

**From:** [Margro Advisors](#)  
**To:** [Planning Clerk](#)  
**Subject:** Planning Commission May 19 - Agenda Item G.4 - Emerald Sky Growers Inc  
**Date:** Monday, May 16, 2022 8:23:17 PM  
**Attachments:** [MA Propagation Review May2022.pdf](#)

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**Caution:** This email was sent from an EXTERNAL source. Please take care when clicking links or opening attachments.

Healthy nursery space is vital to enabling a successful farm operation.  
Please see attached.

Thank You.



**(707) 500-2420**

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# **Cannabis Propagation**

## **Need for Healthy Nursery Space**

**By Margro Advisors**

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# Propagation Notes

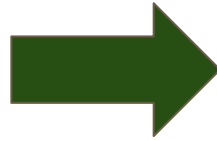
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- The propagation process is about nurturing plants prior to planting them in the final cultivation area.
- The amount of plants grown in propagation areas are based on the fixed cultivation canopy area.
- Dedicated propagation areas are not limited by size, water use, or energy usage by the State of California.

# Real Farm Example: 10% Propagation Area

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A 11,600 Sq Ft permitted farm



Can support up to 2,100 mature plants



- Currently has only a 1,000 square foot nursery greenhouse to stay below 10%
- The nursery can properly support about 1,000 immature plants
- Farmer is forced to overfill with 1,300 plants at most

# Real Farm Example: Overcrowded Nursery

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Nursery overcrowding is a risky practice:

- Crowded plants create a prime environment for Mold & Mildew
- Restricts plant growth
- Ineffective application of water and nutrients due to lack of accessibility
- Delayed removal of weak or diseased plants due to lack of visibility
- Delayed response to pest infestation due to lack of visibility



**Overcrowding = Lost Plants**

# Real Farm Example: 10% - Results

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- On average at least 10% of plants are lost to overcrowding
- Of the 1,300 planted, 1,170 plants will remain viable
- Allows only 7,000 sq ft planted = 60% of permitted space
- The farmer filed a county reduction form for past two years

= \$4,600 **lost** expected **tax revenue** to Humboldt County per year

= Up to **40% lost revenue** to the **farmer**

(1,170 instead of 2,100 plants)

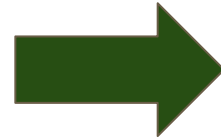
= **10% of wasted water, nutrients, and labor** from plant failure due to overcrowding

= Up to **40% lost tax revenue for the State** of California

# Real Farm Example: 25% Propagation Area

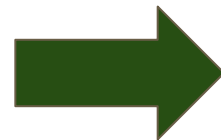
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11,600 Sq Ft  
Permitted farm



Can support up to  
2,100 mature plants

If Farmer uses a  
2,500 Sq Ft Nursery



Greenhouse will support  
the 2,100 immature plants  
needed for cultivation

- 0% of plants lost to overcrowding
- ~2,100 immature plants will remain

# Real Farm Example: 25% - Results

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Farmer is able to utilize their farm to **full potential** which was already **permitted and approved** for water source, energy use, and responsible resource management.

- 0% of plants are lost to overcrowding
- 0% wasted water, plants, nutrients, or labor to overcrowding
- 2,100 plants remain
- Full 11,600 permitted area is cultivated
- Full farm revenue opportunity is utilized
- No County reduction filing needed
- 100% expected tax revenue is remitted to the county
- 100% tax opportunity is provided to the State of California



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# Thank You

**By Margro Advisors**

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