

Turner, Nicole

From: Karla Knapek <karla@honeydewvalleyfarms.com>
Sent: Thursday, January 27, 2022 12:58 PM
To: Bohn, Rex; Bushnell, Michelle; Wilson, Mike; Bass, Virginia; Madrone, Steve
Subject: ****Suspend Measure S - A Plea On Behalf Of Locally Owned Family Farms****

Dear Supervisors Rex Bohn, Michelle Bushnell, Mike Wilson, Virginia Bass, and Steve Madrone:

Thank you for your expertise in serving as a Humboldt County Supervisor. In interest of being respectful of your time, and knowing allied businesses are also reaching out to you (many of whom are BCC'ed on this email), I will keep this communication brief and centric to the 3-acre farm my husband and I own and operate. [We all know the ripple economics of a failed cannabis industry would be crippling for Humboldt County. I urge everyone to share their story with their supervisor (refer to below link for contact info).] I am happy to communicate further via email or phone. My direct line is 707-616-6344.

[For those of you who don't know me, I was born in Humboldt County in 1983 to David and Kathy Spreen. I am a Humboldt State University graduate, with a degree in Environmental Science, and minors in Watershed Management and Hydrology. I graduated top of my class. I've worked in the Federal, State, private, and non-profit sectors. I worked at Redwood National and State Parks, Grizzly Creek Redwoods State Park, Scotia Pacific (science side of Pacific Lumber Company, now Humboldt Redwood Company), and Jacoby Creek Land Trust. I have tutored college students, and taught a remedial math class at HSU as a State employee. I served on the City of Eureka Open Space, Parks, and Recreation Commission. I am a Certified Professional Soil Scientist who worked for Winzler & Kelly Consulting Engineers (now GHD) for 6 years, and the Forest Service an additional 6 years. In 2016, in order to afford cannabis permitting and licensing fees without taking on outside investors, I began working as an independent consultant, while pregnant with my first child. I completed permitting and licensing for our farm, while consulting and raising two young children with my husband. This required little sleep and working while the household was asleep. During the permitting/licensing process, I often worked from 10pm to 2am to complete necessary tasks not completed during the day. My husband and I both work 6 to 7 days a week as co-managing owners of Honeydew Valley Farms, LLC.]

-If Measure S is not suspended (in full) for our 3-acre family-owned farm, we will not be able to cultivate for the 2022 season. Nearly 18 families will be affected with loss of employment, and over 25 local vendors will lose our farm business account. We are proud to say we grow directly in native soil, irrigate with collected rainwater, and do not use artificial lighting! #proudtobeafarmer

-If Measure S is not suspended in full, we will have to fill in our 1.5-million-gallon rainwater collection impoundment. The rainwater impoundment is utilized as the sole irrigation water source. The ranch held in the family since the mid-1800's will no longer be able to afford property tax due to cultivation land improvements. CalFire and the

local volunteer fire departments utilize the 1.5-million gallon water source during the fire season. There are likely many other farms that would be in the same situation. The thought of reducing wildfire resiliency for our rural communities is not appealing, especially during drought years.

-If Measure S is not suspended in full, we will not be able to complete the fuel load reduction product (for community fire resiliency) with the Mattole Restoration Council, Prescribed Fire Council, and University of California Cooperative Extension.

-If Measure S is not suspended in full, we will not be able to proceed with the salmonid migration improvement project with the California Department of Fish and Wildlife (CDFW). This is a project we initiated with CDFW. It is not a required project.

-If Measure S is not suspended in full, we lose the opportunity to continue to share regenerative farming practices with our neighbors and colleagues.

-If Measure S is not suspended in full, we lose the opportunity to pass the farm business (and regenerative farming practice knowledge) onto our children, should they so choose.

As a local farm owner and operator, I sincerely thank you for your time and consideration.

We hope the Board of Supervisors decides to support locally owned family farms during the meeting scheduled for Tuesday February 1, 2022.
(Refer below for instructions on "how to comment at the Board of Supervisors meeting".)

Want to contact your supervisor directly?

Use this link: [Find Your Supervisor's Contact Info](#)

How to Comment at the Board of Supervisors Meeting

Link to 2/1/21 Board Meeting Agenda (Meeting Agenda Available Friday 1/28/22): <https://humboldt.legistar.com/Calendar.aspx>

-Email Public Comment: To submit public comment to the Board please email cob@co.humboldt.ca.us, provide your name and the agenda item number(s) on which you wish to comment. All public comment submitted after the agenda has been published will be included with the administrative record after the fact.

-Zoom Public Comment: When the Board of Supervisors announce the agenda item that you wish to comment on, call the conference line and turn off your TV or live stream. Please call 720-707-2699, enter Meeting ID 859 4251 1840 and press star (*) 9 on your phone, this will raise your hand. You'll continue to hear the Board meeting on the call. When it is time for public comment on the item you wish to speak on, the Clerk of the Board of Supervisors staff will unmute your phone. You'll hear a prompt that will indicate your phone is unmuted. Please state your name and the agenda item number you will be commenting on. You will have 3 minutes to comment.

-You may access the live stream of the meeting by using the following link: <https://humboldt.legistar.com>

Sincerely,



Karla Knapek
Co-Managing Owner, Hydrologist, & CPSS #324817
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January 26, 2022

To: The Board of Supervisors, Humboldt County
Via the Clerk of the Board at cob@co.humboldt.ca.us

Re: *Request to Suspend Measure S Tax to Bring Stability to the Local Cannabis Economy*

To the Honorable Board of Supervisors,

I am a business attorney living and working in Southern Humboldt. Coming out of the cannabis world myself in the mid-90s, I had a front row seat to the constant volatility that legacy cannabis farmers have been subject to since the Compassionate Use Act passed in 1996.

The seemingly never-ending swings in the law and in the market have been detrimental to our legacy farmers in many ways, even when the bubble was at its height. For example, in the past, farmers were often vulnerable to theft without government protection and the high price of cannabis caused by prohibition resulted in an influx of newcomers to the industry and to the region, causing myriad land use and social issues.

But with regulation came the onslaught of land use costs, decimating most farmers' savings at the outset. State and local governments also assessed flat taxes that were arguably reasonable if the price for cannabis were to remain forever at its peak. Now our cannabis farmers face a massive oversupply caused by the state's refusal to implement a cap on the size of cannabis farms, and by jurisdictions such as Santa Barbara who welcomed large-scale cannabis farming with minimal or percentage-based taxation schemes, creative solutions to the California Environmental Quality Act (CEQA) and massive canopy allowances.

Humboldt's cannabis farmers are scrambling to stay afloat in the face of the resulting market crash where cannabis prices are often less than the cost of production. With an immovable per-pound state tax from the state and another immovable per-foot of canopy tax from the County, *the tax burdens alone can exceed the cost of the product itself*. Such a situation is untenable and the future of cannabis farming, and particularly the future of the small family farm, is under threat of extinction. Southern Humboldt—and the entire County of Humboldt—will suffer further economic loss and increased social instability as a result.

To save the economic viability of our region's internationally renowned cannabis farms and to support stabilization of the industry, I join the chorus of stakeholders asking the Humboldt County Supervisors to suspend the Measure S taxes for a reasonable amount of time, forgive the October 2021 tax payment and waive the March 2022 tax payment. The farmers, the cannabis industry and the Humboldt County community need stability now more than ever.

Sincerely,

/s/ Heather Burke