

July 20th, 2020 Re: Board of Supervisor Meeting 7/21/20 Agenda Item 5b

Dear Honorable Board of Supervisors,

CCAG has reviewed the CEO Report in regards to the Staff memos for the cannabis related issues. With respect to the test cases for Appendix G, the Staff report presented does not provide the level of details CCAG was hoping to see. Here are the main questions we have about the applications that were submitted as test cases:

- 1. What permit sizes were the test cases?
 - 2500 sq ft
 - 5000 sq ft
 - 10,000 sq ft
- 2. What styles of cultivation were the test cases?
 - Outdoor
 - Mixed Light
 - Indoor
- 3. What zoning types were the test cases?
 - AG
 - FL
 - TPZ
 - RL
 - RR5
 - RR10
 - UR
 - Accommodation Zones
- 4. Did the test cases have an issued Mendocino County Permit or just an embossed receipt?
- 5. Did the test cases have a completed LSA? (was one needed or not?)
- 6. How did Staff decide which types of permits would be used for the test cases?

We feel this is very important information that our community deserves to have. It will help shed more light on the application process for Appendix G and help us to understand things in a deeper way.

It is very disturbing to learn that if the County continues to develop Appendix G and the CDFW Pilot Program for the SSR, it will take more time then Staff will have to process every cannabis application prior to the State Provisional Deadline of Jan 1, 2020. What is even more disturbing is that it was identified in the Staff report that this further in depth application process is the functional equivalent (staff time) of a discretionary permit without cost recovery. This highlights very clearly that if we abandon the plans to use the Appendix G and the Pilot Program with CDFW and use the discretionary permit process instead, we will still be faced with the same timeline issues and will not achieve the goal of getting EVERY applicant an Annual license by the State deadline.

So where do we go from here? In our understanding of the requirements of the Appendix G, we feel that many applicants would pass through the process, especially the 275 County Issued Permits that have already received their SSR clearance. We owe it to every single applicant in our program to be able to use the Appendix G pathway if it will in fact lead to receiving a State Annual License. Those that are not able to meet the conditions of Appendix G should then be offered the option to use the discretionary permit process.

In the meantime, it's absolutely imperative that the County begin to lobby our State officials to sound the alarm that we need more time to reach CEQA compliance for our dedicated cannabis cultivators that have worked so hard to become a legally licensed operator in our County. Especially in a time when our local economy is on the brink of collapse due to Covid-19, cannabis businesses are ESSENTIAL!!! We urge each Supervisor to reach out to the State to inform them of our troubles and advocate for the State Provisional License deadline to be extended. This will give our County more time to come up with viable solutions and implement them successfully.

In terms of the cost recovery issues that were identified in the Staff report, how did the Staff determine the approximate hours it would take to complete the application process for these additional requirements? Did the Staff provide the State with the necessary additional information that was needed in order to satisfy the Appendix G for the 2 test cases? If so was that how a determination was made? We understand that there must be cost recovery for additional work the application process would take given this new landscape, but perhaps the applicant themselves can be required to provide some of the necessary information to cut down on staff time?

We all share the same goal to see our cannabis operators remain in business now and into the future. Lets please continue to work together to find solutions that will help us achieve this goal and provide an affordable pathway to our cultivators.

CCAG would like to see a new Ad Hoc Committee formed to handle all of the necessary issues related to cannabis policies and reform and that the committee be formed as soon as possible. We encourage representation from Supervisors that will be able to serve on the committee beyond the 2020 year and that bring different ideas to the table and are willing to engage with stakeholders like our group to come up with viable solutions for our cannabis policy needs.

Thank you for your consideration of our concerns, questions and ideas.

Sincerely,

Monique Rand

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