

Applicant Information

Local Jurisdiction Name (City, County, or City & County): County of Mendocino

Federal Tax ID Number: 946000520

Entity Submitting the Application

- Name: County of Mendocino Cannabis Department
- Address: 579 Low Gap Road
- Phone: 707-234-6680
- Email: cannabisprogram@mendocinocounty.org

Point of Contact – Grant lead who will engage with the DCC team on grant program questions and reporting

- Name: Kristin Nevedal
- Title: Director
- Address: 579 Low Gap Road
- Phone: 707-234-6335
- Email: nevedalk@mendocinocounty.org

Grant Funds Requested

- Designated Allocation: \$18,084,837.00
- Requested Amount: Click or tap here to enter text.

Executive Summary

Provide a brief summary of the intended use of funds in non-technical language that describes the overall goals of this funding (not to exceed 300 words).

Click or tap here to enter text.



Application Narrative

Program Description

Provide a brief description of the current cannabis permitting process in your jurisdiction, including the following:

1. Identify the necessary requirements for a local permit for commercial cannabis activity to be issued. Describe or attach a visual of your permitting process. Clearly identify when site-specific CEQA is conducted.

Non-Cultivation Cannabis Facilities

The issuance of local permits for commercial non-cultivation cannabis activities are guided and regulated by Mendocino County Code Sections 6.36 and 20.243 which cover business and tax regulations and land use regulations, respectively. The commercial non-cultivation cannabis activities permitted in Mendocino County include the following State types and may be referred to wholly as "cannabis facilities":

- Processing
- Type 6: Manufacturing Level 1
- Type 7: Manufacturing Level 2
- Type 8: Testing Laboratories
- Type 10: Retailer
- Type 11: Distributor
- Type 12: Microbusiness
- Type N: Infused
- Type S: Shared Use Facility
- Type P: Packaging and Labeling

It should be noted that Type S licenses are permitted in Mendocino County as a subtype of Manufacturing Level 1; Type N licenses are permitted in Mendocino County as a sub-type of Manufacturing Level 1: Type P licenses are permitted in Mendocino County as Processing.

An applicant would submit a completed Cannabis Facilities Business License ("CFBL") Application to the Mendocino County Treasurer-Tax Collector's Office ("TTC") and pay all associated fees related to that application. The application contains forms from various local agencies that review the proposed project to determine if the proposed is consistent with that agency's code, regulations, and requirements. The forms of the application that are required for submittal for a CFBL include:

- Cannabis Facilities Business License Application cover page
- Distribution Questionnaire
- Business License Building Review Questionnaire
- Cannabis Facilities Business License Planning Questionnaire
- Environmental Health Questionnaire

Local Jurisdiction Assistance Grant Program Attachment 1: Application Form



- Air Quality Permit Checklist
- Request for Live Scan Service
- Acknowledgment of State License Requirement
- Property Owner Consent Form (if applicable)

The application is scanned and added to the license tracking software known as "TRAKiT" for recording keep and project reviewing purposes. The application is then reviewed by the Department of Planning & Building Services and the Division of Environmental Health to ensure compliance with all land use, zoning, building code, and environmental health regulations. Simultaneously, the TTC communicates with the Mendocino County Air Quality Management District if the Air Quality Permit Checklist, completed by the applicant, indicates that action by said agency is required.

During the review, the Planning Division determines if any additional permits are required beyond the CFBL. If an discretionary permit (Administrative Permit, Minor Use Permit, Major Use Permit) is required, the CFBL is placed on hold and the discretionary permit must be obtained and it is during this process that CEQA is completed. Should no discretionary permit be required, the Planning Division awaits approvals from all three local division agencies. Once all approved, the Planning Division informs the TTC that the application is approved and ready for issuance.

2. Describe the applicable environmental review process relevant to the cannabis permits that you allow for in your jurisdiction.

Non-Cultivation Cannabis Facilities

The environmental review process for cannabis facilities is dependent upon the zoning district in which the facility is located, as well as the license and/or permit require for that type of facility in the respective zoning district.

Cannabis Facilities Business Licenses

All cannabis facilities in the County of Mendocino require, at minimum, a Cannabis Facilities Business License ("CFBL"). Cannabis facilities that only require the issuance of a CFBL are not required by the local jurisdiction to go through an environmental review because it is a ministerial process and is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Public Resource Code Section 21080(b)(1). Additionally, ministerial actions, such as the review and approval of a cannabis facilities business license, are considered to be a Statutory Exemption under California Code of Regulations Section 15268(b).

Administrative Permits

Cannabis facilities that require an Administrative Permit, in addition to the CFBL, undergo an environmental review after the referral period to Responsible Agencies for comment, and prior to the writing of a project staff report reviewed by the Zoning Administrator. During the environmental review process, the project planner analyses



Department of Cannabis Control

the proposed cannabis facility to determine what level of environmental review is appropriate for the project. This review entails determining if the project can be considered Categorically Exempt from the requirements of CEQA or if an Initial Study needs to be conducted. If a project is found to fall under a Categorical Exemption, the project planner prepares a Notice of Exemption and files the document with the Mendocino County Clerk. Common exemptions for cannabis facilities include, but are not limited to, Class 1 (Existing Facilities), Class 2 (Replacement or Reconstruction), Class 3 (New Construction or Conversion of Small Structures), and Class 11 (Accessory Structures).

If a cannabis facility cannot be considered under a Categorical Exemption, the project planner completes an initial study for the proposed project. Information to conduct the Initial Study includes the submitted application materials, additional surveys, internal Department mapping information, and other sources such as the General Plan or items found during project planner research. Additional survey may be required depending on the level of impacts the proposed project may incur. The initial study helps to determine if a Negative Declaration, Mitigated Negative Declaration, or Environmental Impact Report ("EIR") is to be prepared. If an Initial Study determines a Negative Declaration or Mitigated Negative Declaration can be adopted, then a Notice of Determination ("NOD") is prepared. The filing of the NOD occurs after any action taken by the appropriate hearing body (Zoning Administrator) and includes the California Department of Fish & Wildlife filing fee. As of the writing of this statement, no projects have been found to require an EIR and thus no process has been formally established for this requirement.

Minor Use Permits

Cannabis facilities that require a Minor Use Permit, in addition to the CFBL, undergo an environmental review after the referral period to Responsible Agencies for comment, and prior to the writing of a project staff report and public hearing with the Zoning Administrator. During the environmental review process, the project planner analyses the proposed cannabis facility to determine what level of environmental review is appropriate for the project. This review entails determining if the project can be considered Categorically Exempt from the requirements of CEQA or if an Initial Study needs to be conducted. If a project is found to fall under a Categorical Exemption, the project planner prepares a Notice of Exemption and files the document with the Mendocino County Clerk . Common exemptions for cannabis facilities include, but are not limited to, Class 1 (Existing Facilities), Class 2 (Replacement or Reconstruction), Class 3 (New Construction or Conversion of Small Structures), and Class 11 (Accessory Structures).

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Major Use Permits

Cannabis facilities that require a Major Use Permit, in addition to the CFBL, undergo an environmental review after the referral period to Responsible Agencies for comment, and prior to the writing of a project staff report and public hearing with the Planning Commission. During the environmental review process, the project planner analyses the proposed cannabis facility to determine what level of environmental review is appropriate for the project. This review entails determining if the project can be considered Categorically Exempt from the requirements of CEQA or if an Initial Study needs to be conducted. If a project is found to fall under a Categorical Exemption, the project planner prepares a Notice of Exemption and files the document with the Mendocino County Clerk . Common exemptions for cannabis facilities include, but are not limited to, Class 1 (Existing Facilities), Class 2 (Replacement or Reconstruction), Class 3 (New Construction or Conversion of Small Structures), and Class 11 (Accessory Structures).

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- 3. Identify what requirements must be met by your permittee when providing the state with local authorization response for each of the following:
 - a. "In compliance"
 - b. "Compliance under way"
 - c. "Not in compliance"

Local Jurisdiction Assistance Grant Program Attachment 1: Application Form



Non-Cultivation Cannabis Facilities

In Compliance

Cannabis facilities that are considered to be "in compliance" have met all the requirements of the local jurisdiction review and have been issued a Cannabis Facilities Business License ("CFBL") by the Mendocino County Treasurer-Tax Collector's Office ("TTC"). The requirements for the local jurisdiction review includes approvals from the Department of Planning & Building Services, including the Planning Division and Building Division, Mendocino County Air Quality Management District, and the Division of Environmental Health. Each agency conducts a review of the proposed cannabis facility to ensure compliance with their respective program objectives and responsibilities. The TTC considers a cannabis facility "In Compliance" once all applicable local reviewing agencies have approved their component of the proposed project, and a CFBL is issued indicating local authorization.

Compliance Under Way

Cannabis Facilities that are considered to be "Compliance Under Way" have submitted a complete CFBL Application to TTC. The application has been referred to the appropriate County agencies through the permit tracking software known as "TRAKiT" and have made substantial progress towards compliance, which is typically considered approval by two (2) out of the three (3) local division agencies on TRAKiT (Planning Division, Building Division, and Environmental Health Division). The determination of whether a proposed project has made substantial progress towards compliance is at the discretion of the Department of Planning & Building Services ("PBS"), though State processes also help to inform PBS determinations.

Not In Compliance

Cannabis Facilities that are considered to be "Not In Compliance" are those which have submitted a CFBL Application to TTC. The reason for the propose project to be considered "Not In Compliance" may include:

- Incomplete application
- No approval by any local division agency (Planning Division, Building Division, and Environmental Health Division); still "Under Review"
- No substantial progress towards compliance (limited approval by local division agencies); still "Under Review"

Included in the status of "Not In Compliance" are any and all cannabis facilities that operate within the unincorporated areas of the Mendocino County without a CFBL having been submitted to the TTC.

Statement of Needs/Problem Statement



1. Describe the challenges in the local jurisdiction permitting process that impede the timely transition of your permittees' license from a provisional license to an annual license.

Many of the challenges facing Mendocino County Cannabis Facilities applicants are related to CEQA compliance at the state level. Particularly, the ability for Cannabis Facility applicant to comply with CEQA under the State's application process prevents many from obtaining as Mendocino County considered most facilities to be exempt from CEQA under Public Resource Code Section 21080(b).

 If you have an equity program, describe any additional challenges in implementing the equity program in your local jurisdiction and/or challenges faced by equity applicants in receiving local permits and annual state licenses.

Not Applicable.

Goals and Intended Outcomes

1. List the goals and intended outcomes of this funding opportunity.

Goals should explain how funding will be utilized to impact the issue areas stated in the problem statement. Outcomes should describe specific change(s) or result(s) when the goal is achieved.

At a minimum, the following should be addressed:

- How CEQA compliance will be achieved
- How obstacles will be removed from the permitting process, including opportunities to reduce time to permit issuance.
- How these goals will align with the statutory deadlines mandated for maintenance of a provisional license.
- Local coordination necessary to reach specific outcomes, if multiple departments, divisions, or offices are involved.

Use the format below:

Goal: Click or tap here to enter text.

Action	Intended Outcome
Click or tap here to enter text.	Click or tap here to enter text.
Click or tap here to enter text.	Click or tap here to enter text.
Click or tap here to enter text.	Click or tap here to enter text.
Click or tap here to enter text.	Click or tap here to enter text.

Repeat the format above to list additional goals. Add additional rows to the chart as necessary.



- 2. For those jurisdictions that have been identified as eligible to receive additional funding due to the status of the local equity program, address the following in your goal(s):
 - a. How this funding, particularly the dollars provided due to local equity program status will:
 - i. Support local equity applicants in entering the regulated cannabis industry;
 - ii. Allow local equity applicants to receive cannabis permits and annual licenses more quickly; and
 - iii. Further support local and/improve equity program implementation.

Click or tap here to enter text.

3. If your local jurisdiction has not adopted or is not operating a local equity program, please indicate whether the local jurisdiction is considering adopting a local equity program, including a potential timeline for this decision.

Click or tap here to enter text.