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To: <bos@mendocinocounty.org>

CC: "Hannah L. Nelson" <hannahnelson@hannahnelson.net>

Date: 11/16/2018 7:04 AM

Subject: MCGA Comments for Cannabis Ad-Hoc Recommendations 11_16_18

TO: Mendocino County Board of Supervisors

FROM: Mendocino County Growers Alliance

RE: Cannabis Ad-Hoc Committee Recommendations

Over the last several years of cannabis ordinance development work, MCGA has appreciated the dedication and effort by the Board of Supervisors and County Staff. We look forward to continuing a strong working relationship, and appreciate the opportunity to comment on the proposed Ad-Hoc Committee Recommendations.

Major Discussion Points

- **1. 10A 17.080(A)**: MCGA believes it would be appropriate to allow new cultivation along similar guidelines to Phase 1. Given the stringent environmental requirements of the ordinance and State Agencies, an additional burden of Use Permit process would put an undue burden on county staff and create unnecessary paperwork. We would suggest zoning clearance for parcels that would have that option during Phase 1 and Administrative Permits for other types of zoning.
- 2. 10A 17.080(A): We believe that this provision should be adopted but should apply to all resource lands. Because RL is more inland and TPZ/FL tend to be more coastal, allowing RL but not FL and TPZ disadvantages coastal cultivators, many of whom are seeking to relocate their cultivation sites. There are important Appellation considerations around resource land cultivation that are an important part of the development of the Mendocino cannabis industry. On the ground, there is often little difference between the designations; some RL parcels are heavily wooded, some TPZ and FL parcels are rolling grasslands. Given the stringent environmental protections required by the permitting programs, an allowance for resource land cultivation with an Administrative Permit makes sense, considering the amount of staff time required (as noted above).
- **3. 10A.17.060 Permit Types:** Via discussion through MCGA Policy Committee and other stakeholder input, it is clear that the community is split on this issue. MCGA is not able to take a position at this time, but we would like to suggest that further study and dialogue is needed. Perhaps the ordinance could be amended to expand acreage limitations in response to a change in Federal Prohibition or other related changing criteria or laws.
- **4. 10A17.060(10) Nurseries:** We would like to communicate support for both options presented. A tiered nursery license with a Cottage Provision for nurseries under 5000 sq-feet could lower costs, create opportunity for more nurseries, and would be an excellent option for maintaining economic viability for a number of farms. Allowing farms on smaller parcels to engage in nursery activities (not to exceed the allowable cultivation size for the parcel) receives vigorous support from our organization.
- 5. 10A17.070: We would like to communicate concerns around stacking licenses and would offer a suggestion that the ability to permit above an acre (up to 4 acres) be exclusively for cooperative projects. We believe that there are Tenants in Common issues around allowance for permits and that it would make sense to allow each Tenant in a Tenant in Common situation the ability to get a permit for up to 10,000 sq feet. We are very concerned about the types of license stacking that is occurring in some other counties. We see potential for a program similar to the Humboldt RRR, but also have concerns about moving farms out of their traditional appellation and microclimates. We believe this is an issue that needs further discussion.
- **6. 10A 17.070 (K) Non Transferability of Permits:** This is an issue of great importance to the community for a number of reasons. Banks and Investors are often unwilling to participate in a business model that does not provide sustainability and/ or allow them to share in the licensing process. There are many farmers who may need to add partners to enhance the business, sell in order to recoup investments or to retire. Given the prior participation in the permitting program, we would like to suggest that Transferability and flexibility be allowed via an Administrative Permit on the land. We would like to communicate support for the letter from Hannah Nelson.

Additional Recommendations

1. 10A 17.020 Definitions: We support continued efforts by the county in communicating with the state about the definition of canopy as defined locally. We are also concerned about the state Cottage Outdoor definition that allows only for 25 plants and not for square footage. Besides these two concerns, we support the modification of definitions as proposed.

- **2**. **10A 17.020 Definitions:** MCGA supports allowing parcels that were already in the process of subdivision (but not completed prior to 2016) to be eligible for permits post completion of subdivision.
- 3. 10A17.040(A)(1) Limitations: Support for this item, which brings us into agreement with state regs.
- **4. 10A17.040(A)(4) Limitations:** MCGA supports removing the prohibition on visibility. Changing this policy is a part of the continued normalization of cannabis and we applaud the Ad-Hoc for proposing it.
- 5. 10A17.040 (D), 10A17.070 (F) & 10A110 (E) Generators: Consistency with some State regulations are important, but some State regulations should not be copied, such as 50 hp minimum size generators when Mendocino has smaller licenses than other Counties. Smaller generator sizes should be allowed beyond emergency use. For off grid locations, current County regulations place an unrealistic and burdensome requirement for the majority of primary power from alternative power systems. In efficient multi-light facilities, the primary and renewable source of light is the sun, but additional light is needed at times during inclement weather and at night when there is no solar energy. Battery storage technology is not quite there yet for economical solutions and cultivators should be given more time to reach non generator solutions considering the high costs associated. If the sun is factored in, then generators provide only a small proportion of the utilized light. Multi-light facilities should be encouraged because of the year round sustainability.
- **6. 10A 17.040 (H)** MCGA supports removing the requirement for wildlife exclusionary fencing and we agree with the other proposed requirements.
- 7. 10A17.050 Medical Marijuana Collectives: MCGA Support.
- 8. 10A17.060 Nursery: MCGA Support
- **9. 10A17.070 Track and Trace:** CDFA says that METRC is online; MCGA supports an immediate shift away from duplicative systems. Current understanding by cultivators is that the County system is being used only for transfers, but transfers are also covered by the State system, which makes the County system redundant..
- **10. 10A17.070 (H) Fees and (I) Inspections:** MCGA supports the proposed changes; streamlining and removing costs is important for the health of the program including factors such as county staff workload, resource use and costs.
- 11. 10A17.080(A) (1): MCGA supports the recommendation but we would like to suggest it be extended to a year.
- 12. 10A17.080(A) (2): MCGA Support.
- **13.10A17.080(A)(2):** MCGA supports the recommendation for allowing mixed light, but we would like to suggest an allowance hoophouses that incorporate odor control. Given the extensive costs surrounding greenhouses for ADA requirements and other permitting fees, hoophouses with odor control may be a beneficial policy decision.
- 14. 10A17.080 (B) (4): MCGA Support.
- 15. 10A17.080 (B) (6): MCGA Support.
- 16. 14. 10A17.090 (M): No Position. Our organization needs to conduct further due diligence around the DA's recommendations.
- 17. 10A17.100: No Position. We would need to know what the proposed criteria are before we will be able to take a position.

Thank you for your time!

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