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June 9, 2020

To Our Esteemed County Supervisors,

The Law Offices of Ilya E. Ross understand that the Mendocino County Board of Supervisors will meet on Wednesday, June 10, 2020, to consider changes to the cannabis permitting regulations ("Cannabis Licensing") within the County of Mendocino (the "County"). We wish to provide the following comments pertaining specifically to the City's zoning qualifications for cannabis businesses. In the interest of generating significant revenues for the County and supporting the growth of the cannabis industry locally, we strongly encourage and advocate that the county adopt an inclusive policy that would allow Rangeland properties held by both legacy and non-legacy applicants within the County to be qualified for cannabis business licenses and be permitted to engage in subsequent cannabis activities.

Jurisdictions all throughout the State of California have been hit hard by the COVID-19 restrictions and the ensuing economic impact on local businesses and State revenues. In response to this unprecedented economic challenge, we commend the County for its adaptive solutions and are encouraged by the County's consideration to fast track and simplify all phases of the Cannabis Licensing process. Our experience representing cannabis operators in the State of California has provided us with a first-hand view of how cannabis can provide communities with economic stimulus and job growth. From our experience, a local regulatory regime promoting streamlining, efficiency and clarity is best poised to maximize the revenue potential and buttress a vibrant and active local industry.

As such, we are advocating for a simple and streamlined application process that is open to all applicants that can obtain or rent qualified property within the County. Specifically, we request the reduction of zoning limitations on eligible properties for each license type within the County. In order to promote local growth and allow each successful applicant to vertically integrate their businesses, we request that the County permit Type P manufacturing for processing and packaging as well as Type 13 distribution on all properties that are eligible or currently permitted for cultivation.

Further, we request that the County allow both legacy and non-legacy applicants to select and hire qualified individuals or environmental contractors to evaluate their properties for CEQA compliance and implement Best Management Practices based on an approved criterion in order to voluntarily comply with state and local regulations. We believe this approach has multiple advantages, including reducing compliance costs, reducing county budget expenditures and widening the pool of prospective licensees. The County and surrounding areas are replete with talented and experienced environmental service providers who are capable of assessing and implementing compliance protocols for large scale development on multiple properties, further stimulating local economic growth.

Finally, we note that the continued use of Appendix G Questionnaire from the Phase I licensing process may create unnecessary obstacles due to stated inconsistencies with CEQA requirements and issues regarding timely review by County staff due to the COVID 19 restrictions. We are concerned that the inconsistency may eventually result in the revocation or denial of a license on the basis of environmental non-compliance, even though the applicant made a good faith effort under the previously acceptable criteria provided by the County. To address this concern, we respectfully request that the County defer to State regulators regarding environmental compliance mechanisms, regulations and determinations at this time.

Our firm is proud to work with farmers and entrepreneurs who wish to participate in the growth of the local cannabis industry and the accompanying benefit to the local economy. We thank the County for considering Cannabis Licensing and humbly request that our recommendations be taken into consideration by the County Supervisors.

Sincerely,

Ilya E. Ross

Principal