs

The California Health and Human Services Agency maintains a database that details health related data, including information on emergency room visits by type with one specific category for uncomplicated cannabis diagnoses (diagnosis code F12.10). The number of uncomplicated cannabis diagnoses decreased 42% between 2017 and 2020, decreasing from 63,500 in 2017 to 44,300 in 2020.



Source: California Health and Human Services Agency

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info@tourismeconomics.com