

May 13, 2019

Mendocino County Board of Supervisors
501 Low Gap Road, Room 1010
Ukiah, CA 95482

Re: 6e) Discussion and Possible Action Regarding Recommendations of the Cannabis Cultivation Ad Hoc Committee

Dear Members of the Board:

The undersigned members of the Mitchell Creek community appreciate the opportunity to comment on this motion. As long-time residents and business owners in Mendocino County, we are writing in support of the motion to direct staff to develop an indoor cannabis cultivation use permit process for phase one applicants subject to the sunset provision in section 10A.17.080(2)(b) of the Mendocino Cannabis Cultivation Ordinance.

Mendocino County voters¹, the county cannabis program manager², and this board have all expressed strong support of the legalization of cannabis. This growing industry is critical to providing jobs and tax revenue for the residents of this county. There are an estimated 10,000 growers in the county³ and roughly less than 1 percent of those growers have applied for permits. Thus far, there is only one permitted indoor cultivation license that has been issued and it is located in the zone in question. These growers are central to the region's economy. It is essential for the county to encourage and enable these Phase 1 early adopters to succeed. More importantly this industry provides critical tax revenue to the county for public infrastructure, enforcement, and other much needed projects. In the first year since passage of Prop. 64, tax revenue from cannabis was over \$1 million, which was \$500,000 less than expected.⁴ This demonstrates the significant impact the revenue from this industry already has in the county and how the shortfall will only worsen if these growers are not allowed to continue to operate.

The existing sunset provision for RR2 zones does not provide enough time to move to a suitable location. Due to the lengthy and extremely costly process required to build the necessary infrastructure for these cultivation facilities and the limited zoning areas these businesses are allowed to operate in, these legacy businesses should be given the opportunity to apply for a special use permit that would allow them to continue. What's more, the neighborhood in question already has countless commercial businesses, although the majority of them are illegal and therefore not subject to oversight and regulation by the county. To turn a blind eye to this reality distorts the facts of the case at hand.

Furthermore, the board should consider the precedent set by this decision. As this county embarks on the transition into legalization, decisions such as these will set an important precedent for similar issues that will inevitably arise in the future. Given the already restricted zoning areas where indoor cultivation is allowed, there are bound to be more cases where grows will be mixed in residential communities. If, every time this happens, deference is given to residents who simply don't want cannabis grows in their

¹California Proposition 64 — Legalize Marijuana — Results: Approved, <https://www.nytimes.com/elections/2016/results/california-ballot-measure-64-legalize-marijuana>

² Hundreds of Mendocino County cannabis cultivators in backlog limbo, <https://www.pressdemocrat.com/news/8086691-181/hundreds-of-mendocino-county-cannabis>

³ Id.

⁴ Id.

neighborhood, there will be no place left for these legal grows to go. They will likely be given no choice but to opt for the black market. Additionally, this approach to regulation could prohibit other community members from working out of their homes (bakers, farmers, horse stables, etc.), if their neighbors take issue with it, thus stunting economic growth and directly conflicting with the goals of our community and this board.

By allowing the businesses in question to continue to operate, the county would help support the first group of indoor cultivators who are operating legally to succeed, thereby providing tax revenue and jobs to residents of Mendocino County. Furthermore, by operating as legal businesses, they will need to be in compliance with all relevant laws and regulations or risk losing their permits. Passing this motion also demonstrates that the county's support of legalization is not just an empty promise, but it is supported by the actions of this board.

We strongly urge the Board to pass this motion and look forward to seeing our county's economy being supported by the efforts to facilitate a smooth transition into a legal cannabis market.

Sincerely,

Matthew Boren, Lumenati Inc., Mitchell Creek Resident/Indoor Cultivator

Ryan Birchard, Wood Wide Farms

Michael Strupp, Wood Wide Farms

Allan Harris, LitHouse, Mitchell Creek Indoor Cultivator since 2005

Kris Harris, LitHouse, Mitchell Creek Indoor Cultivator since 2005

Gabriel Martin, The Leonard Moore Cooperative, Mitchell Creek Indoor Cultivator since 2009

Dane Whittington, Mitchell Creek resident, Co-owner of Emerald Clock Farm

Elena Savitcheva, Mitchell Creek resident, Co-owner of Emerald Clock Farm

John Ruczak, Mitchell Creek resident and business owner

Kelsey Hubik, Mitchell Creek resident, cannabis industry employee, small business owner

Garrett Lumley, Mitchell Creek property owner and resident

Ali Boecker, Wild Bear Botanicals, Mitchell Creek property owner and resident

Greg Purcell, Mitchell Creek property owner

Jhanna Dawson, Mitchell Creek property owner