



Mendocino County Board of Supervisors
501 Low Gap Road
Ukiah, CA 95482

November 14, 2021

Re: Public Expression 11-15-2021 Local Jurisdiction Assistance Grant Program Application; and Authorization for the Cannabis Program Manager, or Department Head, to Execute the Grant Agreement on Behalf of the County of Mendocino Should the Grant be Awarded

Honorable Supervisors,

The application for the Local Jurisdiction Assistance Grant will be submitted to the State on Monday November 15, 2021. At this writing, to our knowledge no revised or complete application has been made available for public review. As such, we are unable to provide direct comments on any items that may have been revised, added, or removed since the draft application was posted on the County website on Monday November 8.

That said, we have some specific recommendations for items that we believe MUST be incorporated to ensure that the community can continue to work with the County and MCP on developing the best and most effective uses of these grant funds.

We recommend the following language be added exactly as written to the Grant application prior to submission:

1. Direct Grants to Provisional License holders are specifically contemplated as part of this Program and will be an integral part of the Grant utilization. It is the County's intent to direct Grant funds to applicants to ensure the Grant goals of assisting local jurisdictions and licensees in achieving annual licensure are accomplished in the most efficient manner possible. The exact proportion of funds for direct grants to licensees will vary according to where each licensee is in the process and whether direct grants to them are likely to have a positive impact on accomplishing annual licensure. It is anticipated that annual licensure might more swiftly be accomplished for some applicants with greater Direct Grant funding in addition to local jurisdiction funding for broader initiatives that will also help accomplish those goals.
2. It is the specific intent of the County to continue refining the Grant as needs are better understood by both applicants and the County.

3. It is the specific intent of the County to allocate Direct Grant funds specifically to support Equity Operators.
4. Allocate funds to cover the costs for any environmental review, or legal determination that environmental review is not required, to amend Chapter 10a.17 to include a discretionary permitting process.
5. Allocate funds to amend 10.a.17 to add a discretionary permitting pathway for current applicants under the ministerial permitting provisions.
6. Under Direct Grant Programs, change 'Fee Deferral Program' to 'Fee Waiver Program.'
7. Under Hydrology and Water Quality Direct Grant Funding change 'Water Conservation' to 'Water Conservation and Storage.'
8. DELETE Power Score and ALL Satellite Imagery items, as currently they account for nearly \$700,000 in Grant dollars that would not directly support Provisional Licensees transitioning to Annuals. Satellite Imagery is already being utilized in Mendocino County and the Grant rules specifically disallow funding enforcement efforts.

MCP Director Nevedal has indicated that the State will be flexible with our application and does not expect us to have identified all possibilities in such a short timeline, allowing revisions in the future. We feel strongly that even with stated ability to refine the grant, the process to undertake such refining does not always happen in a timely manner. It is imperative to build in Direct Grants for items that are required NOW. Operators have been directed, some time ago, to undertake CEQA analysis and to continue to finish underlying environmental requirements that are part of, and also independent of CEQA, such as water storage, LSA work conducted, or finalized, building permits, etc.

Direct Grants to applicants must be made a priority and not be held up while MCP works to increase their capabilities and infrastructure in regards to hiring additional staff and consultants. For example, while MCP is staffing up and processing applications, operators can receive Grant funds to finish all outstanding building permit work, or hire CEQA professionals to prepare biological assessments and checklist analysis, etc. If these funds were to not roll out quickly, the applicants would not be able to be at the point where the MCP can process them. This particular use of funds will also create better quality submission packages for MCP to review, ultimately saving time and resources.

This Grant funding has the opportunity to provide substantial support to our local operators who find themselves putting more and more resources into compliance despite the challenges of the market. We must do everything in our power to ensure that Direct Grants from these funds are made available to support our licensees directly as an integral part of the Grant program.

Thank you for your consideration of these important items.

Mendocino Cannabis Alliance

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