



Mendocino County Board of Supervisors,

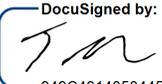
We are at a great crossroads in time for Mendocino County Cannabis. The licit cannabis industry was not designed for success. 10,000sq ft farms are not large enough to generate the revenue required to climb over the Sales, General, and Administrative expenses, the regulatory hurdles, taxes, and the competition from the black market required to generate sustained profits. We are now competing against Lake County, Santa Barbara County, San Luis Obispo County, Monterey County and many more. Without equivocation, these counties have thousands of acres under production. We believe that anyone with both feet in the licit market understands that Mendocino County has a broken framework that must be fixed if it has any hope of sustaining the businesses currently operating.

Some businesses have stayed and some newcomers have arrived to Mendocino County to employ its people, generate meaningful value to communities, and truly set their roots. Henry's Original is one of the companies that has been here from the beginning. With the belief that a high tide raises all ships, we support any Mendocino Cannabis company that is here to contribute meaningful change, sustained growth, and everlasting value. We believe that with the right framework we can all be successful in this county.

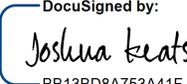
Henry's Original wants to voice our support for an ordinance that aligns with the ability to scale to state regulations. We need an ordinance that is zoning based. We need to be able to apply for license sizes in any manner the state would approve in their overarching framework. We need flexibility in how cannabis companies can configure their grow sites. We need sensible taxes for growth no higher than the current tax rate of 2.5%. We need to be able to operate while we parallel track with environmental reviews just as Lake County is structured.

I hope the Board understands the gravity of the dilemma at hand. Henry's Original must look elsewhere if we cannot expand the 2021 crop. Our tax dollars will go elsewhere, employment will go elsewhere, our future will go elsewhere. We do not express this lightly or as a threat. This is our reality. This is not what we want but in a supply chain based industry, limiting our growth in such vulnerable times is an existential threat to Henry's Original. We encourage the board to act in the best interest of the companies that are providing meaningful value to their communities. We encourage everyone to come together and support Supervisor McGowen's proposed ordinance. And we offer our assistance in anything we can do to move these efforts forward for 2021 cultivation expansion.

Thank you for your consideration,

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Jamie Warm and Joshua Keats  
Henry's Original Co-founders

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