

**GLENN MCGOURTY**  
1st District  
Supervisor  
Chair

**MAUREEN  
MULHEREN**  
2nd District  
Supervisor  
Vice-Chair

**JOHN HASCHAK**  
3rd District  
Supervisor

**DAN GJERDE**  
4th District  
Supervisor

**TED WILLIAMS**  
5th District  
Supervisor



**COUNTY ADMINISTRATION CENTER**  
501 Low Gap Road, Room 1070  
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**MENDOCINO COUNTY**  
**GENERAL GOVERNMENT COMMITTEE**  
**AGENDA**  
**REGULAR MEETING**  
**March 27, 2023 - 9:00 AM**

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This meeting will take place in the Board of Supervisors Chambers, at 501 Low Gap Road, Ukiah, California, and virtual attendance will be available via Zoom (pursuant to Government Code section 54953(e)(1)(A)). Meetings are live streamed and available for viewing at <https://www.youtube.com/MendocinoCountyVideo>

The public may also participate digitally in meetings in lieu of personal attendance. Comment may be made via written comment using our online eComment platform at <https://mendocino.legistar.com/Calendar.aspx>, or by joining the Zoom Webinar and using the "raise hand" feature when Public Comment is called. For details, please visit: <https://www.mendocinocounty.org/government/board-of-supervisors/public-engagement>

Zoom Link: <https://mendocinocounty.zoom.us/j/84716520553>

Zoom Phone Number (if joining via telephone): 1 669 900 9128 ; Zoom Webinar ID: 847 1652 0553

**COMMITTEE MEMBERS: Supervisor Mulheren and Supervisor Haschak**

**1. CALL TO ORDER**

**2. COMMITTEE ACTION ITEMS**

- 2a) Discussion and Possible Action Including Providing Recommendations to Staff and a Referral to the Board of Supervisors Recommending Approval of the County of Mendocino Cannabis Department Monthly Update for March  
(Sponsor: Cannabis)**

**Recommended Action:**

*Provide recommendations to staff and a referral to the Board of Supervisors recommending approval of the County of Mendocino Cannabis Department Monthly Update for March.*

**Attachments:** [FNL MCD Update 20230314](#)

[Mendocino - GO-Biz Memo - Application 03.06.2023](#)

- 2b) Discussion and Possible Action Including Referral to the Board of Supervisors Regarding Any Appropriate Direction to Staff to Prepare Possible Ordinance Amendment to Process Cannabis Cultivation Applications with Deprioritized Status for Not Paying Taxes and Not Providing Proof of a State Cannabis License While Cultivating  
(Sponsor: County Counsel and Cannabis)**

**Recommended Action:**

*Provide referral to the Board of Supervisors regarding any appropriate direction to staff to prepare ordinance amendment to process cannabis cultivation applications with deprioritized status for not paying taxes and not providing proof of a state cannabis license while cultivating.*

**Attachments:** [03-25-23 DCC Letter](#)

**3. OTHER BUSINESS**

**3a) PUBLIC EXPRESSION**

- 3b) Approval of Minutes of February 27, 2023 Regular Meeting**

**Recommended Action:**

*Approve minutes of February 27, 2023 regular meeting.*

**Attachments:** [02-27-23 GGC Minutes](#)

**3c) ANNOUNCEMENTS**

**ADJOURNMENT**

**Additional Meeting Information for Interested Parties**

*For a full list of the latest available options by which to engage with agenda items, please visit <https://www.mendocinocounty.org/government/board-of-supervisors/public-engagement>*

*All electronically submitted comment is immediately available to Supervisors, staff, and the general public by clicking this meetings eComment link at: <https://mendocino.legistar.com/Calendar.aspx>*

*LIVE WEB STREAMING OF COMMITTEE MEETINGS is available at <https://mendocino.legistar.com> or visit the Mendocino County YouTube channel. Meetings are also livestreamed from the Mendocino County Facebook page. For technical assistance, please contact the Clerk of the Board at (707) 463-4441. Please reference the departmental website to obtain additional resource information for the Board of Supervisors: [www.mendocinocounty.org/bos](http://www.mendocinocounty.org/bos)*

***Thank you for your interest in the proceedings of the General Government Committee.***



# Mendocino County Board of Supervisors Agenda Summary

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**Item #: 2a)**

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**To: General Government Standing Committee**

**From: Cannabis**

**Meeting Date:** March 27, 2023

**Department Contact:** Kristin Nevedal

**Phone:** 707-234-6680

**Time Allocated:** 30 Minutes

**Agenda Title:**

Discussion and Possible Action Including Providing Recommendations to Staff and a Referral to the Board of Supervisors Recommending Approval of the County of Mendocino Cannabis Department Monthly Update for March  
(Sponsor: Cannabis)

**Recommended Action/Motion:**

Provide recommendations to staff and a referral to the Board of Supervisors recommending approval of the County of Mendocino Cannabis Department Monthly Update for March.

**Previous Board/Board Committee Actions:**

On April 19, 2022, the County of Mendocino Board of Supervisors directed Department staff to provide a written update during the second Board of Supervisors meeting, each month.

On August 16, 2022, the County of Mendocino Board of Supervisors referred the topic of Cannabis to the General Government Committee.

**Summary of Request/Referral:**

Department staff requests that the General Government Committee provide recommendations to staff regarding the above referenced monthly update and consider a referral to the Board of Supervisors recommending approval of the Department's Monthly Update.

**Supplemental Information Available Online At:** N/A

**Fiscal Details:**

**source of funding:** N/A

**current f/y cost:** N/A

**annual recurring cost:** N/A

**budget clarification:** N/A

**budgeted in current f/y:** N/A

**if no, please describe:**

**revenue agreement:** N/A

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**Item #: 2a)**

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**CEO Liaison:** Steve Dunnicliff, Deputy CEO

**CEO Review:** Yes

**CEO Comments:**

**FOR COB USE ONLY**

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Executed By: Atlas Pearson, Senior Deputy Clerk

Final Status: Approved

Date: **MARCH 27, 2023**



# County of Mendocino Cannabis Department Update, March 27, 2023

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## Local Equity Entrepreneur Program (LEEP)

For reasons beyond the control of the Mendocino Cannabis Department, grant operations within the Department are being temporarily suspended. The Department is developing a timeline for resumption with the Mendocino County Board of Supervisors. The Mendocino Cannabis Department will issue updates as they are received and will continue administering public meetings to address concerns of the community. The Department is aware of the potential impacts and is working diligently to restore grant operations.

Attached to the agenda item for this report, is the score card associated with the County's 4<sup>th</sup> local jurisdiction equity assistance application. The department recommends adding policies and procedures to the local equity eligibility criteria review and certification to ensure that the County is able to meet the statutory requirement GO-Biz identifies in the score card.

As we approach tax season, please be aware that the LEEP Tax and Fee Waiver program is still available and that waiver program forms can be found on the Department's website [HERE](#).

## Local Jurisdiction Assistance Grant Program (LJAGP)

For reasons beyond the control of the Mendocino Cannabis Department, grant operations within the Department are being temporarily suspended. The Department is developing a timeline for resumption with the Mendocino County Board of Supervisors and the state's Department of Cannabis Control. The Mendocino Cannabis Department will issue updates as they are received and will continue administering public meetings to address concerns of the community. The Department is aware of the potential impacts and is working diligently to restore grant operations.

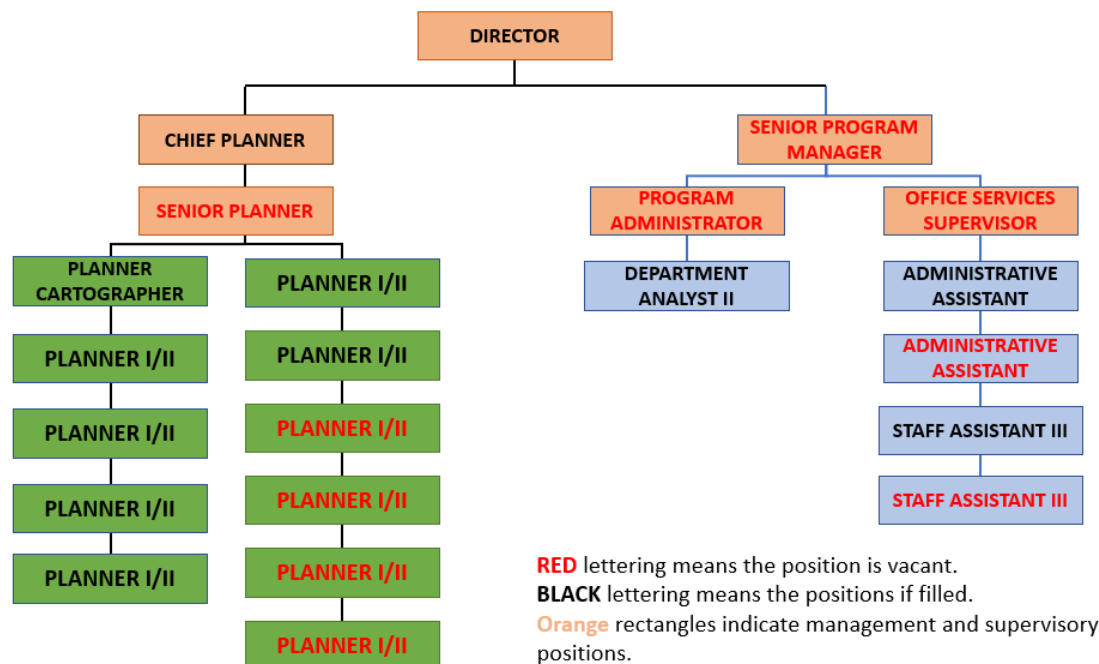
## Department Staffing & Contract Planning Services

Using an approved portion of the LJAGP funds received from the State, the County has engaged contract planning services to assist department staff with reviewing applications for commercial cannabis cultivation and nursery operations in a timely matter that ensures applicants can meet State provisional licensing timelines. March has been a busy month of onboarding contract planning services and applications have been assigned to the 4LEAF planners for review.

With the assistance of the County's Human Resources department, the cannabis department continues to seek qualified candidates for the following positions - Staff Assistant III, Administrative Assistant, Department Analyst, Office Services Supervisor, Planner level I & II, Senior Planner, Program Administrator, and Senior Program Manager.

Additionally, the department is appreciative of the Executive Office and Planning and Building Services for arranging temporary management support.

### Mendocino Cannabis Department Organizational Chart



## Application Processing Update

### Annual Permit Renewal Update

Department staff is currently focused on reviewing renewal application and has 168 renewal applications in the review queue, of which:

- 77 applications are under final review, and
- 31 need compliance plans,
- 14 are non-responsive,
- 15 are under vegetation modification review,
- 20 are under sensitive species habitat review,
- 55 are in need of inspection,
- 7 need DCC license alignment, and/or
- 3 need administrative permits.

The department recently implemented an updated tracking system to gain insight into compliance and processing issues as they come up during renewal application.

### Application Review Update

#### In Good Standing Portal

The In Good Standing Portal (IGS) closed on March 15, 2023, at 11:59 PM. Applicants submitted over 79 different AG\_Numbers to the IGS Portal. Department staff has conducted 142 submission reviews, resulting in 7 complete applications. Please note that at the time of drafting this report, 20 statuses had not been updated, 12 submissions had been deprioritized, and 42 recent submissions were waiting to be assigned to planners for review.

#### Phase 3 Applications

On March 20, 2023, department management assigned the phase 3 applications received to date, to planning staff.

#### Priority Application Review

To ensure that applicants holding provisional state licenses are eligible for license renewal on or after July 1, 2023 when the environmental requirements for renewal are elevated due to statutory deadlines, the department will first review applications that have provisional licenses scheduled to renew in July 2023. As staff and contract planning services wrap up the first round of reviews, management will assign review of applications with provisional licenses that renew in August 2023, so on and so forth.

Department staff has identified 57 AG\_Numbers that are scheduled for provisional license renewal in July 2023. Because some of the 57 AG\_Numbers are on the same parcel, staff has identified 45 projects to assign to planners for immediate review. As of March 20, 2023, 17 projects had been assigned and 28 were scheduled to be assigned to contract planners for review. Of the 17 projects that had been assigned to department staff:

- 5 were renewals that were in the final stages of review,
- 8 were recently assigned renewals, and
- 4 were being reviewed in the In Good Standing portal.

Thirteen of the AG\_Numbers are associated with provisional licenses that renew in a month other than July 2023. However, department staff believes processing these AG\_Numbers at the same time as other AG\_Numbers on the property will streamline the review process.



The department has provided the table below showing the estimated number of weeks it will take to review priority and reprioritized applications and renewal applications. The table below assumes the department will use a combination of Full Time Employees (FTE) and contract planners to conduct the reviews starting in March of 2023.

DCC RENEWAL TIMELINE	PRIORITY APPL	PRIORITY RENEWAL	HOURS	WEEKS W/ 27*	PROCESSING TIMELINE	
Jul-23	23	17	6300	7	MARCH 23	APRIL 23
Aug-23	12	13	3700	4	APRIL 23	MAY 23
Sep-23	25	11	6100	7	MAY 23	JULY 23
Oct-23	8	8	2400	3	JULY 23	AUG 23
Nov-23	10	10	3000	3	AUG 23	AUG 23
Dec-23	12	6	3000	3	SEPT 23	SEPT 23
Jan-24	11	5	2700	3	SEPT 23	OCT 23
Feb-24	11	5	2700	3	OCT 23	NOV 23
Mar-24	11	32	5400	6	NOV 23	DEC 23
Apr-24	17	24	5800	7	DEC 23	FEB 24
May-24	23	29	7500	9	FEB 24	APRIL 24
Jun-24	19	16	5400	6	APRIL 24	JUNE 24

\* Indicates the number of Full Time Employees (FTE) & Contract Planners





Date: March 06, 2023

From: William Koch  
Deputy Director  
Community and Local Equity Grants Unit  
California Governor's Office of Business and Economic Development (GO-Biz)  
1325 J Street, 18th Floor  
Sacramento, CA 95814

To: Kristin Nevedal  
Director, Mendocino Cannabis Department  
County of Mendocino  
579 Low Gap Road  
Ukiah, CA 95482

**RE: Cannabis Equity Grants Program for Local Jurisdictions – Mendocino County Application**

Dear Kristin Nevedal:

The Governor's Office of Business and Economic Development (GO-Biz) administers the Cannabis Equity Grants Program for Local Jurisdictions (CEG Program), which was created by the California Cannabis Equity Act, SB 1294 (Stats. 2018, Ch. 794). CEG Program grants are to support local jurisdictions as they promote equity and eliminate barriers to enter the newly regulated cannabis industry for their equity program applicants and licensees.

The California Cannabis Equity Act includes the following summarized declarations and findings:

- Cannabis prohibition had a devastating impact on communities across California and across the United States. **Persons convicted of a cannabis offense and their families suffer the long-term consequences of prohibition.** These individuals have a more difficult time entering the newly created adult-use cannabis industry due, in part, to a lack of access to capital, business space, technical support, and regulatory compliance assistance.
- **The collateral consequences associated with cannabis law violations**, coupled with generational poverty and a lack of access to resources, make it extraordinarily difficult for persons with convictions to enter the newly regulated industry.
- It is the intent of the Legislature in enacting this act to ensure that persons **most harmed by cannabis criminalization and poverty** be offered assistance to enter the multibillion dollar cannabis industry.

As you are aware, the County of Mendocino's CEG program grant application submitted in December of 2022 did not score well enough to receive funding from GO-Biz this fiscal year. Per the Grant Solicitation, only grant applications that score at least 50 points for Criteria A responses will proceed to the Phase 2 funding formula. The County of Mendocino's score for Criteria A was 41. The following observations were noted regarding the county's application:

- Outputs and outcomes to date are not clearly enumerated and described.
- Stronger focus on analysis of enforcement data needed regarding specific priority population, individuals directly impacted by cannabis enforcement/criminalization.
- Needs clearer explanation of expected output and outcomes to be accomplished if funds are awarded.
- Program eligibility includes overly inclusive geographic criterion.

More specifically, below are the scores and evaluation notes related to the county's Criteria A responses:

1. Describe the communities and populations within the local jurisdiction that have been negatively or disproportionately impacted by cannabis criminalization.
  - Score: 5/10
  - Notes: Overall, adequate description of impacted communities and populations but the answer is not sufficiently clear in explaining how the impacted population is distinguishable from the overall population of the county. Impacted geographic areas are listed but not clearly explained. Answer could use additional data and details to more clearly address when, where, and how the consequences of cannabis law violations impacted the priority population and how the priority population is distinguishable from the general population of the county.
2. How did the local jurisdiction identify the impacted communities and populations (Source/Process)?
  - Score: 6/10
  - Notes: Overall, adequate description of research, sources, and methods used to complete the jurisdiction equity assessment, but more detail would add clarity. Answer provides clear explanation of impacts of cannabis prohibition on the county overall, but limited explanation of disproportionate impacts on identifiable populations within the county. Answer refers to general types of sources such as public records, interviews with stakeholders, etc., but provides limited details on which data sources were used and does not address specific rates of cannabis criminalization impacts, such as rates of arrest, conviction, or plant eradication, for identified communities.
3. Describe the outputs and outcomes of the jurisdiction's local equity program elements to date.
  - Score: 2/5
  - Notes: Answer provides minimal description of the outputs and outcomes to date and includes minimal evaluation related to each local equity program element. Answer addresses concerns that stakeholders have raised regarding speed of review and issuance of funds by the local equity program. Mendocino County received grant funds in all three prior CEG program award cycles totaling \$6,022,013.19 awarded. As of July 2022, the county's progress reports to GO-Biz indicated less than \$650,000 had been expended. Additional progress was made in the following

months, and as of the December 2022 application submission, over \$2 million in grant funds had reportedly been awarded to 40 awardees, leaving the county's third CEG grant award in the amount of \$2,944,034.62 still to be spent. Answer #3 indicates the dollar amount awarded and number of awardees but does not address the impacts or outcomes achieved through these disbursements and does not include output and outcomes data such as number of equity applicants that have become licensed or started businesses with the assistance of the equity program. Answer also refers to a contract with a subgrantee to provide program administration and technical assistance, however there is no indication of the levels of service delivery provided to date, or how many individuals have benefitted from technical assistance.

4. Explain how the jurisdiction's local equity program and regulatory framework facilitate an equitable and economically just industry for the communities and populations identified in its equity assessment.
  - Score: 5/10
  - Notes: Overall, adequate explanation of how the jurisdiction's local equity program and regulatory framework are designed to facilitate an economically just industry, however, the answer could provide clearer explanation of how it addresses equity specifically for those impacted by cannabis criminalization. Answer suggests a focus on the larger population of socioeconomically disadvantaged or low-income residents and small farmers. Answer could provide a stronger explanation of how the program promotes equity by addressing barriers specifically for those impacted by cannabis law violations. Answer discusses how the entire county population was impacted by cannabis criminalization, making it difficult to distinguish the equity-eligible population from the general population of the county.
5. Describe the criteria used to determine who qualifies for participation in the jurisdiction's local equity program.
  - Score: 6/10
  - Notes: Overall, eligibility is adequately structured based on impacts from cannabis prohibition. Eligibility includes several strong and appropriate criteria directly related to conviction history and enforcement activities such as: arrest or conviction for a cannabis-related offense; was subject to asset forfeiture arising from a cannabis-related event; having a parent, sibling or child who was arrested for a cannabis-related offense; or suffering sexual exploitation or loss of housing as a result of cannabis enforcement. One eligibility criterion (have lived within a five-mile radius of the location of raids conducted by the Campaign Against Marijuana Planting (CAMP) program) appears to be overly broad, and is unclear why this criterion is necessary in addition to the other criteria that seem to already capture the impacted population. Including those that live or have lived in proximity to these impacts may be broad enough to include individuals who were not directly impacted by cannabis prohibition or the War on Drugs. Answer is unclear about what portion of the county population may be eligible under this criterion. Answer also does not clearly indicate that the applicant must have actually experienced the raid at the time it occurred, and appears to include residency for any length of time and during any period of time, even many years after impacts actually occurred.

6. Describe the process and average timeframe for local equity program applicants to obtain a commercial cannabis license from the jurisdiction. Include any differences between equity applicants and non-equity applicants and any measures taken to promote equity in the process of awarding licenses and resources to local equity applicants.
  - Score: 4/10
  - Notes: Answer indicates a lengthy and complex process for equity program applicants to obtain a license. Answer describes delays experienced by the program including a moratorium on Phase 3 applications and multiple amendments to the cultivation ordinance. Answer describes that Mendocino County worked to launch its equity eligibility application and program in March of 2021, and indicates that many Phase 1 cannabis cultivators are still working on completing the local regulatory application process. Answer does not describe how the licensing process avoids delays and impediments to equity applicants' ability to start their business. Answer provides very limited indication of how the process of obtaining a license may be different for equity applicants compared to non-equity applicants to intentionally help equity applicants avoid barriers or delays.
7. Does the jurisdiction's local equity program provide expungement services for local equity applicants? If yes, please describe.
  - Score: 0/3
  - Notes: Answer indicates the local jurisdiction does not provide this service.
8. Does the jurisdiction's local equity program have any shareholder or ownership requirements? If yes, please describe.
  - Score: 0/3
  - Notes: Answer indicates the local jurisdiction does not provide this type of requirement.
9. Does the jurisdiction's local equity program provide business and/or financial education services? If yes, please describe.
  - Score: 2/3
  - Notes: Answer indicates there are adequate financial education and business development services offered to local equity applicants, however also indicates that these services are not in demand and are not being widely utilized by equity applicants.
10. Does the jurisdiction's local equity program include an incubator program? If yes, please describe.
  - Score: 0/3
  - Notes: Answer indicates the local jurisdiction does not provide this service.
11. Does the jurisdiction have zoning regulations for commercial cannabis that are different for its local equity licensees? If yes, please describe.
  - Score: 0/3
  - Notes: Answer indicates the local jurisdiction does not provide this type of opportunity for equity applicants.

12. Does the jurisdiction's local equity program provide preferential licensing for local equity applicants?  
If yes, please describe.
- Score: 0/10
  - Notes: Answer indicates the local jurisdiction does not provide this type of opportunity for equity applicants.
13. How does the jurisdiction ensure eligible communities and populations are made aware of the benefits offered by its local equity program?
- Score: 4/5
  - Notes: Answer indicates the local jurisdiction provides outreach efforts via traditional and social media, as well as direct public forums. No letter of support provided.
14. How does the jurisdiction collect and address feedback from communities and populations eligible for its local equity program?
- Score: 2/5
  - Notes: Answer describes intention to develop feedback loop, collect data, etc. in the future but does not indicate these approaches are in place as of yet. Answer indicates in general terms that staff engage with the public and stakeholder groups via updates provided to the Board of Supervisors. Answer indicates that methods of collecting and addressing feedback are not yet fully implemented.
15. If the requested funds are awarded, what are the expected outputs and outcomes of the jurisdiction's local equity program?
- Score: 5/10
  - Notes: Answer adequately describes the general intent of the program, however the answer does not clearly explain what will be achieved if the requested funds are awarded. Answer lacks clear number of equity applicants and/or equity licensees to be served and how they will benefit from the grant program but includes a general estimate that there are 350+ potentially eligible to be served.

In summary, the 15 answers provided in the application failed to receive a combined total score of at least 50 points due to several factors. Multiple questions regarding program elements received a zero because the local equity program does not provide them. Answers provided limited indication that the program provides equity-eligible participants with priority access to licenses or a streamlined process for obtaining a license. Answers also provided limited clarity on the geographic boundary established by the 5-mile radius criterion, how much of the county is included or excluded, and how the equity assessment supports this as an effective metric for distinguishing individuals impacted by the consequences of cannabis law violations from those within the county who were not. Answers also provided limited information about the local equity program's outputs and outcomes to date, and limited detail or clarity on the expected outputs and outcomes of the program if the requested funding were to be awarded.

GO-Biz encourages the county to ensure that in future applications there are clear and distinct differences between the county's local equity program and the county's general program for commercial cannabis permitting. Improvements in the areas of the application described above may

strengthen future applications and GO-Biz staff will continue to offer feedback and technical assistance to support the county in preparing successful future applications, consistent with the support that is offered by GO-Biz to all applicants. The county is welcome to apply to the Cannabis Equity Grants Program for Local Jurisdictions again during the next application cycle which we expect to release during fall of 2023.

Sincerely,

A handwritten signature in cursive script that reads "William Koch".

William Koch  
Deputy Director  
Community and Local Equity Grants Unit  
California Governor's Office of Business and Economic Development (GO-Biz)





# Mendocino County Board of Supervisors Agenda Summary

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**Item #: 2b)**

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**To: General Government Committee**

**From:** County Counsel Cannabis

**Meeting Date:** March 27, 2023

**Department Contact:** Christian Curtis  
**Department Contact:** Kristin Nevedal  
**Department Contact:** Steve Dunncliff

**Phone:** 707-234-6885  
**Phone:** 707-234-6335  
**Phone:** 707-463-4441

**Item Type:** Regular Agenda

**Time Allocated for Item:** 45 Minutes

**Agenda Title:**

Discussion and Possible Action Including Referral to the Board of Supervisors Regarding Any Appropriate Direction to Staff to Prepare Possible Ordinance Amendment to Process Cannabis Cultivation Applications with Deprioritized Status for Not Paying Taxes and Not Providing Proof of a State Cannabis License While Cultivating  
(Sponsor: County Counsel and Cannabis)

**Recommended Action/Motion:**

Provide referral to the Board of Supervisors regarding any appropriate direction to staff to prepare ordinance amendment to process cannabis cultivation applications with deprioritized status for not paying taxes and not providing proof of a state cannabis license while cultivating.

**Previous Board/Board Committee Actions:**

Based on prior Board direction to prioritize applications that have an active state cannabis cultivation license and were current on County taxes, the Mendocino Cannabis Department ("MCD") implemented a de-prioritization program. That program consisted of MCD labeling applications as deprioritized if applicants failed to pay County cannabis taxes or to provide proof of a state cannabis license while actively cultivating. Applications with the "deprioritized" label would not undergo any further review until proof of tax payments have been made and/or a state cannabis license has been provided.

**Summary of Request:**

One requirement to obtain a California state license to commercially cultivate cannabis is local approval that the proposed cannabis cultivation operation meets local rules and regulations. While Mendocino County (the "County") only allows commercial cannabis cultivation with a permit under Chapter 10A.17 of the Mendocino County Code ("Chapter 10A.17"), the County has provided local approval when Phase One applicants submitted an application. As such, individuals have been able to obtain a state license and begin their commercial cannabis cultivation operation before their local application has been fully reviewed and approved by MCD.

Chapter 10A.17 was not drafted with any foresight that cultivators would be allowed to begin commercially cultivating cannabis before their application has been fully reviewed and approved. As such, there are no

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**Item #: 2b)**

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requirements in Chapter 10A.17 that address cultivators' compliance with state laws or County cannabis tax regulations prior to their application be fully reviewed and approved.

Based on prior Board direction, MCD placed all applicants who failed to provide proof of compliance with state cannabis licensing requirements or County cannabis tax regulations in a deprioritized status and prioritized those that have provided such proof. That status places applications on pause for any further review until the applicants provide proof of compliance with state cannabis licensing requirements and/or County cannabis tax regulations.

Since Chapter 10A.17 did not foresee cultivation prior to a complete review and approval of an application, there is no mechanism where MCD can address applications for failure to provide proof of a state license or compliance with County cannabis tax regulations. Therefore, those applications would remain in limbo in perpetuity. Staff requests input and a recommendation from the General Government Committee to present to the Board so that these applications can be fully and finally processed

**Alternative Action/Motion:**

Provide direction to staff.

**Does This Item Support the General Plan?** Yes

**Strategic Plan Priority Designation:** An Effective County Government

**Supervisory District:** All

**vote requirement:** Majority

**Supplemental Information Available Online At:** n/a

**Fiscal Details:**

**source of funding:** N/A

**current f/y cost:** N/A

**annual recurring cost:** N/A

**budget clarification:** N/A

**budgeted in current f/y:** N/A

**if no, please describe:**

**revenue agreement:** N/A

**Agreement/Resolution/Ordinance Approved by County Counsel:** Yes

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**CEO Liaison:** Executive Office

**CEO Review:** Yes

**CEO Comments:**

**FOR COB USE ONLY**

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Executed By: Atlas Pearson, Senior Deputy Clerk

Date: MARCH 27, 2023

Final Status: No Action Taken





March 24, 2023

General Government Committee  
Board of Supervisors  
County of Mendocino  
501 Low Gap Road, Room 1070  
Ukiah, CA 95482

Re: Item 2b (Regular Meeting – March 27, 2023)

To the Honorable Members of the General Government Committee:

The Department of Cannabis Control is grateful for, and encouraged by, the collaborative and productive engagement that has occurred between Mendocino County and the Department in recent weeks. In that spirit of partnership, we write to encourage the County to use Item 2b as an opportunity to align state and local law regarding unlicensed cannabis cultivation.

Specifically, we encourage the County to require state cannabis licensure as a matter of local law. Under state law, it is illegal to engage in any commercial cannabis activity, including cultivation, without a state cannabis license. However, as we understand it, Mendocino County does not currently require state licensure as a matter of local law. Thus, there may be some in Mendocino County who have received local authorization to cultivate cannabis, and who are in fact cultivating cannabis, even though their cultivation of cannabis in the absence of a state license is flatly illegal under state law. We urge the County to align state and local law in this respect.

Thank you again for your partnership. We look forward to continuing to work with you in our shared effort to strengthen the legal cannabis market and combat the illicit market.

Respectfully,

Nicole Elliott  
Director, Department of Cannabis Control



# Mendocino County Board of Supervisors Agenda Summary

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**Item #: 3b)**

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**To: General Government Standing Committee**

**From:** Executive Office

**Meeting Date:** March 27, 2023

**Department Contact:** Atlas Pearson

**Phone:** 707-463-4441

**CEO Contact:** Darcie Antle

**Phone:** 707-463-4441

**Time Allocated:** 5 Minutes

**Agenda Title:**

Approval of Minutes of February 27, 2023 Regular Meeting

**Recommended Action/Motion:**

Approve minutes of February 27, 2023 regular meeting.

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**CEO Liaison:** Executive Office

**CEO Review:** Choose an item.

**CEO Comments:**

**FOR COB USE ONLY**

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Executed By: Atlas Pearson, Senior Deputy Clerk

Final Status: Approved

Date: MARCH 27, 2023



GLENN MCGOURTY  
1st District  
Supervisor  
Chair

MAUREEN MULHEREN  
2nd District  
Supervisor  
Vice-Chair

JOHN HASCHAK  
3rd District  
Supervisor

DAN GJERDE  
4th District  
Supervisor

TED WILLIAMS  
5th District  
Supervisor



DARCIE ANTLE  
Chief Executive Officer/  
Clerk of the Board

CHRISTIAN M. CURTIS  
County Counsel

COUNTY ADMINISTRATION CENTER  
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(707) 463-4441 (t)  
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cob@mendocinocounty.org

## **MENDOCINO COUNTY GENERAL GOVERNMENT COMMITTEE ACTION MINUTES – February 27, 2023**

**BEFORE THE BOARD OF SUPERVISORS  
COUNTY OF MENDOCINO - STATE OF CALIFORNIA  
FAIR STATEMENT OF PROCEEDINGS  
(PURSUANT TO CALIFORNIA GOVERNMENT CODE §25150)**

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### **AGENDA ITEM NO. 1 – OPEN SESSION (PLEDGE OF ALLEGIANCE AND ROLL CALL 9:00 A.M.)**

**Present:** Committee Member/Supervisor Maureen Mulheren and Committee Member/Chair John Haschak. Chair Haschak presiding.

**Staff Present:** Steve Dunncliff, Deputy Chief Executive Officer; Christian M. Curtis, County Counsel; Atlas M.A. Pearson, Senior Deputy Clerk of the Board; Kim Saylor, Deputy Clerk of the Board; and Lillian Bearden, Deputy Clerk of the Board.

**The Pledge of Allegiance was led by:** Supervisor Haschak.

**AGENDA ITEM NO. 2 – REGULAR CALENDAR****2A) PROVIDE RECOMMENDATIONS TO STAFF AND A REFERRAL TO THE BOARD OF SUPERVISORS RECOMMENDING APPROVAL OF THE COUNTY OF MENDOCINO CANNABIS DEPARTMENT MONTHLY UPDATE FOR FEBRUARY – SPONSOR: CANNABIS**

**Presenter/s:** Kristin Nevedal, Director, Cannabis; and Elora Babbini, Chief Planner, Cannabis.

**Public Comment:** Scott Ward; Michael Katz; Hannah Nelson; Monique Ramirez; Paul Hansbury; Susan Tibbon; Heidi Wordhouse; Corinne Powell; Chantal Simone-Peitre; Adina Flores; and Charles.

*COMMITTEE RECESS: 10:32 A.M. – 10:45 A.M.*

**Committee Action:** No Action Taken.

**2B) DISCUSSION AND POSSIBLE ACTION INCLUDING PROVIDING A RECOMMENDATION TO THE BOARD OF SUPERVISORS TO APPROVE THE CANNABIS DEPARTMENT'S REQUEST TO FILE A LOCAL JURISDICTION ASSISTANCE GRANTS PROGRAM (LJAGP) BUDGET AMENDMENT REDUCING THE AMOUNT OF DIRECT GRANT FUNDS AVAILABLE TO APPROXIMATELY \$3.6 MILLION AND REDIRECTING THE BALANCE OF APPROXIMATELY \$6.8 MILLION TO FUND EXPENSES ASSOCIATED WITH TIMELY APPLICATION REVIEW THAT WERE NOT KNOWN TO THE DEPARTMENT WHEN FILING THE ORIGINAL APPLICATION - SPONSOR: CANNABIS**

**Presenter/s:** Kristin Nevedal, Director, Cannabis; and Steve Duncliff, Deputy Chief Executive Officer.

**Public Comment:** Scott Ward; Chantal Simone-Peitre; Michael Katz; Hannah Nelson; Tamara Kislak; Adina Flores; Corinne Powell; Monique Ramirez; and Matt Humphrey.

**Committee Action:** Upon motion by Supervisor Haschak, seconded by Supervisor Mulheren, IT IS ORDERED that the General Government Committee direct staff to bring the budget amendments to the full Board of Supervisors on March 28, 2023, including specific needs for closing the budget gap this year, budget development for next year, and provide the Board with specific numbers for all budget items. The motion carried by the following vote:

Aye: 2 – Supervisor Mulheren and Supervisor Haschak

No: 0 – None

Absent: 0 – None

**2D) DISCUSSION AND POSSIBLE ACTION INCLUDING A RECOMMENDATION TO THE BOARD REGARDING APPLICANT NOTIFICATION OF A PREVIOUSLY APPROVED CANNABIS BUSINESS TAX REDUCTION, ESTABLISHMENT OF A CANNABIS BUSINESS TAX PENALTY AND INTEREST AMNESTY PROGRAM, AND A PRIOR YEAR CANNABIS BUSINESS TAX PAYMENT PLAN - SPONSOR: SUPERVISOR MULHEREN**

**Presenter/s:** Supervisor Mulheren; Kristin Nevedal, Director, Cannabis; and Chamise Cubbison, Auditor-Controller/Treasurer-Tax Collector.

**Public Comment:** Tamara Kislak; Michael Katz; Hannah Nelson; Monique Ramirez; Nicholas Hoelsing; and Chantal Simone-Pietre.

**Committee Action:** Upon motion by Supervisor Mulheren, seconded by Supervisor Haschak, IT IS ORDERED that the General Government Committee work with county staff to bring back the dollar amounts for 50 percent reduction in cannabis business tax for years 2023 and 2024; bring back an amnesty program for penalties and interest from years 2019, 2020, 2021, and 2022; and bring back a payment plan for years 2019, 2020, 2021, and 2022. The motion carried by the following vote:

Aye: 2 – Supervisor Mulheren and Supervisor Haschak

No: 0 – None

Absent: 0 – None

**2C) DISCUSSION AND POSSIBLE ACTION INCLUDING DIRECTION TO STAFF REGARDING THE DEVELOPMENT OF MENDOCINO COUNTY'S 2023 LEGISLATIVE PLATFORM - SPONSOR: EXECUTIVE OFFICE**

**Presenter/s:** None.

**Public Comment:** None.

**Committee Action:** No Action Taken.

**AGENDA ITEM NO. 3 – OTHER BUSINESS****3B) APPROVAL OF MINUTES OF JANUARY 23, 2023 REGULAR MEETING - SPONSOR: EXECUTIVE OFFICE/CLERK OF THE BOARD**

**Presenter/s:** Atlas Pearson, Senior Deputy Clerk of the Board.

**Public Comment:** None.

**Committee Action:** Upon motion by Supervisor Mulheren, seconded by Supervisor Haschak, IT IS ORDERED that the General Government Committee approves minutes of January 23, 2023 regular meeting. The motion carried by the following vote:

Aye: 2 – Supervisor Mulheren and Supervisor Haschak

No: 0 – None

Absent: 0 – None

**3A) PUBLIC EXPRESSION**

**Presenter/s:** Michael Katz; and Hannah Nelson.

**3C) ANNOUNCEMENTS**

None.

THERE BEING NOTHING FURTHER TO COME BEFORE THE BOARD, THE MENDOCINO COUNTY BOARD OF SUPERVISORS ADJOURNED AT 12:35 P.M.

Attest: ATLAS M.A. PEARSON  
Senior Deputy Clerk of the Board

  
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JOHN HASCHAK, Chair

  
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**NOTICE: PUBLISHED MINUTES OF THE MENDOCINO COUNTY BOARD OF SUPERVISORS MEETINGS**

- Effective March 1, 2009, Board of Supervisors minutes will be produced in “action only” format. As an alternative service, public access to recorded Board proceedings will be available on the Board of Supervisors’ website in indexed audio format
- LIVE WEB STREAMING OF BOARD MEETINGS is now available via the County’s YouTube Channel. If technical assistance is needed, please contact The Mendocino County Executive Office at (707) 463-4441.
- Minutes are considered draft until adopted/approved by the Board of Supervisors
- The Board of Supervisors’ action minutes are also posted on the County of Mendocino website at: [www.mendocinocounty.org/government/board-of-supervisors](http://www.mendocinocounty.org/government/board-of-supervisors)
- To request an official record of a meeting of the Mendocino County Board of Supervisors, please contact the Executive Office at (707) 463-4441
- Please reference the departmental website to obtain additional resource information for the Board of Supervisors and Clerk of the Board: [www.mendocinocounty.org/government/board-of-supervisors](http://www.mendocinocounty.org/government/board-of-supervisors)

***Thank you for your interest in the proceedings of the Mendocino County Board of Supervisors***





March 24, 2023

General Government Committee  
Board of Supervisors  
County of Mendocino  
501 Low Gap Road, Room 1070  
Ukiah, CA 95482

Re: Item 2b (Regular Meeting – March 27, 2023)

To the Honorable Members of the General Government Committee:

The Department of Cannabis Control is grateful for, and encouraged by, the collaborative and productive engagement that has occurred between Mendocino County and the Department in recent weeks. In that spirit of partnership, we write to encourage the County to use Item 2b as an opportunity to align state and local law regarding unlicensed cannabis cultivation.

Specifically, we encourage the County to require state cannabis licensure as a matter of local law. Under state law, it is illegal to engage in any commercial cannabis activity, including cultivation, without a state cannabis license. However, as we understand it, Mendocino County does not currently require state licensure as a matter of local law. Thus, there may be some in Mendocino County who have received local authorization to cultivate cannabis, and who are in fact cultivating cannabis, even though their cultivation of cannabis in the absence of a state license is flatly illegal under state law. We urge the County to align state and local law in this respect.

Thank you again for your partnership. We look forward to continuing to work with you in our shared effort to strengthen the legal cannabis market and combat the illicit market.

Respectfully,

Nicole Elliott  
Director, Department of Cannabis Control