



October 12th, 2020

Re: Board of Supervisor Meeting 10/13/2020

Dear Honorable Board of Supervisors,

After reviewing all the materials for this special cannabis meeting, we have this input to provide:

**1. PHASE 3 SHOULD NOT OPEN UNTIL AFTER EVERYONE IN PHASE 1 IS PROCESSED AND ANNUAL STATE LICENSE ISSUES HAVE BEEN RESOLVED**

*The County has been clear that there is not enough staff to process everyone under the Phase 1 requirements, and even if Mendocino County switches to a Land Use based option, there is still not enough time to process everyone. How will allowing Phase 3 to begin even be possible when Staff should be spending all of their time on the Phase 1 operators? Phase 1 applicants came forward when the program first began, even without all of the details worked out and have stayed loyal despite the dysfunction. There has been a loss of several cannabis managers, 2 Ag Commissioners and a change in the permit program from the Ag Department to the Planning and Building Department. Not to mention the fact that permit fees were increased to offset the costs that Staff believed were necessary for cost recovery, only to discover now at this late stage in the process that many applicants were processed incorrectly. Why would our community have any faith that the opening of Phase 3 for NEW applicants would still give priority to the PHASE 1 operators? Sadly we do not have this hope. We want to see PHASE 3 open when everyone in PHASE 1 has been processed. There should be an allowance for PHASE 1 Legacy operators to also apply under PHASE 3 and provide proof of prior on the land they are choosing to cultivate which should include ALL Resource Lands.*

**2. ALLOW UP TO 22,000 SQ FT OF CANOPY FOR ALL ZONING TYPES IN PHASE 1 FOR OUTDOOR CULTIVATORS**

*Expansion of cultivation sq footage must not discriminate based on a zoning parcel type, ESPECIALLY when hemp is going to be considered a field and row crop with unlimited plant canopy in essentially all zoning in Mendocino County.*

*Hemp and Cannabis are the SAME plant, one with higher THC than the other, but BOTH still produce THC. Therefore, our recommendation stands as previously stated in our memo for the August 4th 2020 Board of Supervisors meeting. We have attached it here for your review:*

**17. CCAG recommends that the zoning table include an allowance of up to 22,000 sq ft of cultivation on all zoning types that are allowed in Phase 1 and to only allow it for Outdoor operators.**

It should be noted that whenever the board has discussed expansion in the past, it has always been framed around needing to “compete” with the rest of the State etc. So if the County is concerned about allowing people to do just that, then it needs to be an opportunity for everyone. Not just the few lucky operators that happen to be in the right zoning. Right now the Ordinance recommendation is to allow 1 acre permits for those in AG and UR zoning. We have always been concerned for the pace and type of growth our community might face and so after much deliberation we settled on the allowance of up to 22,000 sq ft for everyone in the current Phase 1. This is over double the current allowance and offers everyone an equal opportunity. Mixed light and Indoor was excluded from our recommendation mainly for environmental reasons because of the use of electricity and plastics for tarp materials. Plus those growing styles have an opportunity to grow multiple times in the year, whereas Outdoor has only 1 chance. We should note that this recommendation was a very divided issue among our group. Out of 28 members surveyed:

14 votes were in favor of Outdoor Only

11 Votes were in favor of Outdoor and Mixed Light Only

3 Votes were in favor of Indoor, Outdoor AND Mixed Light

This is a touchy subject and we want to see something that works for everyone not just a select few. We feel our recommendation is a fair balance and still allows room for those wishing to scale up to double their operation size. We don’t want to lose sight of our history as legacy small-scale producers, and what has put us on the map in the first place. Many distribution companies in our community are looking for biomass with much lower price offerings to reflect this quality of product. We are not biomass producers and the desire to allow for more cultivation in our County should not compromise our values and legacy growing practices. We are already struggling to find retail shelf space with the limited amount of retailers in the State. Yes, other counties are allowing larger permits, but are they producing AAA grade flower? If we intend to allow large 1 acre permits and the farms intend to produce AAA flower, it can only be expected that the price will eventually drop with continued flood of product in the market and small farms that are unable to scale up, due to upscale costs, water limitations, etc. will not be able to offer the same AAA quality flower for lower prices. This must be considered. There must be a clear distinction between Biomass production and craft cannabis and the intent behind expanding.

**3. REQUIRE A MINOR USE PERMIT FOR ALL NEW PHASE 3 OPERATORS**

*Since Phase 3 would not require proof of prior cultivation, ALL zoning including AG zoned parcels should require a Minor Use Permit.*

**4. REQUIRE AN ADMINISTRATIVE PERMIT FOR ALL PHASE 1 OPERATORS IF REOPENING UNDER PHASE 3**

*If Phase 1 reopens under Phase 3, these operators will be considered legacy and will have proof of prior cultivation. If this board aligns with MCA’s recommendation to have the proof run with the land, then we feel strongly that only an Administrative Permit should be required for all zoning types. These Phase 1 Legacy Sites should not require a Minor Use Permit.*

**5. CCAG SUPPORTS MCA'S MEMO REGARDING THE EQUITY GRANT PROGRAM**

*We fully support the detailed work that MCA has done to address the many issues and concerns for the Equity Program and strongly urge the Board to align with MCA's recommendations regarding this topic.*

**6. DO NOT CHANGE THE SPECIALTY COTTAGE PERMIT FROM 2500 SQ FT TO 500 SQ FT**

*CCAG suggests Option 2 of the Staff memo under Item 6 to change the square footage allowance on the Specialty Outdoor permit type to 2,501-5,000 square-feet.*

Thank you for the opportunity to provide comments for this special cannabis meeting.

Sincerely,

Monique Ramirez  
*for the Covelo Cannabis Advocacy Group*