



## Applicant Information

Local Jurisdiction Name (City, County, or City & County): Click or tap here to enter text.

Federal Tax ID Number: Click or tap here to enter text.

### Entity Submitting the Application

- **Name:** Click or tap here to enter text.
- **Address:** Click or tap here to enter text.
- **Phone:** Click or tap here to enter text.
- **Email:** Click or tap here to enter text.

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

- **Name:** Click or tap here to enter text.
- **Title:** Click or tap here to enter text.
- **Address:** Click or tap here to enter text.
- **Phone:** Click or tap here to enter text.
- **Email:** Click or tap here to enter text.

### Grant Funds Requested

- **Designated Allocation:** Click or tap here to enter text.
- **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).

**This section of the application needs completion.**



## 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.

### PROGRAM SUMMARY

On April 4, 2017 the Board of Supervisors adopted two ordinances regulating commercial cannabis cultivation in the unincorporated areas of the County of Mendocino. Chapter 10A.17 is known and may be cited as the Mendocino Cannabis Cultivation Ordinance (“MCCO”). Chapter 20.242 of the County Code, titled Cannabis Cultivation Sites, is complementary to the MCCO and together the chapters may be cited as the Mendocino Cannabis Cultivation Regulations (“MCCR”).

The objective of the MCCR is to allow the commercial cultivation of cannabis in locations that are consistent with the intent of the base zoning district, and to help ensure that its cultivation and related activities will not create adverse impacts to the public health, safety, and welfare of the residents of the County. The MCCR applies only to those Persons who obtained an annual permit, or are in the application process for an annual permit during the Phase One and Two Permit Phase.

The Mendocino County Cannabis Program (“Program”) was originally administered by the Agricultural Commissioner and was moved to Planning and Building Services (PBS) in 2019. In April 2021, the Program was moved from PBS to its own building and transitioned into a stand-alone Department.

### PERMIT TYPES

The MCCR permits the commercial cultivation of flowering cannabis plants as well as nursery and seed production. The square footage of a cultivation area that is dedicated solely to the propagation of starts, is not included when measuring the cumulative total square footage allowed under a given Permit and must not constitute any new disturbance.

The MCCR, Permits the following “Types” of cultivation.

- Type C, Small Outdoor: up to 2,500 square feet
- Type C-A, Small Indoor: up to 2,500 square feet
- Type C-B, Small Mixed Light: up to 2,500 square feet
- Type 1, Medium Outdoor: 2,501 - 5,000 square feet
- Type 1A, Small Indoor: 2,501 – 5,000 square feet
- Type 1B, Small Mixed Light: 2,301 – 5,000 square feet
- Type 2, Large Outdoor: 5,001 – 10,000 square feet
- Type 2A, Large Indoor: 5,001 – 10,000 square feet
- Type 2B, Large Mixed Light: 5,0001 – 10,000 square feet



- Type N, Nursery

More information about the permit types, can be found in the attachments, MCCR Permit Types.

### PHASE ONE PERMITS

Phase One Permits are ministerial permits and were originally issued by the Agricultural Commissioner. Only persons able to show proof of prior cultivation were allowed to apply for a Phase One Permit.

*“Proof of Prior”, or “Proof of Prior Cultivation” means proof of cultivation prior to January 1, 2016,*

Applications for Phase One Permits were accepted during the following periods:

- May 4, 2017 to December 31, 2018, and
- April 1, 2019 to October 4, 2019.

Applicants with proof of prior cultivation at locations not eligible for a Phase One Permit pursuant to the MCCR, were allowed to apply for a Phase One Permit on a Relocation Site. Additionally, Phase One applicants are allowed to expand the scale of the original cultivation site described in the proof of prior cultivation to the maximum square footage allowed on that property, this includes the ability to add a nursery.

### PHASE TWO PERMITS

Phase Two Permits are ministerial permits and were originally issued by the Agricultural Commissioner. Phase Two Permits do NOT require proof of prior cultivation. The application period for Phase Two Permit applications opened on January 1, 2018 and may still be applied for. Phase Two Permits are available for Type C-A Small Indoor, Type 1A Medium Indoor, and 2A Large Indoor as well as Type C-B Small Mixed Light, 1B Medium Mixed Light, and 2B Large Mixed Light so long as the mixed-light cultivation occurs in a greenhouse equipped with filtered ventilation systems. Cultivation in a hoop house is prohibited. Phase Two Permits are limited to industrially zoned parcels.

### PERMIT LIMITATIONS

Permit Density. A person may apply for and obtain a maximum of two (2) Permits at any given time. Permit shall be granted at a maximum density of one (1) Permit per legal parcel; provided, however, that:

- A Person may obtain two (2) separate Permits for different permit types on a single legal parcel if the total square footage of the two (2) permits does not exceed the largest maximum square footage permitted on a parcel for the relevant zoning district. A person who applies for and obtains a Type 4 Permit in combination with any other Permit, shall not exceed a total square footage of twenty-two (22,000) square feet per legal parcel, of which not more than ten thousand (10,000) square feet may be grown to maturity and entered into the Track and Trace system for commercial use. Plants may be grown to maturity by a Type 4 Permit holder for seed production or genetic expression where the mature flowers are destroyed and not used for commercial purposes.



- A Person may apply for one (1) Permit of a single size (e.g. Type C, Type 1, or Type 2) that may include any combination of all three (3) cultivation types (e.g. indoor, outdoor, mixed-light).
- A Person may obtain one (1) Permit for multiple legal parcels, as long as the parcels are contiguous and under the same ownership. Should the Person sell any of the parcels subject to the Permit, subsequent permits shall be required to modify the cultivation site to adhere to required setbacks.

Generators. Indoor and mixed-light cultivation of cannabis shall not rely on a generator as a primary source of power. If no grid power source is available and there is not an alternative power source supporting both any required legal dwelling unit and the indoor or mixed-light permit operations, a generator may be used only under the following conditions:

- The permittee shall install an alternative power source that will meet at least on-half (1/2) of the combined power requirements by the expiration date four (4) years from the date of the initial application for a permit pursuant to the MCCR, and
- It will be a condition of the renewal of a permit at the end of such four (4) year period that the cultivator commit, in writing, to expand their alternative power source to fully meet the combined needs of the cultivation operations and may require a legal dwelling unit within two years.

Inspections. All applicants shall be subject to and shall facilitate an initial on-site pre-permit inspection and all Permittees shall be subject to and facilitate at least one (1) annual on-site compliance inspection (Type 4 Permits shall be subject to two (2) on-site compliance inspections annually, Which shall serve as the inspection required to be performed prior to any renewal of the Permit, with additional inspections as required by the MCCR or as deemed necessary by the Program. All inspections will be scheduled with at least twenty-four (24) hours advance notice to the applicant or Permittee, and shall be conducted during regular business hours. Cancellation of scheduled inspections without the notice of the Program Director shall result in the Permittee being invoiced for the actual travel time and mileage incurred by the Program.

Prohibition on Tree Removal. Removal of any commercial tree species as defined by Title 14 California Code of Regulations 895.1, Commercial Species for the Coast Forest District and Northern Forest District, and the removal of any true oak species (*Quercus* sp.) or Tan Oak (*Notholithocarpus* sp.) for the purpose of developing a cannabis cultivation site is prohibited. This prohibition shall not include the pruning of any such tress for maintenance, or the removal of such trees if necessary to address safety or disease concerns.

## PHASE ONE AND PHASE TWO APPLICATION REQUIREMENTS

The following application and permitting requirements apply to locally authorized Phase One and Phase Two commercial cannabis cultivators and nursery operators located within the unincorporated area of the County. **More information about application requirements can be found in the attachments...**

### **GENERAL SITE INFORMATION**

Required for all Permits.



- Applicant Information including name, mailing address, phone number, and email.
- Cultivation Site Information including AG\_Number (file number is assigned upon application acceptance), APN, and site address,
- Project specific information including a Cultivation Permit Application, Cultivation & Operations Plan, Structures List, Site Plan, Employee List with Government Issued IDs and MCSO Live Scans, Valid Sellers Permit, and Department of Cannabis Control State License.

Required if applicable.

- Agent Consent Form,
- Property Owner Consent Form, and
- Business Formation Documents,

### ENVIRONMENTAL COMPLIANCE DOCUMENTATION

Required for all Phase One Relocation Permits.

- Relocation Worksheet,
- Relocation Remediation Plan,
- Relocation Remediation Evidence, and
- Relocation Water Availability Analysis.

Required for all Phase Two Permits.

- Indoor Industrial Cultivation Questionnaire

Environmental Compliance Documentation - Required for All Permits.

- EnviroStor / Cortese List review,
- California Department of Fish and Wildlife (CDFW) – Lake and Streambed Alteration Agreement,
- State Water Resources Control Board, General Order,
- Verification of Legal Water Source:
  - Small Irrigation Use Registration (if applicable),
  - Appropriative Water Right (if applicable),
  - Will Serve Letter (if applicable),
  - Well Completion Report (if applicable),
  - Well Permit (if applicable),
  - Pond Permit (if applicable)
- Mendocino County Air Quality Management District (MCAQMD) Questionnaire\*,
- Sensitive Species Habitat Review (SSHR)\*

\* Both the MCAQMD Questionnaire, and the SSHR should be considered part of the site-specific CEQA analysis conducted by the County.

More information about Permit requirements can be found in the attachments, pages....



### **SECTION 15168 REVIEW (APPENDIX G CHECKLIST)**

The Section 15168 Review is known and may be cited as the Appendix G Checklist. . The purpose of the checklist is to show that the proposed cultivation site fits within the parameters of the MCCR. Phase One and Phase Two annual permit holders are required to complete the Appendix G Checklist and to submit the completed document, along with supporting materials, to the Program for review and certification. Phase One and Phase Two applicants who have not yet been issued an annual permit are NOT eligible to submit Appendix G Checklist materials.

Annual permit holders must also have completed both the Sensitive Species Habitat Review and the MCAQMD Questionnaire referral processes, as required by the MCCR, and must have a valid State cultivation license or verification from the licensing authority that an application for an annual license is pending review, to be eligible to submit the Appendix G Checklist.

There are multiple application requirements identified above that are relevant to the Appendix G Checklist. These materials and any associated referral response from outside agencies, should be considered when preparing the Appendix G Checklist, and included in the supporting materials. The Appendix G Checklist is required to qualify an annual permit holder for an annual State license.

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

### **MENDOCINO COUNTY AIR QUALITY MANAGEMENT DISTRICT (MCAQMD) QUESTIONNAIRE & REFERRAL**

The MCCR requires Program staff to consult with the Mendocino County Air Quality Management District (MCAQD) prior to issuance of a Permit to determine if a permit or other approval by the MCAQMD is necessary. Applicants are required to complete the Questionnaire developed by the MCAQMD to provide a list of objective criteria that allows Program staff to determine if a referral to MCAQMD is necessary for the project.

The Questionnaire assesses the following criteria:

- Diesel engines 50 HP or greater, or multiple engines that total 90 HP or greater,
- Non diesel engines 200 HP or greater,
- Generator use including type and HP,
- Drying equipment with exhaust stack and type,
- Gasoline fuel storage tank of 500 gallons or greater
- Boiler/Water heating equipment (individually or cumulatively greater than 5000,000 Btu/hr),
- Grading greater than 1 acre of soil disturbance or road construction/maintenance of 1 mile or more,
- Any process that may generate fumes, dust, smoke, or strong odors,
- Open storage, processing and/or mixing of soil or soil amendments (>500 square feet)



- Composting on-site and size, and
- Open outdoor burning.

The completed Questionnaire is submitted to Program staff, who conducts the initial review. If the applicant answers yes to any of the above questions the form is sent to the Mendocino County Air Quality Management District for referral. Agency responses are considered during the application review and are relevant to the Appendix G Checklist, Section III. Air Quality.

There are an unidentified number of annual permits that were issued by the Agricultural Commissioner that have not yet undergone the MCAQMD referral process. For this reason, all renewal applications are reviewed by staff to ensure this environmental review has been completed. If a renewal applicant has not conducted this referral the applicant is required to do so during the annual permit renewal process.

For more information on the MCAQMD Questionnaire please see attachments page...

### SENSITIVE SPECIES HABITAT REVIEW (SSHR)

The MCCR requires that, before the issuance of a cannabis cultivation permit, a cultivation site must be reviewed for sensitive species habitat. This requirement was added to the MCCR pursuant to the Mitigation Measure BIO-1 of the initial study and mitigated negative declaration prepared and adopted for the MCCR permit program. The MCCR also provides that the County shall develop a policy to define an objective set of criteria regarding sensitive species habitat to check applications against and determine if a formal referral to the California Department of Fish and Wildlife (CDFW) is required.

The policy for review and referral was developed after the MCCR permit program was moved from the Agricultural Commissioner, to Planning and Building Services and finalized in 2020. Because the final policy was developed several years after the implementation of the MCCR, an unknown number of permits were issued without undergoing a sensitive species habitat review. These permits are required to be reviewed during the annual renewal process.

Furthermore the discussion of Mitigation Measure BIO-1 in the initial study provides additional context for the mitigation measure, stating that the mitigation measure is applicable in Phase One of the permit program to “non-contiguous expansion” and relocated sites. Limiting the application of this mitigation measure to non-contiguous expansion of existing cultivation sites and relocated cultivation sites is appropriate given the CEQA concept of the baseline environmental setting. The environmental review of a proposed project must identify the physical environmental conditions as they existed before the project, in order to study what impacts the project will have on those conditions.

For the County’s cannabis cultivation permit program, this would necessarily include those cultivation sites existing prior to the program’s adoptions. Areas contiguous to the existing cultivation sites are more likely to have already been impacted by the existing use of the original cultivation site. Non-contiguous expansion and relocated cultivation sites would more likely mean development of areas not previously affected by an existing cultivation site, and where additional review for sensitive species habitat is appropriate. The initial study did not define either “contiguous” or “non-contiguous”. The County has defined the term “contiguous expansion” to provide additional clarity to the sensitive species habitat review policy provided for by the MCCR.



More information about Sensitive Species Habitat Review including the Contiguous Expansion Affidavit process and the SSHR Questionnaire process, can be found on the County's website:

<https://www.mendocinocounty.org/government/cannabis-cultivation/sensitive-species-habitat-review>

The SSHR Questionnaire, and internal review checklist, referred to as Exhibit A, can be found in the attachments on page....

### CONTIGUOUS EXPANSION DEFINITION AND RATIONALE

"Contiguous expansion" means the relocation of plant canopy, and/or the permitted expansion of plant canopy to an area that is within 200 feet of any original cultivation site (prior to January 1, 2016) located on the parcel. Terms used in this definition shall be the same as those already defined in the MCCR, including "cultivation site," "expansion," and "plant canopy."

The distance of two hundred (200) feet was selected because this distance is also used as the buffer area between new residential development and resource zoned parcels, including agricultural parcels. While buffer areas protect one use from another, it can conversely be stated that one or both of the uses affect the area within the buffer. In the context of expansion of a cultivation site, the County is presuming that activities relating to the existing cultivation site have had an impact within two hundred (200) feet of the site. However, note that this definition does not exempt contiguous expansion areas from the other requirements of the MCCR.

### SENSITIVE SPECIES HABITAT QUESTIONNAIRE

Applications that are not eligible to file a Contiguous Expansion Affidavit must submit a completed Sensitive Species Habitat Review Questionnaire ("Questionnaire"). Staff must review the Questionnaire for compliance with the Sensitive Species Performance Standards. If staff determines that one or more performance standards are not met, or one or more performance standards are unknown, the application must be referred to CDFW for final determination before a Permit may be issued pursuant to the MCCR.

Applications subject to referral will not be issued a permit until the referral is completed and a determination has been made that the project will result in less than significant impacts to sensitive species habitat. Additional application materials, biological studies or reports, and/or inspections may be required during the referral process.

### Sensitive Species Habitat Performance Standards

No Notice of Violation (NOV) from CDFW. Staff must review application materials in an effort to determine if the property where the project is located has been issued a NOV from CDFW. If the property has received a NOV from CDFW, staff must consider whether CDFW has provided written verification that verifies the violations has been resolved, or that the violation is in the process of being resolved satisfactorily. Staff must also consider whether issuing the cultivation permit would not risk further impact to public trust resources.

No obvious violations of Fish and Game Code (FSC), or unpermitted activities that would require a permit from CDFW, are present on the project parcel. Staff knowledgeable about the most common types of FGC violations on cannabis cultivation sites are required to make this assessment based on





information in the cannabis application and reference to other site information (e.g. aerial imagery). The violations most frequently observed relate to water diversion and/or stream alteration (e.g. road/stream crossings, ponds, etc.), and water pollution (trash, sediment, and/or other materials).

Project footprint has not expanded, and is not proposed for expansion. Staff must review the cannabis application and reference to other site information (e.g. aerial imagery) to verify that none of the following has occurred beyond what existed on January 1, 2016:

- Grading,
- tree removal, and/or
- vegetation removal
- For projects located on a property with a surface water source, known stream crossings, or other activities subject to Fish and Game Code (FGC) Section 1602. Staff must verify that either:
- The applicant has obtained a final LSAA, verification that an LSAA is not needed, or a valid “operation of law” letter, OR
- If the applicant has not obtained one of the above documents, that the applicants has submitted an LSAA notification.

If the applicant has not provided a final LSAA, Program staff must verify that a final LSAA, verification that an LSAA is not needed, or a valid operation of law letter has been executed before a Permit may be renewed.

Project meets the following Streamside Management Area (SMA) standards. Staff must verify that all cultivation areas and structures related to the project are a minimum of one hundred (150) feet from any perennial stream and/or wetlands, and a minimum of 50 feet from intermittent streams. SMAs are measured from the outer edge of the riparian vegetation or top of bank, whichever is greater to the nearest point of the cultivation site or related structure. Staff should verify that all SMAs are identified. Compliance inspections should verify that SMAs are maintained as no-disturbance buffers.

For projects with existing or proposed ponds. Staff must verify that the applicant has submitted an adequate Bullfrog Monitoring and Management Plan. The plan must be feasible and include sufficient detail. Projects proposing new ponds, or where a pond has been constructed within the past five years, should be referred to CDFW.

Permanent infrastructure associated with cannabis cultivation is located outside of the 100-year floodplain. Staff must review the project in reference to available information (e.g. aerial imagery) to verify that any permanent infrastructure associated with the project is located outside the 100-year floodplain.

Project shall completely avoid impacts to oak woodlands (genus *Quercus*) and provide an adequate protection buffer between oak woodlands and project activities. Staff must review the cannabis application and reference to other site information (e.g. aerial imagery) to verify that the project has not conducted tree removal.



Cultivation site is not located within 0.25 mile of a known Northern Spotted Owl activity center or forested habitat contiguous with a known activity center. Staff must review the cannabis application and reference to other site information (e.g. aerial imagery) to verify that the cultivation site is not located within 0.25 miles of a known Northern Spotted Owl activity center or forested habitat contiguous with a known activity center.

For projects using artificial light. Staff must review the cannabis application to identify the use of artificial lighting, including but not limited to supplemental lighting, and security lighting. For projects using any type of artificial lighting the applicant must submit an Artificial Light Management Plan. Staff must review any Artificial Light Management Plan submitted to verify the Plan is:

- Feasible, and
- Include sufficient detail to verify that the project will protect wildlife, and
- That any lights used for the indoor or mixed light cultivation of cannabis will be fully contained within structures, and
- That security lighting is shielded to fully contain any light or glare.

For projects using generators and other machinery a noise containment plan has been submitted and approved. Staff must review the cannabis application to identify the use generators or other combustion engine related machinery. If project uses generators and/or combustion engine machinery the applicant must submit a Noise Containment Plan. Staff must review any Noise Containment Plan submitted to verify the Plan is:

- Feasible, and
- Includes sufficient detail showing that the machinery used will not exceed 50 decibels when measured from 100 feet, and
- Includes sufficient detail on containment structures.

To protect fish and wildlife and comply with the State Water Resources Control Board Cannabis Policy. Staff must review the cannabis application to verify that the project will only use geotextiles, fiber rolls, and other erosion control measures made of loose-weave mesh (e.g., jute, coconut (coir) fiber, or from other products without welded weaves). To minimize the risk of ensnaring and strangling wildlife, cannabis cultivators are prohibited from using synthetic (e.g., plastic or nylon) monofilament netting materials for erosion control for any cannabis cultivation activities. This prohibition includes photo- or bio-degradable plastic netting. Any site inspection conducted should verify that compliance with this performance standard is maintained.

No evidence suggests that sensitive natural resources would be impacted by the proposed project. Staff is required to make this assessment based on scoping using the California Native Diversity Data Base (CNDDDB) and other recommended resources, biological assessment or survey reports, or observation of the site.

## [PHASE ONE RELOCATIONS](#) [RELOCATION WORKSHEET](#)



Relocations were allowed for a specified period of time pursuant to the MCCR and focused on providing Persons with proof of prior cultivation that occurred, or was occurring, on properties otherwise ineligible to apply for Phase One the ability to relocate to an environmentally superior location on an eligible property.

#### **RELOCATION REMEDIATION PLAN**

All Phase One applications for relocation are required to submit a Remediation Plan to the Program for the relocation application to be accepted for consideration. Applicants are required to remediate the original cultivation site pursuant to the accepted Remediation Plan.

#### **RELOCATION REMEDIATION EVIDENCE**

The County shall not issue an annual permit to a relocated site without first verifying that the applicant has provided conclusive evidence the Remediation Plan has been fulfilled.

#### **WATER AVAILABILITY ANALYSIS (WAA)**

A Water Availability Analysis (WAA) is required for relocations to a parcel that is outside the Agricultural zoning district, that are not served by a mutual water company, municipal or private utility, or similar community provider as the sole water source. The County is currently finalizing a formal policy and previously submitted WAAs will be reviewed for adequacy. The WAA was developed as part of the mitigations and performance standards of the initial study and mitigated negative declaration.

#### **MENDOCINO COUNTY CANNABIS CULTIVATION PERMIT CEQA GUIDELINES SECTION 15168 REVIEW (APPENDIX G CHECKLIST)**

Once an annual permit is issued, the permit holder is responsible for completing the Appendix G Checklist, and submitting the required materials to the Program for review and certification. The Appendix G Checklist must include a Project Description that is in conformance with the California Department of Food and Agriculture (CDFA) Memorandum dated May 29, 2019, titled "CEQA Practice Recommendations from CDFA for Cannabis Licensing – Project Description Content – Version 2".

Program staff must review the Appendix G Checklist and the supplemental material provided to verify the following, before certification may be granted:

- That the information is consistent with the annual permit documentation on file with the Program,
- That the information verifies compliance with the MCCR, and
- That the information provided verifies that the Project will result in less than significant impacts as identified in the initial study and mitigated negative declaration.

More information about the Appendix G Checklist including the Appendix G Checklist Template, can be found on the County's website: <https://www.mendocinocounty.org/government/cannabis-cultivation/ceqa-information-cannabis> and in the attachments, see table xxx page xx.



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"

### "IN COMPLIANCE"

Phase One Permit applications and annual permits issued pursuant to the MCCR are considered "in compliance" and locally authorized if the following Program status has been applied and compliance requirements are met.

### ANNUAL PERMIT

An annual permit is considered "in compliance and eligible for local authorization if the following compliance criteria are met, and the annual permit has one of the following statuses.

Compliance Criteria. All annual permits with the status noted below must also meet the following criteria for local authorization to be granted.

- The local authorization request is for the same APN(s) associated with the Annual Permit.
- The local authorization request is for the same physical address associated with the Annual Permit.
- The local authorization request is appropriate for the cultivation type(s) associated with the Annual Permit.

Issued Status. The Annual Permit is issued, is valid, and not otherwise expired,

Notice of Non-Cultivation Status. Annual Permit holders are eligible to submit a Notice of Non-Cultivation instead of a renewal application not more than once in a five year period. The Notice of Non-Cultivation is valid for no more than 12-months. Program staff may provide local authorization to ensure the permit holder is not subject to revocation of a State license during the temporary closure.

Renewal Incomplete. The annual permit is valid, and a renewal application is under review.

### PHASE ONE APPLICATIONS

A Phase One application is considered "in compliance" and eligible for local authorization if the following compliance criteria are met, and the application has the status Under Review.

Compliance Criteria.

- The application is complete, as determined by the Program, and Under Review by Program staff.
- The local authorization request is for the same APN(s) associated with the application.



- The local authorization request is for the same physical address associated with the application.
- The local authorization request is appropriate for the cultivation type(s) associated with the application.

Under Review. Under review is the status provided to Phase One applications that have been determined by Program staff to be complete enough to warrant review.

Notice of Application Stay. Phase One applicants are eligible to submit a Notice of Application Stay which is a statement of non-cultivation that may last for no more than 12-months. Program staff may provide local authorization to ensure the applicant is not subject to revocation of a State license during the temporary closure

### “COMPLIANCE UNDER WAY”

Phase One Permit applications and annual permits issued pursuant to the MCCR are considered “compliance under way” and not currently locally authorized if one of the following Program statuses has been applied.

### **ANNUAL PERMITS**

Renewal Hold. The Annual Permit has been assigned the status of Renewal Hold by Program staff. Renewal Hold status may be placed on an annual permit for the following reasons:

- The permit expired while the renewal application was under review and staff believes the renewal will be completed within 30 days; or
- Program staff identified, during review of the renewal application, one or more compliance issue(s) that must be resolved before the annual permit renewal may be approved, and Program staff has reason to believe the compliance issue(s) may be resolved within a timeframe determined by staff.
- The permit received a potentially disqualifying Notice of Violation that requires referral to an outside agency for determination.

### **PHASE ONE APPLICATIONS**

Hold. The Phase One application has been assigned the status of Hold by Program staff. Hold status may be placed on a Phase One application for the following reasons:

- The Phase One application has been identified by Program staff as out of compliance due to an issue that can be remedied during a specified amount of time, or
- Program staff identified, during the application review one or more compliance issue that must be resolved before the application review and Program staff has reason to believe the compliance issue(s) may be resolved within a timeframe determined by staff.
- The applicant received a potentially disqualifying Notice of Violation that requires referral to an outside agency for determination.



## “NOT IN COMPLIANCE”

There are a number of statuses that may appear in the County’s weekly workbook, shared with the State, that indicate that the application or permit is “Not In Compliance”. These statuses are as follows.

Denial. This status is used for initial and renewal applications and indicates that the application has been denied.

Canceled. This status is used for initial applications and annual permits when the applicant or permit holder is deceased rendering the application or permit no longer valid.

Revoked. This status is used for annual permits only and indicates that the County has revoked the annual permit. In this instance the annual permit ceases to exist and there is no opportunity to reinstate the permit.

Expired. This status is used for annual permits that have expired and were not renewed. Failure to renew an annual permit within 30-days of the expiration date permanently expires the annual permit.

Sunset Void. This status may be used for an application or an annual permit. Sunset void means that the location where the applicant or permit holder was operating is no longer eligible for the commercial cannabis activity.

Void. This status is generally used when Program staff has started an application in error, or to close the origin site associated with a relocation. There was also a brief period of time when Program staff assigned a new numbering system to annual renewals. When this numbering system was discontinued the status on the discontinued permit numbers was changed to void. There is no way to delete an established application / permit number out of the County’s tracking system so permit numbering errors are categorized as void.

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## **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.

The County of Mendocino implemented the MCCR on May 4, 2017, as a ministerial permitting program administered by the Agricultural Commissioner. The County has a large population of legacy cultivators who had operated prior to January 1, 2016. The Phase 1 cultivation application process was implemented to allow cultivators that could show they had been cultivating prior to January 1, 2016 to apply for an annual permit and continue cultivating while their application was under review by the Agricultural Commissioner. The first MCCR annual cultivation permits were issued in early 2018.

In November 2018, the three State licensing authorities released Emergency Regulations pursuant to the Medical and Adult Use Cannabis Regulation Safety Act (MAUCRSA), and over the course of the next year,



implemented permanent regulations that required commercial cannabis businesses to undergo site-specific CEQA analysis to qualify for a State-issued annual license. The responsibility for conducting the site-specific CEQA analysis was placed on the local jurisdiction, or the individual applicant. This meant that all MCCR applications and issued annual permits would need to undergo site-specific CEQA analysis, despite the fact that the MCCR, under which all existing applications were submitted and in some cases completed, included no provisions for such an analysis.

Ministerial permits are Categorical Exempt from CEQA – from the County’s perspective, CEQA had been satisfied with the completion of the Programmatic Mitigated Negative Declaration (SCH#2016112028) for the MCCR. Attempting to retrofit the existing regulations to meet the State’s bar for site-specific review required significant land-use permitting expertise, and so the County chose to move the MCCR program to the Planning and Building Services (PBS) Department, which regularly processes discretionary permits and is experienced in conducting site-specific CEQA analysis. Additionally, the initial implementation of the program under the Agricultural Commissioner had not included a number of environmental review requirements set forth by the MCCR and the mitigated negative declaration, and an unknown number of annual permits were issued without undergoing these environmental reviews.

In 2019, the MCCR program was formally moved to PBS, and at the direction of the Board of Supervisors, staff began developing the required environmental review policies, digitizing the paper application files transferred from the Agricultural Commissioner, negotiating a site-specific CEQA review policy with the State, and developing a new ordinance that would issue discretionary permits to commercial cannabis cultivation and nursery operations. Bringing existing applications and issued permits up to the current standard has resulted in significant confusion on the part of cultivators and local consultants and the appearance of “moving goalposts.” In 2020, with the onset of the COVID-19 pandemic, site inspections ceased, County offices closed to the public, and the County’s annual inspection and compliance program was put on hold.

Under the leadership of PBS, program staff was directed to begin reviewing the approximately 880 Phase 1 applications for completeness and permit issuance. Applicants with incomplete applications were issued a 30-day Corrections Letter requesting that the application be completed. Complete applications were moved into the processing queue and annual permits began being issued again in early 2021. The 30-day Corrections Letter project was challenged by mediocre applicant response rates, and the volume of files required to complete an application proved hard to manage via email – for both the program and the applicants. The Board of Supervisors directed program staff to develop an electronic application Portal and establish a limited timeline for applicants with incomplete applications to submit complete applications electronically.

The high volume of Phase 1 applications and annual permits in need of review posed challenges to staffing resources and facilities space within PBS. In the spring of 2021, the Board of Supervisors amended the Cannabis Manager position, appointed new leadership, and established the Cannabis Program Department, outside the aegis of PBS. In June 2021, the Board of Supervisors adopted Chapter 22.18 amending the MCCR, increasing the amount of cultivation allowed on a legal parcel, and establishing a discretionary permitting system in alignment with State regulatory requirements.



During the development and adoption of Chapter 22.18, members of the public expressed concerns about the potential impact of cannabis cultivation on natural resources especially water resources during such extreme drought conditions. Members of the public and the cannabis cultivation community requested that the County commit to conducting an Initial Study and Programmatic Environmental Impact Report to analyze the cumulative impacts of cannabis cultivation before adopting the new ordinance. These expressed concerns led members of the public to file a referendum to repeal Chapter 22.18, and in September 2021, the Board of Supervisors voluntarily rescinded the ordinance.

On July 15, the department updated the annual permit renewal policies to encourage compliance with the MCCR and State regulatory requirements. The department issued 80 Courtesy Notices to expired permit holders, giving them 60-days to complete the renewal application process or be subject to denial. The lack of an automated tracking system has hindered the ability for the department to notify applicants 30 or 60 days before their annual permit is set to expire. The under-developed permit tracking system used by the County had resulted in manual tracking of annual permit renewal dates leaving renewals up to the permit holder to pursue.

Year the Permit Expired	Number of Expired Permits
2018	16
2019	45
2020	16
2021	80

Staff broke the renewal program in half, and issued 77 Courtesy Notices to annual permit holders that had expired in 2018, 2019, and 2020. By September 1, 2021, the department has received responses from all of the expired annual permit holders, had renewed 56 permits, put 12 on hold subject to a correction timeline, had denied 1 application, had 1 application withdrawn, and had expired 8 applications for failure to complete the renewal process. Due to staffing shortages, notifications for those annual permits that expired in 2021, will not go out until the Reapplication Portal Program wraps up.

On August 2, 2021, the Department launched the electronic Reapplication Portal System providing 688 Phase 1 and 2 applicants with incomplete applications 90-days to submit a complete application or be subject to denial. On November 2, the department closed the Reapplication Portal System after receiving 1,022 application submissions, accounting for 554 individual permit applications. As of November 7, department staff still had 359 portal submissions to review for completeness, which is expected to take four to five weeks of staff time. **More portal statistics can be found in the attachments...**

The misalignment of regulations between the County and the State and the resulting years of delayed implementation of the MCCR has left applicants, annual permit holders, and the County in the very challenging position of having a lot of work to do in a very short time. Changing standards for project documentation has resulted in significant applicant confusion regarding what materials are required when and why. Furthermore, long-term staffing issues, management turnover, and underdeveloped technologies have limited department permit processing efficiencies and ability to assist applicants and permits holders with MCCR compliance.





Weekly Tracking	New AG Numbers	Submitted to Portal	Reviewed by MCP	Determined Complete	Status Notifications Sent
August 2 - 7, 2021	51	51	52	9	0
<b>Week 1 Totals</b>	<b>51</b>	<b>51</b>	<b>52</b>	<b>9</b>	<b>0</b>
August 8 - 14, 2021	13	41	6	1	51
<b>Week 2 Totals</b>	<b>64</b>	<b>92</b>	<b>58</b>	<b>10</b>	<b>51</b>
August 15 - 21, 2021	20	32	36	14	32
<b>Week 3 Totals</b>	<b>84</b>	<b>124</b>	<b>94</b>	<b>24</b>	<b>83</b>
August 22 - 28, 2021	12	20	26	9	0
<b>Week 4 Totals</b>	<b>96</b>	<b>144</b>	<b>120</b>	<b>33</b>	<b>83</b>
August 29 thru September 4, 2021	17	25	25	2	40
<b>Week 5 Totals</b>	<b>113</b>	<b>169</b>	<b>145</b>	<b>35</b>	<b>123</b>
September 5 - 11, 2021	15	20	24	4	0
<b>Week 6 Totals</b>	<b>128</b>	<b>189</b>	<b>169</b>	<b>39</b>	<b>123</b>
September 12 -18, 2021	17	20	5	0	19
<b>Week 7 Totals</b>	<b>145</b>	<b>209</b>	<b>174</b>	<b>39</b>	<b>142</b>
September 19 - 25, 2021	22	27	20	2	36
<b>Week 8 Totals</b>	<b>167</b>	<b>236</b>	<b>194</b>	<b>41</b>	<b>178</b>
September 26 thru October 2, 2021	41	58	32	1	0
<b>Week 9 Totals</b>	<b>208</b>	<b>294</b>	<b>226</b>	<b>42</b>	<b>178</b>
October 3 - 9, 2021	51	80	101	9	54
<b>Week 10 Totals</b>	<b>259</b>	<b>374</b>	<b>327</b>	<b>51</b>	<b>232</b>
October 10 – 16, 2021	42	96	61	5	118
<b>Week 11 Totals</b>	<b>301</b>	<b>470</b>	<b>388</b>	<b>56</b>	<b>350</b>
October 17 - 23, 2021	42	144	111	21	103
<b>Week 12 Totals</b>	<b>343</b>	<b>614</b>	<b>499</b>	<b>77</b>	<b>453</b>
October 24 - 30, 2021	0	203	101	12	145
<b>Week 13 Totals</b>	<b>343</b>	<b>817</b>	<b>600</b>	<b>89</b>	<b>598</b>
October 31 thru November 2, 2021	0	205	63	8	13
<b>Week 14 Totals</b>	<b>554</b>	<b>1022</b>	<b>663</b>	<b>97</b>	<b>611</b>



2. 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.

Staffing limitations, management turnover, and underdeveloped systems and technologies, coupled with the COVID-19 pandemic has hindered the implementation timeline for the local equity program. The original eligibility criteria established by the Board of Supervisors set the income thresholds at extremely and very low which disqualified the vast majority of those persons with applications and permits from being eligible for the equity program.

Applicants that were able to meet the very low to extremely low income thresholds reported that they generally do not have a business entity, do not have access to business banking, and run all permit / license related operational and compliance expenses through their personal bank accounts. Furthermore, many of these applicants have reported that they are receiving various benefits from the government and fear that receiving equity grant funds will make them ineligible for benefits in the future.

Additionally, the initial criteria for direct grants and technical assistance did not allow equity applicants to use direct grant funds for bookkeeping, accounting, tax filing fees, legal fees associated with business development, or pay for consultants to assist with application development and site-specific CEQA review. This left many of the early applicants challenged with finding meaningful and affordable ways to use the funds.

In July 2021 the Board of Supervisors increased the income threshold to moderate and eligibility applications doubled. The Board also amended the direct grant program by increasing the direct grant amount from a \$10,000 maximum funding award to a \$50,000 to be awarded in 2 tranches of up to \$25,000 each. And in October the Board again amended the Equity Program to include the following:

- removed the income threshold
- increased the individual tranches to a maximum of \$50,000
- expanded the direct grant criteria to include the following:
  - Small business support services offering technical assistance or professional services including but not limited to consultants providing technical assistance with CEQA analysis and Appendix G development, biological studies, bookkeeping, accounting, legal assistance with entity development, meeting insurance requirements, and required surety bond expense.
  - Assistance securing business locations prior to or during the application process. This could include rent and/or lease assistance to support those who need to relocate.
  - Assistance in required trainings such as Cal Osha.
  - Assistance with cannabis related tax filings.

The department has recently started to approve direct grant application and has issued several fee waivers. However, the direct grant applications received to date have included sizable mitigation projects that require considerable review to ensure project compliance and feasibility. Such projects



can only be conducted during ‘work season’ which typically is open from mid-June through end of September. The ‘work season’ timelines coupled with the State’s February deadline to award funds has posed significant challenges to both the County and the eligible applicant.

**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: Complete the Portal Reapplication Program.** It is imperative that the department obtain complete Phase 1 and Phase 2 applications that are eligible for permit issuance review, and that applicants with incomplete applications and/or that are unresponsive are served with denial letters. The department is currently so backlogged with incomplete applications and the Portal Reapplication Program that it is currently unable to process complete applications, renewals, appendix G submissions, and provide other necessary services to applicants and permit holders.

Action	Intended Outcome
Complete the initial review of the 359 portal submissions still outstanding. (November & December 2021)	Review these applications for completeness. If the application is complete, assign the application for a planner for issuance review and appendix G drafting. If the application is incomplete, issue a deficiency notice to the applicant.
Re-review of Incomplete Portal Submissions for issuance of a denial letter or a 30-day Correction Letter. (January & possibly February 2022)	Onboard a small team of consultants to assist with the re-review program and completing the Portal program as a whole. This will allow the department’s seasoned planners to focus on processing complete applications, renewal applications, appendix G submissions, and providing services to applicants and permit holders, including reviewing equity grant applications. All incomplete applications will be re-reviewed to determine if a denial is warranted or if a 30-day correction letter may be issued. Applications that are eligible for a 30-day corrections letter will receive a detailed list of



	corrections that need to be made, and provided with a date that the Portal will be to allow for the corrections to be uploaded. Applicants that were assigned to the Portal and failed to respond will be served with denial notices.
30-Correction Letter Program (February and/or March 2022)	Monitor, review, and notify correction letter submissions and draft denial letters as necessary. Complete applications will be placed in the permit issuance review queue.
Click or tap here to enter text.	Click or tap here to enter text.

**Goal: TRAKiT Data Management Program:** TRAKiT is the County’s permit tracking software. While capable, the tracking program is underdeveloped and has not been built out in manner that allows for the department staff to export comprehensive review data on a single or group of permits. Currently, the only way to assess a water source is to open the attachments and read the files for example. In order to establish an efficient application processing and compliance monitoring program, this platform needs to be updated to ensure that a comprehensive snapshot of the compliance requirements for each permit can be produced easily and made readily available to each staff person engaged in the review of the application.

Action	Intended Outcome
Client First – Custom Screen Update (November / December 2021)	Department staff will work with Client First to build out the Custom Screen feature to establish fields that provide for easy tracking of application and permit requirements. This build out will include the development of benchmark reports that allow for automated reporting of environmental compliance and CEQA review and documentation status.
TRAKiT Data Management (January / February 2022)	Engage at least contract planner tech and/or planner assistant to enter relevant application and permit information into the custom screens fields. This will be done for all complete Phase 1 and Phase 2 applications, and all valid annual permits. This data system is crucial to reducing review time as application and permit review is conducted by a multitude of staff members, to answering applicant and permit holder questions, developing an efficient compliance and inspection program, streamlining and automating the annual permit renewal program, and for the quarterly reporting required by to participate in the LJAGP.
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**Goal: Phase 1 & Phase 2 Application Review (January 1, 2022 – December 31, 2022):** Upon completion of the Portal Reapplication Program, all Phase 1 and Phase 2 applications will have undergone initial review



and should be ready to be processed for any required outside agency referrals, and be eligible for staff to begin drafting of the Appendix G Checklist. Phase 1 and Phase 2 applications will be reviewed in the order they are deemed complete.

Action	Intended Outcome
Environmental & Compliance Review (30 staff hours)	The assigned planner, staff member, and/or contractor will review the application for compliance with the MCCR, the mitigated negative declaration, and conduct all required agency referrals. If the applicant has chosen to have the department prepare the required Appendix G Checklist, the assigned reviewer will start drafting the checklist during this review process.
Site Inspection and Report Preparation (5.6 staff hours)	App cultivation applications require at least one site inspection before a permit may be issued. On occasion, a second site inspection may be necessary to complete the application review process. There are a number of applications that have not been subject to initial inspection. The department is currently engaged in recruiting full time Planner I/II employees with the intention of bolstering applications reviews, and to develop an efficient and effective site inspection and compliance program. Additionally, the department would like to transition from paper reports that are handwritten to electronic reports entered on iPads or similar devices. Making these reports digital would vastly reduce the time associated with report preparation and records management, automatically timestamp the information, and allow it to be shared with the applicant during or immediately following the site inspection.
Staffing and Contractor Engagement	The department estimates it will need 15 planners to meet these application processing timelines and to ensure that annual permits are renewed in a timely manner that that all appendix G checklists are developed and/or reviewed by June 30, 2023.
Integrating DocuSign software	The department proposes that DocuSign software be integrated into the online Portal Application system and be made available to program staff to reduce the number of in-person hours necessary for permit issuance. Currently, permits may only be issued via an in person appointment. The in person appointment is necessary to provide a method of permit execution which requires the signature of the applicant, as well as the department head. Additionally, each applicant



	<p>must sign a permit affidavit, and some may need to sign a compliance agreement before the permit may be issued on special security paper. The implementation of Docusign will greatly reduce the staff and applicant hours currently necessary to schedule and attend the permit issuance appointment. Executed permits, affidavits, and compliance agreements, will be sent to the permit holder via certified mail, reducing permit issuance cost and staff hours.</p>

**Goal: Annual Permit Renewal Application Processing and Program Development:** Annual permits are valid for a period of 12-months. It is the responsibility of the applicant to renew the permit within 30-days of the expiration date, or the permit may be extinguished by the department. The department proposes developing the TRAKIT permit tracking system to include an automated 60, and 30-days to expiration notification system, the development of an online Portal application system for renewal application processing, enhanced data tracking and management of application and permit specifics, and development of Appendix G Checklist during the renewal application review.

<b>Action</b>	<b>Intended Outcome</b>
<p>Automated 60, and 30-day renewal notification system. (December 2021 / January 2022)</p>	<p>Currently, the only way for staff to track the expiration date of annual permits is to ‘run a report’ of active AG numbers, which produces a spreadsheet that includes the AG number, the cultivation or nursery site address, the AG number’s status, and the expiration date of issued annual permits. This is then sorted and tracked via excel spreadsheet to determine which annual permits are valid, expired, or about to expire. The results of this underdeveloped technology means that the only way for staff to track renewals is to manually conduct an audit of AG number status’ and then manually notify each individual permit holder that their permit is about to, or has expired. This has proven to be incredibly labor intensive and has resulted in high rates of expired permits that tend to remain expired for years creating compliance challenges for the applicant and County staff, an inability to address erroneously issued annual permits in need of environmental review, and loss of annual revenue to the department. Development of the automated renewal tracking and notification system will allow staff to focus on processing applications instead of being focused on regular export and data sorting in an effort to manually notice expiring or expired permit holders, and ensure that important compliance and environmental monitoring information is inputted</p>



	<p>into custom screens allowing the reviewer to easily export a permit status overview for each annual permit which will not only streamline data reporting to the State, but also reduce renewal application processing time by reducing the number of files the reviewer needs examine to understand the compliance status of the application.</p>
<p>Development of an online Renewal Application Portal System</p>	<p>Currently renewal materials may only be submitted via email. Department staff and applicants often struggle with file management via email, especially when the file(s) are large in size and need to be compressed or broken into sections to send. Additionally, renewal applications require the permit holder to submit a number of documents to complete the application. These challenges have been compounded by applicants submitting incomplete applications resulting in the components of one application being sent in multiple emails and without consistent naming convention resulting in misplaced application materials and high rates of incomplete application submittals. Development of the online Renewal Application Portal System will mean that when an applicant is notified of the need to renew their annual permit, they will be prompted to use the Portal system to submit the application materials. Partial applications will not be allowed to be submitted, and the Portal system will time stamp and bundle all submitted materials into one file ready for review. Application payment will be built into the Portal system, eliminating the applicants need to visit the department and pay for the renewal application before it can be processed. DocuSign will also be built into the system allowing the applicant to sign important compliance documents, and the renewed permit, eliminating the need for the applicant to schedule a permit issuance appointment to sign the compliance agreement and permit which is the final step to executing a valid renewed permit. Executed permits can then be mailed directly to the permit holder reducing both staff and applicant time.</p>
<p>Completing Environmental Review &amp; the Appendix G Checklist</p>	<p>The department currently requires renewal applicants to complete the SSHR and AQMD questionnaires AFTER the annual permit has been renewed. This system draws out the review timeline significantly and due to the lack of TRAKIT development, these requirements often go</p>



	<p>unfulfilled until the next renewal period as staff moves onto the next application while waiting for the permit holder to provide these important documents. By increasing the data tracking capabilities of TRAKiT and automating the notification and application system, staff will be more efficient at conducting the environmental review necessary to correct early permits issued without first undergoing all of the required environmental reviews. Additionally, staff will be able to draft the Appendix G Checklist document while reviewing the annual renewal application increasing efficiencies necessary to deal with the high volume of applicants and permit holders operating in the County.</p>
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**Goal: Appendix G Checklist Development & Certification:** Currently it is the responsibility of the permit holder to develop the Appendix G Checklist document and then submit it to the County for review and Certification.

Action	Intended Outcome
<p>Direct department staff to draft the Appendix G checklist materials during initial application review, and/or renewal application review.</p>	<p>Simplify, streamline, and reduce the time and expense associated with completing an Appendix G checklist. The current system of requiring the applicant to develop the Appendix G Checklist after the annual permit is issued, is time consuming for the applicant and department, and is unnecessarily expensive for both parties. Since implementing the Appendix G Checklist program, the department has experienced a wide variety in Appendix G submissions. Often the Appendix G materials submitted by permit holders and their consultants are incomplete, fail to describe the details of the permit issued, and often include future development and information that may not be included in the Appendix G Checklist. Upon receiving an Appendix G Checklist, staff must conduct an initial administrative review to ensure the materials provided qualify for review before assigning the submission to staff for review and certification. Department staff have experienced challenges trying to get applicants and their consultants to conduct the amendments necessary to complete and certify the checklist. Often it appears as though the permit holder and/or their consultant does not have access to the full application packet with the details necessary to complete the project's review. This increases the time associated with development, processing, and certification of the appendix G</p>





	<p>checklist. The department recommends that department staff develop the appendix G checklist DURING application review to eliminate these challenges and reduce the time and expense associated with this process.</p>
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**Goal: Compliance Monitoring & Field Inspection:** Establish a robust compliance monitoring program and reinstate regular field inspections.

Action	Intended Outcome
<p>Enhanced Online Application Portal System (December 2021 – February 2022)</p>	<p>While the Reapplication Portal System and Renewal Portal Systems will primarily streamline, organize, and automate both application processes, the updated version of both application platforms will provide department staff to notify applicants directly from the Portal system. This new feature, will attach, file, and maintain communications between department staff and the applicant or permit holder. Docusign will be built into the Portal platform allowing applicants, permit holders, and staff to electronically execute permits, compliance agreements, field inspection reports, and notices of non-compliance. The next iteration of the Portal, will allow department staff to open the Portal, and ‘activate’ upload requirements specific to the applicant / permit holder simplifying, streamlining, and timestamping compliance and inspection document submission and automating Corrective Action timelines.</p>
<p>Implement electronic field inspection technology.</p>	<p>In 2019, after the program was moved to PBS, County staff worked with the Client First team, and LACO consultants to digitize the field inspection checklists and to streamline field inspection report development. Paper checklists were made into electronic fillable forms with writable fields for the inspector’s comments. The forms were designed to be used in the field on electronic tablets, automatically capturing and attaching to the checklist all photos that are taken during the field inspection as well as field notes. The system would also integrate Docusign and allow the field inspector to electronically transmit the signed checklist to the applicant or permit holder before leaving the site, timestamp that communication, and electronically save the materials from that inspection. The ability to electronically save the field inspection report and</p>



	information gathered during the inspection will reduce staff hours associated with the file upload and management necessary to draft the final inspection report. The upgraded Portal system will provide the field inspector with the platform necessary to share the inspection report with the applicant or permit holder and if necessary open the application or permit Portal to require additional materials or corrective actions from the applicant/permit holder, on an established timeline.
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**Goal: Satellite & Aerial Imagery Services:** Execute satellite imagery contracts with Planet and Land Vision.

Action	Intended Outcome
Execute contract with Planet satellite imagery provider. The contract would include a subscription to archived images of the County, as well as on demand imagery services.	The implementation of this technology will enhance staff's ability to conduct environmental review; monitor and enforce the tree clearing prohibition established by the MCCR and mitigated negative declaration; monitor grading and development activities; view the location and project prior to field inspection; and chronological project development to support the drafting of Appendix G materials. Aspects of the MCCR and mitigated negative declaration have been fully implemented, such as the tree clearing prohibition, which requires an application that has conducted vegetation and/or tree removal to disclose when the removal occurred and what species of flora where removed. Due to delays in the implementation of the MCCR and the lack of access to timestamped imagery, department staff and applicants have found it challenging to identify the scale, location, and timeline of vegetation and tree removal. While staff has access to DFW's BIOS system and the County's GIS systems, neither of these systems offers more than 1 image, every two years making it challenging to determine development timelines, and conduct required environmental reviews.
Execute Land Vision Contract. This service would provide high resolution imagery of parcels located within the political boundaries of Mendocino County.	This subscription would be used to supplement the Planet technology. Land Vision provides a higher resolution image than the Planet technology and parcel data information not offered by Planet. While Land Vision does not offer the volume of images, on a regular basis, or the ability to order images of a given area on a



	specified date in the future like Planet does. The high resolution imagery that Land Vision offers will provide staff with the ability to verify conditions discovered with the Planet technology and be better prepared for field inspections.
GIS Station & Cartographer Planner	The department would like to establish a GIS work station and hire a cartographer planner to work with the County's GIS coordinator to integrate the Planet and Land Vision subscriptions into the County's GIS platform. This would provide County staff and the public with the additional mapping and timestamped imagery tools necessary to facilitate timely application review, compliance monitoring, and application material development. This would also assist in preparing the department to develop its own maps for application review, offer mapping services to applicants as appropriate, conduct and document environmental review, and be prepared for the issuance of discretionary permits when the time comes to take on the processing of supply chain applications currently under the authority of PBS.
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**Goal:** Environmental data collection to ensure ongoing compliance with the mitigated negative declaration and in preparation of cumulative impact analysis.

Action	Intended Outcome
Implement the data verified version of the Power Score, developed by the Resource Innovation Institute, UC Berkeley, and New Frontier Data.	The data verified version of the Power Score, provides users with the technology platform and verification services necessary to calculate, retain, and benchmark greenhouse gas emission data, and water use efficiency data. The data will be beneficial to applicants and permit holders who are required to transition from generator use to renewal energy produced power sources, and those required to report greenhouse gas emissions to the State. The water efficiency portion of the power score will provide the applicant and County with verified water source, usage, and production rate analysis. The power score (water score) budget includes develop time to allow for customization to meet the County's needs. Time has also been set aside to integrate access to the power/water score into the Portal application system, allowing permit holders the ability to enter the information from within the County's secure Portal platform. The user fee for



	<p>the power/water score platform includes services provided by RII to conduct data entry into the system based on documentation provided by the applicant/permit holder which will vastly reduce the applicant/permit holder's workload to engage with the platform and allows for verification of the data entered into the system. The compiled data will benefit the County, permit holders and the public by providing baseline relevant to cumulative environmental review for cannabis cultivation in the County, data to assist with Appendix G Checklist and future permit review, and the ability to gage the impact of mitigation projects funded with LJAGP direct grant dollars.</p>
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**Goal: Cost Recovery Program for Environmental Review Conducted by Contributing Agencies:** This need, goal and outcome was developed with the Department of Fish and Wildlife in mind. However, this may come into play with other agencies such as Environmental Health to review ground water resources, etc.

Action	Intended Outcome
<p>Cover unknown costs accrued by the County to refer Phase 1 and Phase 2 applications to the California Department of Fish and Wildlife to conduct Sensitive Species Habitat Reviews (SSHR)</p>	<p>The MCCR requires that the department refer Phase 1 and Phase 2 applications to DFW for review if the applicant is not able to meet one or more of the performance standards established by the mitigated negative declaration. This process is outlined in the Program Description. The agreement with DFW provides that the agency may bill the County for the costs associated with conducting this environmental review. To date, the County has not been billed by the agency and a cost estimate was not available at the time of preparing this application. Additionally, because the cost is unknown, the County has not been able to a fee in place to ensure cost recovery.</p>



**Goal: Direct Grant Programs:** Provisional license holders may be eligible for the following direct grant assistance programs, to be administered by the Mendocino Cannabis Program Department.

Action	Intended Outcome
Fee Deferral Program	<p>This fee deferral program is intended to provide applicants and permit holders with the ability to use LJAG program funding to pay for local permitting fees directly related to CEQA compliance. Such fee may include but are not limited to:</p> <ul style="list-style-type: none"> <li>• Appendix G Processing Fee</li> <li>• Special Inspection Fees if the applicant or permit holder also holds a DCC provisional license, and one or more additional inspections are necessary to complete environmental and performance standard review.</li> <li>• Grading permits for approved water conservation projects, LSAA work orders, CalFire work orders, or other CEQA related projects as approved by the department.</li> <li>• Demolition permits for the purpose of removing structures to meet less than significant impact criteria.</li> <li>• Other permits directly related to meeting CEQA requirements as approved by the department.</li> </ul>
Assistance with meeting CEQA requirements	<p>Direct grants will be made available to assist provisional license holders with meeting local CEQA requirements. These funds may be used for, but not limited to, the following activities:</p> <ul style="list-style-type: none"> <li>• Hiring consultant(s) and other professionals necessary to complete any studies necessary to prepare the required CEQA document for that application.</li> <li>• Biological surveys</li> <li>• Archeological &amp; Cultural Surveys</li> <li>• Traffic Studies,</li> <li>• Air Quality and Greenhouse Gas Emission studies,</li> </ul>
Improving Air Quality and Reducing Greenhouse Gas Emissions	<p>Direct Grant funds will be available to assist applicants with projects that improve air quality and reduce greenhouse gas emissions by eliminating the use of combustion engines. Engines eligible for transition to renewal resources include:</p>



	<ul style="list-style-type: none"> <li>• Generators</li> <li>• Water pumps</li> <li>• Other upon approval</li> </ul>
<p>Remediation and Relocation to an Environmentally Superior Location.</p>	<p>This program proposes allocating direct grant funding to applicants that need assistance covering the cost associated with moving cultivation operations to an environmentally superior location. An example of this might be moving a cultivation site to a location outside of a nearby streamside management area.</p>
<p>Hydrology and Water Quality Direct Grant Funding</p>	<p>Department of Fish and Wildlife (CDFW) Lake and Streambed Alteration Agreement</p> <ul style="list-style-type: none"> <li>• Notification expenses</li> <li>• Technical support for notification preparation</li> <li>• Lake and Streambed Alteration Agreement projects</li> </ul> <p>State Water Resource Control Board (SWRCB), General Order &amp; Clean Water Act (401 Permits)</p> <ul style="list-style-type: none"> <li>• Filing fees</li> <li>• Reporting and monitoring fees</li> <li>• Water meters and installation</li> <li>• Technical assistance</li> </ul> <p>North Coast Regional Water Quality Control Board (NCRWQCB)</p> <ul style="list-style-type: none"> <li>• Water Resource Protection Plan compliance projects</li> <li>• Technical Assistance</li> </ul> <p>Hydrology</p> <ul style="list-style-type: none"> <li>• Connectivity studies</li> <li>• Groundwater availability studies</li> <li>• Technical Assistance</li> </ul> <p>Water Conservation</p> <ul style="list-style-type: none"> <li>• Rainwater Catchment Infrastructure</li> <li>• Fee deferrals for permitting water infrastructure</li> <li>• Forbearance tanks – surface water diversions</li> </ul>



*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.

**This question still needs to be answered.**

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.

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