

ATTACHMENT 11

Written Public Comments Received after close of the comment period on the Draft EIR

October 25, 2017



Humboldt County Public Health/Humboldt County Planning Department
529 I Street
Eureka, Calif. 95501

Dear Health Department,

We would like to express our opinion on the Marijuana Business's in town. Along with this we would like to draw your attention to some of the things we as community members have to deal with on a daily basis when the County blesses everyone applying for a permit with approval.

It is in my opinion the approval of such a business's within the City Limits and in a residential area should not be permitted we should have a business that benefits all persons, not just those that like to smoke Marijuana.

1. We own property within the down town area, on a daily basis we have to ask the trimmers to leave 2 to 3 times a day.
2. There are anywhere from 75-100 anywhere they can put themselves, they set up tents on your property, they use your property for their bathroom, we are tired of cleaning up human feces all in the name of Marijuana and trimmers.
3. They have no respect for personal property, we have had them set up stoves and start cooking, they are like a slime or ants creep in any place regardless of where and who owns it.
4. The other concern is when the trimmers hit town, they hang out all over mainly in the middle of town, smoke where ever,. They use anyone and everyone's property for a bathroom. They leave trash wherever they have camped the night before. They go onto private property pick their fruit, set up tents, set up stoves to prepare meals. Why does one have to continually remove them from their private property? They seem to have no respect at all, if driving down the road they have stepped out right in front of people.
5. They have no issue not using the crosswalks. With 50 to 100 persons using our private property in the middle of town as their own bathrooms, it is only a matter of time before we have a health issue or breakout of a disease.

6. It is our responsibility to our Lessors and to ourselves to present this to the Humboldt Planning Commission and Health Department.
7. **You are persons that have homes outside Willow Creek have no idea what we deal with, as the Health Department and Planning Commission, you have unleashed a Monster by approving permits for Marijuana, before doing so again I would think you would make sure the growers have adequate housing for their trimmers, if it were not for their product we would not have the problem in town.**
8. I was in Eureka today for a medical appointment, the Dr. said we drove through Willow Creek last week and I was appalled at the vagrants/transients in Willow Creek, I mentioned to my husband what is going on, he replied it is the season. She mentioned the smell, undesirable people, that is the reputation we seem to be getting. She also mentioned they loved to come here with the baseball team, they are not sure they will let their son play here anymore due to the Marijuana.
9. We are prisoners in our own homes, the smell is so bad you cannot open the windows. We have always cherished our fresh mountain air, that is gone now. Also early morning stench from what I am guessing is burning their trimmings at night is horrible.
10. Last night we were going to Gonzles for dinner, a trimmer ran to the side of the building undid his pants went to the bathroom, you take 50- to 100 doing that on a daily basis 4 to 5 times a day for 2 or 3 months you are asking for a break out on a major scale.

Thank you
Nancy Brown
P.O. Box 406
Willow Creek, Cal. 95573

Cc: WCCSD
Humboldt County Planning

November 2, 2017

Humboldt County Planning Commission
County of Humboldt
3015 "H" Street
Eureka, CA. 95501

Subject: Commercial Cannabis Land Use Ordinance Amendments

I am writing in response to the proposed amendments to the County's Commercial Medical Marijuana Land Use Ordinance (CMMLUO). Staff has done an excellent job in redressing the regulations in light of the passage of the Adult Use of Marijuana Act (AUMA) and Senate Bill 94. I fully support and actually encouraged the Department during the preparation of the original regulations to eliminate the requirement of a Conditional Use Permit (CUP) for any cannabis related activities. In any event, I do offer the following comments, recommendations and questions.

**55.4.6 COMMERCIAL CANNABIS CULTIVATION, PROPAGATION, AND PROCESSING
– OPEN AIR ACTIVITIES**

Outdoor and Mixed-light Cultivation Activities, On-Site Processing, and Nurseries shall be principally permitted with a Zoning Clearance Certificate when meeting the following Eligibility and Siting Criteria and all applicable Performance Standards, except when otherwise specified.

55.4.6.1 Eligibility Criteria - Resource Production and Residential Areas

55.4.6.1.1 Zoning

AE, AG, FR, and U when accompanied by a Resource Production General Plan land use designation (not including Timberland) or Residential land use designation requiring parcel sizes of **more than 5 acres (emphasis added)**.

Comment: I believe the intent is to reference parcels five (5) acres or more, not just parcels more than five (5) acres. If not I would suggest that the provisions refer to parcels **five (5) acres or more**. Both the Design Floodway (DF) and the Flood Plain (FP) zones allow general agriculture as a principally permitted use. The current CMMLUO allows cultivation on these parcels.

Recommendation: Allow cultivation on parcels zoned Design Floodway (DF) and the Flood Plain (FP).

55.4.6.3 Eligibility Criteria – All Areas

55.4.6.3.1 **Energy Source**

Electricity must be exclusively provided by a Renewable Energy Source, meeting the Performance Standard for Energy Use.

Comment: The recommended Performance Standard for Energy Use (Section 55.4.12.5) requires grid power be supplied from a 100% renewable source or an on-site renewable energy system with zero net energy use or grid power supplied by partial or wholly non-renewable source with purchase of carbon offset credits. Although I applaud the intent, the proposed regulations will put Humboldt County at a competitive disadvantage.

Recommendation: That the County adopt the same regulations that the State is proposing. They are:

- On-grid power with 42 percent renewable source.
- Onsite zero net energy renewable source providing 42 percent of power.
- Purchase of carbon offsets for any portion of power above 58 percent not from renewable sources.
- Demonstration that the equipment to be used would be 42 percent more energy efficient than standard equipment, using 2014 as the baseline year for such standard equipment.

55.4.6.4 Siting Criteria – All Areas

55.4.6.4.3 **Limitation on Use of Prime Soils**

The cumulative area of any Cannabis Cultivation Site(s) located on Prime Agricultural Soil shall not exceed 20 percent of the area of Prime Agricultural Soil on the Parcel.

Comment: At first look it's somewhat puzzling that the County would limit agricultural horticultural activities on prime agricultural soils to no more than 20% of the prime agricultural soils on the parcel. I understand that many farmers use imported or "bagged" soils. However, I think imported and bagged soils should be discouraged and the use of prime soils or amended

prime soils be encouraged. Many times “bagged” soils are not reused and improperly disposed of, not to mention the bags themselves are not properly disposed as well.

Recommendation: Incentivize the use of prime agricultural soils for cannabis cultivation by allowing larger cultivation areas where prime agricultural soils are utilized for cannabis cultivation.

55.4.6.4.4 Setbacks

Cultivation Site(s) must observe all of the following setbacks:

b) Residences – Three hundred feet (300’) from any residence;

Comment: I assume the recommended setback is from residences on adjoining parcels and not the residence on the parcel where the cultivation activity is occurring. If so, this should be clarified. I also assume the setback is in response to odor concerns. I personally believe the only reason folks have objections to the odor is because it’s produced by cannabis. If the same odor were produced by roses, gardenias, jasmine, etc., there would be very few if any complaints. If the odor is truly a nuisance the recommended setback should also apply to other local industries including the dairy, goat, cattle and fishing (Pacific Choice Seafood) industries that produce offensive odors. I just returned from Modesto and Turlock where the odor of manure is overwhelming as soon as you open the car door. It reminded me of Ferndale on a warm summer day. In Gilroy it’s garlic. Back in the day in Vacaville it was green onions.

Recommendation: Setbacks be reduced to one hundred (100’) to any residences on adjoining parcels.

55.4.6.5.7 Provisional Permitting

Comment: There is a typo in the second paragraph: *“As part of application submittal, Pre-Existin1g cultivation sites...”*

55.4.6.5.8 Myers Flat Community Area

In the Myers Flat Community Area, on any sized parcel, the cultivation area of a Pre-Existing Site may be permitted with a Special Permit, up to a maximum of 3,000 square feet. Expansion is prohibited on parcels less than 1 acre in size. The cultivation area setback requirement specified in Section 55.4.6.4.4(a) shall be reduced to the setbacks applicable to the underlying principal zoning district. The cultivation area setback from residence requirement specified in Section 55.4.6.4.4 (b) shall only apply to permanent residences constructed with approved building permits. Temporary use of an RV for up to 6 months may be permitted in conjunction with cannabis cultivation if permitted pursuant to 314-81.1.1.5.1.

Comment/Question: I'm curious why Myers Flat is singled out? The communities of Weott, Redcrest, Miranda, Phillippsville and Benbow should be afforded the same opportunity. Also curious why the setback requirement from a residence only applies to permitted residences?

Recommendation: Allow the same provisions in the communities of Weott, Redcrest, Miranda, Phillippsville and Benbow.

55.4.6.5.9 Retirement, Remediation, and Relocation of Pre-Existing Cultivation Sites

In order to incentivize, promote, and encourage the retirement, remediation and relocation of pre-existing cannabis cultivation operations occurring in inappropriate, marginal, or environmentally sensitive sites to relocate to environmentally superior sites, the following provisions shall apply:

Comment/Question: Pursuant to Section 55.4.6.5.9(d) the cultivation area of the receiving site is limited to 20% of the area of the parcel. In addition, if the Relocation Site has Prime Agricultural Soils on the parcel, the area utilized for cannabis cultivation on Prime Agricultural Soils shall not exceed twenty percent (20%) of the area of Prime Agricultural Soils on that parcel. I truly believe there are hundreds, maybe thousands of sites that should be relocated for one reason or another. However, there are limited receiving sites that have desirable site characteristics, including proximity to labor sources, adequate direct access from a County maintained, available adequate water supply, available grid power, farmable/tillable soils, etc.

Recommendation: Allow those sites that exhibit the aforementioned qualities be allowed to have cumulative cultivation areas up to 35% of the area of the parcel and up to 35% of prime agricultural soils, up to a maximum of 10 acres.

55.4.7.2 Cannabis Testing and Research Laboratories

Where meeting all applicable Performance Standards, as well as the Eligibility and Siting Criteria specified in Sections 55.4.6.3 and 55.4.6.4, except for 55.4.6.4.4 (c) and (d), Cannabis Testing and Research Laboratories shall be principally permitted with a Zoning Clearance Certificate in C-2, C-3, MB, ML, MH zones, or U (when accompanied by a Commercial or Industrial General Plan land use designation) or where previously developed for a lawful industrial or commercial use.

Comment: Although staff is recommending that Manufacturing be allowed in the Highway Service Commercial or CH zone, cannabis testing and research facilities are excluded. Cannabis testing and research facilities can be considered an Office and Professional Services use type according to Section 314-172.5 and a Research/Light Industrial use type according to Section 314-175.3 of the County's Zoning Regulations. There are very few if any available vacant

parcels or available developed parcels in Southern Humboldt that are zoned to accommodate cannabis testing and research facilities. I have a client that has been contacted by not one, but two cannabis testing companies looking to locate in Southern Humboldt. Office and Professional Services use types are principally permitted in the Highway Service Commercial or CH zone.

Recommendation: Allow cannabis testing facilities in the CH zone.

55.4.12.5 Performance Standards for Energy Use

All electricity sources utilized by Commercial Cannabis Cultivation, Manufacturing, or Processing activities shall conform to one or more of the following standards:

- 55.4.12.5.1 grid power supplied from 100% renewable source
- 55.4.12.5.2 on-site renewable energy system with zero net energy use
- 55.4.12.5.3 grid power supplied by partial or wholly non-renewable source with purchase of carbon offset credits

Purchase of carbon offset credits (for grid power procured from non-renewable producers) may only be made from reputable sources, including those found on Offset Project Registries managed the California Air Resources Board, or similar sources and programs determined to provide bona fide offsets recognized by relevant state regulatory agencies.

Comment: The recommended Performance Standard for Energy Use (Section 55.4.12.5) requires grid power be supplied from a 100% renewable source or an on-site renewable energy system with zero net energy use or grid power supplied by partial or wholly non-renewable source with purchase of carbon offset credits. Although I applaud the intent, the proposed regulations will put Humboldt County at a competitive disadvantage.

Recommendation: That the County adopt the same regulations that the State is proposing. They are:

- On-grid power with 42 percent renewable source.
- Onsite zero net energy renewable source providing 42 percent of power.
- Purchase of carbon offsets for any portion of power above 58 percent not from renewable sources.
- Demonstration that the equipment to be used would be 42 percent more energy efficient than standard equipment, using 2014 as the baseline year for such standard equipment.

Conclusion:

Once again, I commend staff for crafting a comprehensive CCLUO, including streamlining the process. The new cannabis industry is very competitive and many jurisdictions throughout the State are also streamlining their process.

The one complaint I have heard (second hand) regarding the current application process is that some applicants have spent thousands of dollars to get their application deemed “complete” to only have a referral agency either recommend denial or additional costly studies that some folks just cannot afford. I would suggest that once minimum information including a project description, plan of operation and site plan has been submitted that the application be referred for a “fatal flaw analysis”. This would save staff time, costs and frustration to the applicants.

Thank you for the opportunity to comment and provide some recommendations. I look forward to the Department’s responses to my comments and recommendations. If you have any questions or need additional information please feel free to contact me.

Regards,

Kevin Caldwell

Kevin Caldwell
P.O. Box 614
Miranda, CA. 95553
Email: realpropertysolutions4u@gmail.com

Copy:

Bob Morris
Chairman Humboldt County Planning Commission

Steve Lazar
Humboldt County Planning Department

John Ford
Humboldt County Planning Director

Estelle Fennell
Humboldt County Supervisor

Ryan Sundberg
Humboldt County Supervisor

Richardson, Michael

From: Ford, John
Sent: Monday, November 06, 2017 6:54 AM
To: Lazar, Steve; Richardson, Michael
Subject: FW: Willow Creek

FYI and File



John H. Ford
Director
[Planning and Building Department](#)
707.268.3738

From: Sundberg, Ryan
Sent: Sunday, November 05, 2017 5:30 PM
To: Ford, John
Subject: Fwd: Willow Creek

Public comments for new MMj ordinance.

Get [Outlook for iOS](#)

From: David McKenzie <Davmckenz5@aol.com>
Sent: Monday, October 23, 2017 2:45:26 PM
To: Sundberg, Ryan
Subject: Willow Creek

Dear Ryan

I have lived in Willow Creek for 20 years, and I am really sad to see what our town has become. Please do not let more marijuana processing plants, grow sites or any other marijuana related businesses into our town. It is bad enough I have to deal with my neighbors, who moved here recently, without having it thrown in my face every time I go into town. Thank you for your consideration.

David McKenzie
Sent from my iPad

Richardson, Michael

From: Luther, Stephen
Sent: Tuesday, November 07, 2017 11:29 AM
To: Tony Heacock
Cc: Lazar, Steve
Subject: RE: Small "specialty cottage" permits

Hi Tony,

Thank you for your comments. I am sending to Steve Lazar who is working on the ordinance update, although I am not sure if the public comment period is still open.

From: Tony Heacock [<mailto:tonyheacock@rocketmail.com>]
Sent: Tuesday, November 07, 2017 11:12 AM
To: Luther, Stephen <SLuther@co.humboldt.ca.us>
Subject: Re: Small "specialty cottage" permits

Good Morning Stephen,

Thanks for your explanation.

It appears that the county has prepared the regulations with a focus on large scale operations.

I would like to propose an amendment to Humboldt Counties ordinance to incorporate AB 2516's intended purpose.

My reasoning's are as follows:

1. I estimate three to four times as many 500sq ft or smaller indoor growing operations, than the 2500sq ft and larger operations. Which will generate more revenues through annual relicensing fees.
2. The only environmental impact that comes from a properly installed indoor operation is the smell ,which can be easily controlled by means of carbon filters.
3. Indoor product is typically of higher quality, which is more sought after regardless of whether the consumers are recreational or medicinal.
4. The returns on 500sq ft operations are dramatically smaller than the 2500sq ft or larger operations (see table below). Making it more likely to discourage these operations from coming into compliance. These specialty cottages are where you will be sourcing all your high end flowers that will be sought after by folks from around the world. Think of traveling to Napa or Sonoma county to buy a \$5-10 bottle. You go there to buy \$20 -100 bottles and try specialty releases. Same is true for Humboldt and the cannabis industry.

State vs County Comparison

regulation	sq ft	# lights	revenue
AB 2516	500	31	\$ 62,500.00
55.4.6.5.2	2500	156	\$ 312,500.00
55.4.6.5.3	5000	313	\$ 625,000.00

#lights assumes 16 sq ft / 1000w light

revenue assumes \$2000/lb

5. The cottage folks are Humboldt residents that aren't fortunate enough to have the means for setting up giant green houses. They have found a way to cater to a more refined palate and provide themselves with supplemental income.

If the county is comfortable with grandfathering in and legitimizing large scale outdoor operations which have proven impacts on the environment. Then they should take no issue with small scale "specialty cottage" that are focused on top quality products.

I would be happy to discuss this further with you and your colleagues in person.

Thank You

On Wednesday, November 01, 2017 10:56:59 AM, Luther, Stephen <SLuther@co.humboldt.ca.us> wrote:

Hi Tony,

I conferred with my colleagues about how the small cottage permits fit into our local land use, and here are the relevant findings. Essentially, one can apply for a Special Permit with the County for cultivation that would be eligible for a cottage license with the state.

AB 2516 gives the following definition: (4) Type 1C, or "specialty cottage," for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, of 2,500 square feet or less of total canopy size for mixed-light cultivation, up to 25 mature plants for outdoor cultivation, or 500 square feet or less of total canopy size for indoor cultivation, on one premises.

The draft Humboldt County ordinance (<http://www.humboldt.gov.org/DocumentCenter/Home/View/60896>) allows for the following land uses for small cultivation including indoor:

55.4.6.5.2 On an AE zoned parcel less than one acre in size, up to 2,500 square feet of Cultivation Area may be permitted with a Special Permit.

55.4.6.5.3 On parcels between one acre and five acres in size, up to 5,000 square feet of Cultivation Area may be permitted with a Special Permit.

55.4.8.3.1 Within those zones specified under 55.4.6.1.1 (AE, AG, FR, and U), up to 5,000 square feet of Indoor Cultivation may be permitted with a Zoning Clearance Certificate, but may only be conducted within a non-residential structure which was in existence prior to January 1, 2016. 55.4.8.3.2 Within those zones specified under 55.4.6.2.1 (C-3, ML, MH, and U): 21 a) up to 5,000 square feet of cultivation area may be permitted with a Zoning Clearance Certificate

I believe that answers your question.

Sincerely,



Stephen Luther
Planner
[Planning and Building Department](#)
707.268.3737

To Whom It May Concern:

My name is Brendan Baker. I am a business owner in Southern Humboldt and an applicant for nursery, manufacturing and distribution. I'm writing today to express concerns regarding the draft Commercial Cannabis Land Use Ordinance (CCLUO), published on November 10, 2017. As a business owner in Southern Humboldt I look forward to engaging in the newly regulated cannabis market place and potentially investing in other local cannabis related businesses.

As I work my way through the application process in preparation for January 1, 2018 State licensing, I am experiencing a number of challenges with the process itself. The County's resistance to issuing permits, restrictions on ownership and the newly proposed 1000 foot setback for all open-air cultivation and flammable extraction activities. Combined, these provisions pose significant challenges to Humboldt County's local cannabis farmer and the regulated development of the County's commercial cannabis industry as a whole.

As a business owner, I'd like to thank the Planning Commission and Staff for moving provisional permitting forward. However, I still have significant concerns regarding the County's resistance to issuing permits for centralized processing, nurseries and distribution until such time as a new ordinance is passed. Without such support facilities in the County, provisionally permitted farmers will still fail to have access to the legal marketplace come January 1, 2018. For this reason, I would like to express my support for the proposed language in the draft CCLUO which allows for the transportation of commercial cannabis with a business license. With that said, I would like to suggest that the County consider fine tuning this provision to match the State's new distribution transport license which allows for transport between cultivation, manufacturing and distribution facilities but not to retail facilities. If the County mirrors the expected State licensing scheme then local permit holders granted the ability to transport by the County will have a pathway to compliance with the State's requirements.

Additionally, the County's proposed 1000 foot setback for open air cultivation and flammable solvent extraction facilities, stands to disqualify most farms from continuing open air cultivation activities and will likely disqualify most HM zoned parcels, that would otherwise qualify for the Adaptive Reuse provisions, from housing these much needed facilities. While it is understandable that the County would like to find a solution for odor related complaints while addressing public safety concerns it is important that the Planning Commissioners and County Staff consider the potential environmental consequences associated with encouraging enclosed cultivation and the limitation of jobs if flammable extraction facilities are zoned out of existence.

In closing, I'd like to encourage the County to eliminate all restrictions pertaining to permit counting. While I understand and appreciate the concerns expressed regarding out of the area investment, I do have concerns that any limit on the number of permits could inadvertently disqualify local commercial cannabis permit holders from receiving local investment dollars in an effort to work together and establish much needed nursery, processing and distribution facilities. The current proposed language is somewhat confusing as currently written and it is likely that the State will establish limits, or caps, on the amount of cultivated area allowed to any one person. I strongly encourage the County to keep this draft ordinance simple and to please consider adopting Alternative 3, eliminating ownership restrictions on permits.

I want to thank the Planning Commissioners and County staff for considering the concerns expressed in this letter. Please see the following pages for language specific concerns and suggestions.

Sincerely,

Brendan Baker

Chief Executive Officer, Sunfed, Inc.

Comments Pertaining to the November 10, 2017 Draft CCLUO

Permit Counting

Page 13, 14 of the draft ordinance; page 31 of the staff report

55.4.5.4 Permit Limits and Permit Counting

55.4.5.4.1

No more than four acres of Commercial Cannabis Activity cultivation permits may be issued to a single person, as defined herein. For purposes of this limitation, any natural person who owns or controls any interest, directly or indirectly, in a firm, partnership, joint venture, association, cooperative, collective, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, shall be collectively considered a single person with those entities, except that membership or an ownership interest in a Cannabis Cooperative Association shall not be considered in this limitation.

55.4.5.4.2 Where on the same Parcel or Premises multiple different types of Commercial Cannabis Activity permits are held by the same Person, they shall be counted as a single permit for purposes of this section.

55.4.5.4.3 Where on the same Parcel or Premises, more than one permit for the same type of Commercial Cannabis Activity is held by the same Person, each permit will be counted towards the total number of permits held for purposes of this section.

55.4.5.4.4 Cannabis Support Facilities described under 55.4.7 shall not be counted as a permit for purposes of this section.

Alternative 3

3 55.4.5.4 — Permit Limits and Permit Counting

55.4.5.4.1 No more than four acres of Commercial Cannabis cultivation permits may be issued to a single person, as defined herein. For purposes of this limitation, any natural person who owns or controls any interest, directly or indirectly, in a firm, partnership, joint venture, association, cooperative, collective, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, shall be collectively considered a single person with those entities.

55.4.5.4.2 Where on the same Parcel or Premises multiple different types of Commercial Cannabis Activity permits are held by the same Person, they shall be counted as a single permit for purposes of this section.

55.4.5.4.3 Where on the same Parcel, more than one permit for the same type of Commercial Cannabis Activity is held by the same Person, each permit will be counted towards the total number of permits held for purposes of this section.

55.4.5.4.4 Cannabis Support Facilities described under 55.4.7 shall not be counted as a permit for purposes of this section.

Comment: The suggestion to limit permit holders to a maximum of 4 acres of cultivation related permits could pose challenges to local farmers seeking to participate in local investment. The current language in Sections 55.4.5.4.2, 55.4.5.4.3, and 55.4.5.4.4 are confusing at best. If a person is limited to 4 Acres of cultivation related permits, and non-cultivation permits are considered 'Cannabis Support Facilities' then how are sections 55.4.5.4.2 and 55.4.5.4.3 applied? Due to the confusing nature of the permit counting language we respectfully encourage the County to choose Alternative 3 and eliminate permit counting. Additionally, it is very likely that the State will establish a limit, or cap on the amount of cultivation area allowed by any one person.

Setbacks

Page 17, 18 of the draft ordinance; pages 35, 36

55.4.6.4.4 Setbacks

Standard Setbacks

Cultivation Site(s) must observe all of the following setbacks:

e) The setback required from associated property lines or residence(s) on an adjacent privately owned property may be waived or reduced with the express written consent of the owner(s) of the subject property.

Comments: Will Subsection e) apply to Alternative 6 if Alternative 6 passes? Or is subsection e) made mute due to the language included as (l) of Alternative 6?

Page 19 of the draft ordinance; page 37 of the staff report

Alternative 6

Special Area Setbacks for Odor Mitigation

In addition to the Standard Setbacks, Open Air Cultivation Sites located within any of the Special Areas described under 55.4.5.1.5 are subject to the following enhanced setbacks:

(j) One thousand feet (1,000') from the boundary of any residentially zoned area or applicable Community Planning Area boundary;

(k) One thousand feet (1,000') from any residence located on a separately owned parcel.

Cultivation activities confined to Enclosed structures are not subject to these setbacks.

(l) Where an application for an Open Air Cultivation land use permit was timely filed on or before December 31, 2016 but was not approved prior to the provisions of this section becoming effective, an applicant may seek an exception from the prescribed open air cultivation setbacks of 55.4.5.1.5 (j) and (k) with a Use Permit. In considering the Use Permit, the Planning Commission shall evaluate whether a reduced setback would result in adverse impacts to surrounding land uses, as well as whether project alternatives or opportunities for additional feasible mitigation exist.

Comments: By applying a 1000-foot setback to open air cultivation and flammable solvent manufacturing the County will create exclusionary zoning potentially eliminating the ability for these two types of commercial cannabis activities to legally occur within the County.

Manufacturing

Page 6, 7 of the draft ordinance; page 24, 25 of the staff report

“Extraction, non-flammable” means the manufacture of cannabis products using cold water, heat press, lipid (butter, milk, oil) or other non-chemical extraction method to make bubble hash, kief, rosin, cannabis-infused lipid, etc. Also included in this definition is supercritical fluid CO2 extraction to make cannabis concentrates/oils (closed loop only).

“Extraction, flammable” means using compressed and uncompressed liquid solvents such as pentane, hexane, butane, propane, ethanol, isopropyl alcohol, and the like to make cannabis concentrates/oil (closed loop only). Also included in this definition is post extraction refinement, which is taking previously extracted cannabis concentrates and further refining through processes such as chromatography, to make distillates.

“Infusion” means a process by which cannabis, cannabinoids, cannabis concentrates, or manufactured cannabis are directly incorporated into a product formulation (e.g. oil, milk, butter, other lipids) to produce a cannabis product including: edibles such as baked goods, tinctures, lotions and salves, soaps, vape pens, and the like.

Page 28, 29 of the draft ordinance; page 46, 47 of the staff report

55.4.8.2 MANUFACTURING

Manufacturing Sites must comply with all applicable performance standards, as well as meet the Eligibility Criteria specified in Section 55.4.6.3 as well as comply with the Siting Criteria specified in Sections 55.4.6.4.1, 55.4.6.4.2, 55.4.6.4.3, and 55.4.6.4.4 (c), (d) and (g). Manufacturing activities may then be permitted as follows:

55.4.8.2.1 Flammable Extraction

55.4.8.2.1.1 Manufacturing activities involving Flammable Extraction may be permitted with a Special Permit in the MH zone, as well as the U zoning district, when accompanied by the Industrial General (IG) land use designation.

55.4.8.2.1.2 Manufacturing activities involving Flammable Extraction may also be permitted with a Conditional Use Permit in the C-3 and ML zones, as well as the U zoning district, where previously developed with a lawful heavy industrial use.

55.4.8.2.1.3 All manufacturing activities involving Flammable Extraction must be conducted within a commercial structure and must be conform to the Special Area setbacks of 55.4.6.4.4 (j) and (k).

Comments: By applying a 1000-foot setback to flammable extraction facilities the County will potentially eliminate the ability for these facilities to locate within the County.

Transportation of Commercial Cannabis

Page 31 of the draft ordinance; page 48 of the staff report

Alternative 11

55.4.10.8 Transportation of Commercial Cannabis With a business license, persons may engage in the transportation of commercial cannabis. Such persons shall identify the location where the vehicle used in transportation will be stored, and may only transport commercial cannabis between sites that are permitted or licensed for commercial cannabis activities. Transportation does not include warehousing or storage of cannabis.

Comments: We strongly support this provision in concept and suggest that the County consider clarifying this provision by changing the language to match the Bureau of Cannabis Control's distributor transport license type. (Distributor transport: Allows a licensee to transport cannabis goods between licensed cultivators, manufacturers, and distributors. A licensee may not transport cannabis goods to a licensed retailer and may not engage in any other distributor activities. http://bcc.ca.gov/about_us/documents/17-191_information_workshop.pdf)

Richardson, Michael

From: Matt Scott <matt@humboldtsfinestfarms.com>
Sent: Wednesday, November 15, 2017 1:38 PM
To: Lazar, Steve
Subject: Proposed ordinance

To Whom It May Concern:

Hello. My name is Matt Scott. I am a landowner in Southern Humboldt and an applicant for existing cultivation, new cultivation, centralized processing, and nursery. I'm writing today to express concerns regarding the draft Commercial Cannabis Land Use Ordinance (CCLUO), published on November 10, 2017. As a landowner in Southern Humboldt, applying for existing and new 'open-air' cultivation, and centralized processing, and nursery, I look forward to engaging in the newly regulated cannabis market place and potentially investing in other local cannabis related businesses. As I work my way through the application process in preparation for January 1, 2018 State licensing, I am experiencing a number of challenges with the process itself. The County's resistance to issuing permits, restrictions on ownership and the newly proposed 1000 foot setback for all open-air cultivation and flammable extraction activities. Combined, these provisions pose significant challenges to Humboldt County's local cannabis farmer and the regulated development of the County's commercial cannabis industry as a whole.

As an existing open-air cultivator, I'd like to thank the Planning Commission and Staff for moving provisional permitting forward. However, I still have significant concerns regarding the County's resistance to issuing permits for centralized processing, nurseries and distribution until such time as a new ordinance is passed. Without such support facilities in the County, provisionally permitted farmers will still fail to have access to the legal marketplace come January 1, 2018. For this reason, I would like to express my support for the proposed language in the draft CCLUO which allows for the transportation of commercial cannabis with a business license. With that said, I would like to suggest that the County consider fine tuning this provision to match the State's new distribution transport license which allows for transport between cultivation, manufacturing and distribution facilities but not to retail facilities. If the County mirrors the expected State licensing scheme then local permit holders granted the ability to transport by the County will have a pathway to compliance with the State's requirements.

Additionally, the County's proposed 1000 foot setback for open air cultivation and flammable solvent extraction facilities, stands to disqualify most farms from continuing open air cultivation activities and will likely disqualify most HM zoned parcels, that would otherwise qualify for the Adaptive Reuse provisions, from housing these much needed facilities. While it is understandable that the County would like to find a solution for odor related complaints while addressing public safety concerns it is important that the Planning Commissioners and County Staff consider the potential environmental consequences associated with encouraging enclosed cultivation and the limitation of jobs if flammable extraction facilities are zoned out of existence.

In closing, I'd like to encourage the County to eliminate all restrictions pertaining to permit counting. While I understand and appreciate the concerns expressed regarding out of the area investment, I do have concerns that any limit on the number of permits could inadvertently disqualify local commercial cannabis permit holders from receiving local investment dollars in an effort to work together and establish much needed nursery, processing and distribution facilities. The current proposed language is somewhat confusing as currently written and it is likely that the State will establish limits, or caps, on the amount of cultivated area allowed to any one person. I strongly encourage the County to keep this draft ordinance simple and to please consider adopting Alternative 3, eliminating ownership restrictions on permits.

I want to thank the Planning Commissioners and County staff for considering the concerns expressed in this letter. Please see the following pages for language specific concerns and suggestions.

Sincerely,

Matt Scott
Humboldt's Finest
matt@humboldtsfinestfarms.com

Richardson, Michael

From: Joey Shepp <joey@sunfedinc.com>
Sent: Wednesday, November 15, 2017 5:42 PM
To: Lazar, Steve; Ford, John; Planning Clerk
Subject: Concerns Regarding the Draft Commercial Cannabis Land Use Ordinance (CCLUO)
Attachments: Humboldt County Ordinance Comments_09.09.17-JoeyShepp.docx

To Whom It May Concern:

My name is **Joey Shepp**. I am a landowner in Southern Humboldt, an applicant for existing cultivation and employee of a local cannabis company. I'm writing today to express concerns regarding the draft Commercial Cannabis Land Use Ordinance (CCLUO), published on November 10, 2017. As a landowner in Southern Humboldt, applying for existing 'open-air' cultivation, I look forward to engaging in the newly regulated cannabis market place and potentially investing in other local cannabis related businesses.

As I work my way through the application process in preparation for January 1, 2018 State licensing, I am experiencing a number of challenges with the draft language. The restrictions on ownership, the County's resistance to issuing provisional permits and the newly proposed restrictions on flammable solvent manufacturing pose significant challenges to Humboldt County's local cannabis farmer and the regulation of commercial cannabis.

1000 foot setback

Additionally, the County's proposed 1000 foot setback for open air cultivation and flammable solvent extraction facilities, stands to disqualify most properties from continuing the open air cultivation activities and renders most HM zoned parcels that would otherwise qualify for the Adaptive Reuse provisions, excluded from housing these much needed facilities. While it is understandable that the County would like to find a solution for odor related complaints while addressing safety concerns it is important that the Commissioners and County Staff consider the potential environmental consequences associated with encouraging enclosed cultivation and the limitation of jobs if flammable solvent extraction facilities are zoned out of existence.

Four Acre Per Person Limit

In closing, I'd like to mention that the County's proposed permitting limit of four acres of cultivation per person, poses challenges to both farmers and other license types in regards to receiving local investment money. The current definition for 'person' is so broad that applying the four acre limit to cultivation related permit types could severely limit the ability of farmers to invest in much needed facilities such as nurseries, centralized processing and manufacturing, and distribution. Restricting the ability for locals to invest in much needed local facilities could have the unintentional consequence of encouraging investment from out of the area. I'd like to respectfully request that the Commissioners and County Staff consider eliminating the restriction on permit amounts completely, thereby allowing local applicants to invest in additional local facilities ultimately encouraging local money to stay local.

I want to thank the Commissioners and County staff for considering the concerns expressed in this letter. Please see the following pages for language specific concerns and suggestions.

Sincerely,

Joey Shepp
SunFed Inc. CFO
Humboldt's Finest President

Richardson, Michael

From: Ford, John
Sent: Thursday, November 16, 2017 7:21 AM
To: Lazar, Steve; Richardson, Michael; Lippre, Suzanne
Subject: FW: Proposed ordinance

FYI and for Commissioners

John



John H. Ford
Director
[Planning and Building Department](#)
707.268.3738

From: Matt Scott [<mailto:matt@mumboldtsfinestfarms.com>]
Sent: Wednesday, November 15, 2017 1:39 PM
To: Ford, John
Subject: Proposed ordinance

To John Ford:

Hello. My name is Matt Scott. I am a landowner in Southern Humboldt and an applicant for existing cultivation, new cultivation, centralized processing, and nursery. I'm writing today to express concerns regarding the draft Commercial Cannabis Land Use Ordinance (CCLUO), published on November 10, 2017. As a landowner in Southern Humboldt, applying for existing and new 'open-air' cultivation, and centralized processing, and nursery, I look forward to engaging in the newly regulated cannabis market place and potentially investing in other local cannabis related businesses. As I work my way through the application process in preparation for January 1, 2018 State licensing, I am experiencing a number of challenges with the process itself. The County's resistance to issuing permits, restrictions on ownership and the newly proposed 1000 foot setback for all open-air cultivation and flammable extraction activities. Combined, these provisions pose significant challenges to Humboldt County's local cannabis farmer and the regulated development of the County's commercial cannabis industry as a whole.

As an existing open-air cultivator, I'd like to thank the Planning Commission and Staff for moving provisional permitting forward. However, I still have significant concerns regarding the County's resistance to issuing permits for centralized processing, nurseries and distribution until such time as a new ordinance is passed. Without such support facilities in the County, provisionally permitted farmers will still fail to have access to the legal marketplace come January 1, 2018. For this reason, I would like to express my support for the proposed language in the draft CCLUO which allows for the transportation of commercial cannabis with a business license. With that said, I would like to suggest that the County consider fine tuning this provision to match the State's new distribution transport license which allows for transport between cultivation, manufacturing and distribution facilities but not to retail facilities. If the County mirrors the expected State licensing scheme then local permit holders granted the ability to transport by the County will have a pathway to compliance with the State's requirements.

Additionally, the County's proposed 1000 foot setback for open air cultivation and flammable solvent extraction facilities, stands to disqualify most farms from continuing open air cultivation activities and will likely disqualify most HM zoned parcels, that would otherwise qualify for the Adaptive Reuse provisions, from housing these much needed facilities. While it is understandable that the County would like to find a solution for odor related complaints while addressing public safety concerns it is important that the Planning Commissioners and County Staff consider the potential environmental consequences associated with encouraging enclosed cultivation and the limitation of jobs if flammable extraction facilities are zoned out of existence.

In closing, I'd like to encourage the County to eliminate all restrictions pertaining to permit counting. While I understand and appreciate the concerns expressed regarding out of the area investment, I do have concerns that any limit on the number of permits could inadvertently disqualify local commercial cannabis permit holders from receiving local investment dollars in an effort to work together and establish much needed nursery, processing and distribution facilities. The current proposed language is somewhat confusing as currently written and it is likely that the State will establish limits, or caps, on the amount of cultivated area allowed to any one person. I strongly encourage the County to keep this draft ordinance simple and to please consider adopting Alternative 3, eliminating ownership restrictions on permits.

I want to thank the Planning Commissioners and County staff for considering the concerns expressed in this letter. Please see the following pages for language specific concerns and suggestions.

Sincerely,

Matt Scott
Humboldt's Finest
matt@humboldtsfinestfarms.com

To Whom It May Concern:

My name is Brendan Baker. I am a business owner in Southern Humboldt and an applicant for nursery, manufacturing and distribution. I'm writing today to express concerns regarding the draft Commercial Cannabis Land Use Ordinance (CCLUO), published on November 10, 2017. As a business owner in Southern Humboldt I look forward to engaging in the newly regulated cannabis market place and potentially investing in other local cannabis related businesses.

As I work my way through the application process in preparation for January 1, 2018 State licensing, I am experiencing a number of challenges with the process itself. The County's resistance to issuing permits, restrictions on ownership and the newly proposed 1000 foot setback for all open-air cultivation and flammable extraction activities. Combined, these provisions pose significant challenges to Humboldt County's local cannabis farmer and the regulated development of the County's commercial cannabis industry as a whole.

As a business owner, I'd like to thank the Planning Commission and Staff for moving provisional permitting forward. However, I still have significant concerns regarding the County's resistance to issuing permits for centralized processing, nurseries and distribution until such time as a new ordinance is passed. Without such support facilities in the County, provisionally permitted farmers will still fail to have access to the legal marketplace come January 1, 2018. For this reason, I would like to express my support for the proposed language in the draft CCLUO which allows for the transportation of commercial cannabis with a business license. With that said, I would like to suggest that the County consider fine tuning this provision to match the State's new distribution transport license which allows for transport between cultivation, manufacturing and distribution facilities but not to retail facilities. If the County mirrors the expected State licensing scheme then local permit holders granted the ability to transport by the County will have a pathway to compliance with the State's requirements.

Additionally, the County's proposed 1000 foot setback for open air cultivation and flammable solvent extraction facilities, stands to disqualify most farms from continuing open air cultivation activities and will likely disqualify most HM zoned parcels, that would otherwise qualify for the Adaptive Reuse provisions, from housing these much needed facilities. While it is understandable that the County would like to find a solution for odor related complaints while addressing public safety concerns it is important that the Planning Commissioners and County Staff consider the potential environmental consequences associated with encouraging enclosed cultivation and the limitation of jobs if flammable extraction facilities are zoned out of existence.

In closing, I'd like to encourage the County to eliminate all restrictions pertaining to permit counting. While I understand and appreciate the concerns expressed regarding out of the area investment, I do have concerns that any limit on the number of permits could inadvertently disqualify local commercial cannabis permit holders from receiving local investment dollars in an effort to work together and establish much needed nursery, processing and distribution facilities. The current proposed language is somewhat confusing as currently written and it is likely that the State will establish limits, or caps, on the amount of cultivated area allowed to any one person. I strongly encourage the County to keep this draft ordinance simple and to please consider adopting Alternative 3, eliminating ownership restrictions on permits.

I want to thank the Planning Commissioners and County staff for considering the concerns expressed in this letter. Please see the following pages for language specific concerns and suggestions.

Sincerely,

Brendan Baker

Chief Executive Officer, Sunfed, Inc.

Comments Pertaining to the November 10, 2017 Draft CCLUO

Permit Counting

Page 13, 14 of the draft ordinance; page 31 of the staff report

55.4.5.4 Permit Limits and Permit Counting

55.4.5.4.1

No more than four acres of Commercial Cannabis Activity cultivation permits may be issued to a single person, as defined herein. For purposes of this limitation, any natural person who owns or controls any interest, directly or indirectly, in a firm, partnership, joint venture, association, cooperative, collective, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, shall be collectively considered a single person with those entities, except that membership or an ownership interest in a Cannabis Cooperative Association shall not be considered in this limitation.

55.4.5.4.2 Where on the same Parcel or Premises multiple different types of Commercial Cannabis Activity permits are held by the same Person, they shall be counted as a single permit for purposes of this section.

55.4.5.4.3 Where on the same Parcel or Premises, more than one permit for the same type of Commercial Cannabis Activity is held by the same Person, each permit will be counted towards the total number of permits held for purposes of this section.

55.4.5.4.4 Cannabis Support Facilities described under 55.4.7 shall not be counted as a permit for purposes of this section.

Alternative 3

3 55.4.5.4 — Permit Limits and Permit Counting

55.4.5.4.1 No more than four acres of Commercial Cannabis cultivation permits may be issued to a single person, as defined herein. For purposes of this limitation, any natural person who owns or controls any interest, directly or indirectly, in a firm, partnership, joint venture, association, cooperative, collective, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, shall be collectively considered a single person with those entities.

55.4.5.4.2 Where on the same Parcel or Premises multiple different types of Commercial Cannabis Activity permits are held by the same Person, they shall be counted as a single permit for purposes of this section.

55.4.5.4.3 Where on the same Parcel, more than one permit for the same type of Commercial Cannabis Activity is held by the same Person, each permit will be counted towards the total number of permits held for purposes of this section.

55.4.5.4.4 Cannabis Support Facilities described under 55.4.7 shall not be counted as a permit for purposes of this section.

Comment: The suggestion to limit permit holders to a maximum of 4 acres of cultivation related permits could pose challenges to local farmers seeking to participate in local investment. The current language in Sections 55.4.5.4.2, 55.4.5.4.3, and 55.4.5.4.4 are confusing at best. If a person is limited to 4 Acres of cultivation related permits, and non-cultivation permits are considered 'Cannabis Support Facilities' then how are sections 55.4.5.4.2 and 55.4.5.4.3 applied? Due to the confusing nature of the permit counting language we respectfully encourage the County to choose Alternative 3 and eliminate permit counting. Additionally, it is very likely that the State will establish a limit, or cap on the amount of cultivation area allowed by any one person.

Setbacks

Page 17, 18 of the draft ordinance; pages 35, 36

55.4.6.4.4 Setbacks

Standard Setbacks

Cultivation Site(s) must observe all of the following setbacks:

e) The setback required from associated property lines or residence(s) on an adjacent privately owned property may be waived or reduced with the express written consent of the owner(s) of the subject property.

Comments: Will Subsection e) apply to Alternative 6 if Alternative 6 passes? Or is subsection e) made mute due to the language included as (l) of Alternative 6?

Page 19 of the draft ordinance; page 37 of the staff report

Alternative 6

Special Area Setbacks for Odor Mitigation

In addition to the Standard Setbacks, Open Air Cultivation Sites located within any of the Special Areas described under 55.4.5.1.5 are subject to the following enhanced setbacks:

(j) One thousand feet (1,000') from the boundary of any residentially zoned area or applicable Community Planning Area boundary;

(k) One thousand feet (1,000') from any residence located on a separately owned parcel.

Cultivation activities confined to Enclosed structures are not subject to these setbacks.

(l) Where an application for an Open Air Cultivation land use permit was timely filed on or before December 31, 2016 but was not approved prior to the provisions of this section becoming effective, an applicant may seek an exception from the prescribed open air cultivation setbacks of 55.4.5.1.5 (j) and (k) with a Use Permit. In considering the Use Permit, the Planning Commission shall evaluate whether a reduced setback would result in adverse impacts to surrounding land uses, as well as whether project alternatives or opportunities for additional feasible mitigation exist.

Comments: By applying a 1000-foot setback to open air cultivation and flammable solvent manufacturing the County will create exclusionary zoning potentially eliminating the ability for these two types of commercial cannabis activities to legally occur within the County.

Manufacturing

Page 6, 7 of the draft ordinance; page 24, 25 of the staff report

“Extraction, non-flammable” means the manufacture of cannabis products using cold water, heat press, lipid (butter, milk, oil) or other non-chemical extraction method to make bubble hash, kief, rosin, cannabis-infused lipid, etc. Also included in this definition is supercritical fluid CO2 extraction to make cannabis concentrates/oils (closed loop only).

“Extraction, flammable” means using compressed and uncompressed liquid solvents such as pentane, hexane, butane, propane, ethanol, isopropyl alcohol, and the like to make cannabis concentrates/oil (closed loop only). Also included in this definition is post extraction refinement, which is taking previously extracted cannabis concentrates and further refining through processes such as chromatography, to make distillates.

“Infusion” means a process by which cannabis, cannabinoids, cannabis concentrates, or manufactured cannabis are directly incorporated into a product formulation (e.g. oil, milk, butter, other lipids) to produce a cannabis product including: edibles such as baked goods, tinctures, lotions and salves, soaps, vape pens, and the like.

Page 28, 29 of the draft ordinance; page 46, 47 of the staff report

55.4.8.2 MANUFACTURING

Manufacturing Sites must comply with all applicable performance standards, as well as meet the Eligibility Criteria specified in Section 55.4.6.3 as well as comply with the Siting Criteria specified in Sections 55.4.6.4.1, 55.4.6.4.2, 55.4.6.4.3, and 55.4.6.4.4 (c), (d) and (g). Manufacturing activities may then be permitted as follows:

55.4.8.2.1 Flammable Extraction

55.4.8.2.1.1 Manufacturing activities involving Flammable Extraction may be permitted with a Special Permit in the MH zone, as well as the U zoning district, when accompanied by the Industrial General (IG) land use designation.

55.4.8.2.1.2 Manufacturing activities involving Flammable Extraction may also be permitted with a Conditional Use Permit in the C-3 and ML zones, as well as the U zoning district, where previously developed with a lawful heavy industrial use.

55.4.8.2.1.3 All manufacturing activities involving Flammable Extraction must be conducted within a commercial structure and must be conform to the Special Area setbacks of 55.4.6.4.4 (j) and (k).

Comments: By applying a 1000-foot setback to flammable extraction facilities the County will potentially eliminate the ability for these facilities to locate within the County.

Transportation of Commercial Cannabis

Page 31 of the draft ordinance; page 48 of the staff report

Alternative 11

55.4.10.8 Transportation of Commercial Cannabis With a business license, persons may engage in the transportation of commercial cannabis. Such persons shall identify the location where the vehicle used in transportation will be stored, and may only transport commercial cannabis between sites that are permitted or licensed for commercial cannabis activities. Transportation does not include warehousing or storage of cannabis.

Comments: We strongly support this provision in concept and suggest that the County consider clarifying this provision by changing the language to match the Bureau of Cannabis Control's distributor transport license type. (Distributor transport: Allows a licensee to transport cannabis goods between licensed cultivators, manufacturers, and distributors. A licensee may not transport cannabis goods to a licensed retailer and may not engage in any other distributor activities. http://bcc.ca.gov/about_us/documents/17-191_information_workshop.pdf)

November 28, 2017

Mr. Steve Lazar
Senior Planner, Long Range Planning
Humboldt County Planning Department
3015 H Street
Eureka CA 95501

Dear Steve,

As always, good talking with you this morning. Thanks for taking the time from your busy schedule.

As we discussed this morning, this letter is to urge Planning to consider the trends in cannabis retail outside Humboldt County, their implications for our local growers (and tax base), and to propose a solution that has state Bureau of Cannabis Control support.

EcoMeds' experiences over the past 12 months in trying to establish sales through large urban dispensaries is that **the state's decision to eliminate the bans on vertical integration and >1 acre grow size has led mid- and large size dispensaries to develop their own cultivation and manufacturing operations.** The result has been that many dispensaries are decreasing/eliminating their purchases from small farmers like EcoMeds.

The customer base of these urban dispensaries represents the majority of statewide cannabis consumers. With no ban on vertical integration, and the influx of huge outside investments, it is likely these dispensaries will continue to expand their chokehold over statewide retail sales.

The BCC decisions, in my opinion, represent an existential threat to the rural Humboldt

farmers who pioneered this industry. Since most large dispensaries' cultivation is planned for traditional Central Valley counties where permitting, water, electricity, and staffing is cheap and abundant, this trend also threatens the Measure S tax base on which Humboldt County's budget projections are based.

I discussed these threats with Chief Ajax and her staff in September, and we discussed the opportunity for rural farmers to operate a "farm-to-patient" business under the BCC's Microbusiness category (BCC Emergency Regulations Sec. 5500, p. 57).

Chief Ajax affirmed the state would have no problem with this ecommerce "direct-to-consumer" model so long as all local permits were in place and the activities were managed in accordance with state and local regulations. She pointed out the existence of the state's Type 9 Non-Storefront Retail License (Sec. 5414, p. 52 and Sec. 5500 (e)(4), page 58) and suggested this would be the logical license for an Internet-based sales model. I have shared her suggestion with Supervisor Fennell.

As you and I discussed this morning, BCC regulations (Sec. 5500 (a) require a Microbusiness to operate at least three of the following activities: cultivation, manufacturing, distribution, and retail (including Non-Storefront) sale. The state also requires all activities permitted under a Microbusiness license to be conducted at the same premises (Sec. 5500, (d)).

Therefore, I believe it is imperative that the proposed Regulatory revisions being prepared for consideration by Humboldt County Planning Commissioners and Supervisors be drafted to allow Humboldt-based California Microbusiness applicants whose premises meet all required conditions to apply for a Humboldt County use permit based on the state's Non-Storefront Retail and Microbusiness license requirements.

I believe it's also vital that HumCo regulations allow the four Microbusiness activities required by the state to be permittable on a single premise, so long as that premise meets the individual requirements of each use. Let's make sure these requirements are achievable for rural farmers.

Finally, since cultivation is the engine for Measure S tax revenues, I believe it is critical that the other required Microbusiness activities (manufacturing, distribution, and non-storefront retail) be included as permitted uses on a cultivation parcel that meets the County's requirements.

Indeed, the integration of cultivation, non-volatile manufacturing, self-distribution, and non-storefront retail activities in a single rural farm are at the heart of Humboldt County's ability to spark a robust cottage industry of specialty product manufacturers that can deliver the economic and tax base growth that Humboldt County has invested so much time and effort in.

World-renowned brands like Tom's of Maine, Clif Bars, and Lagunitas Brewery all had their start at kitchen tables in rural areas. I believe Humboldt Planning Commissioners and Supervisors have the opportunity to help tomorrow's Humboldt-founded, world-renowned cannabis brands to directly reach California's cannabis consumers and grow successful Humboldt-based businesses despite the anti-competitive barriers of big city, vertically integrated retailers.

Steve, I very much appreciate your hard work on HumCo's regulations over the past thirty months, and look forward to hearing what our Supervisors and Commissioners decide with respect to this important threat and opportunity.

I've copied Supervisor Fennell, Director Ford and the Planning Clerk per your recommendation.

Best,

Robert May

EcoMeds LLC

APPS 10706

APN 223-111-004

415-710-5000

cc: Supervisor Fennell, Director Ford, Clerk of the Planning Commission

To Whom It May Concern:

My name is **Matt Scott**. I am a landowner in Southern Humboldt and an applicant for existing cultivation, new cultivation, **distribution, manufacturing, centralized processing, and a nursery**. I'm writing today to express concerns regarding the draft Commercial Cannabis Land Use Ordinance (CCLUO), published on November 10, 2017. As a landowner in Southern Humboldt, applying for existing 'open-air' cultivation, I look forward to engaging in the newly regulated cannabis market place and potentially investing in other local cannabis related businesses.

As I work my way through the application process in preparation for January 1, 2018 State licensing, I am experiencing a number of challenges with the process itself. The County's resistance to issuing permits, restrictions on ownership and the newly proposed 1000 foot setback for all open-air cultivation and flammable extraction activities. Combined, these provisions pose significant challenges to Humboldt County's local cannabis farmer and the regulated development of the County's commercial cannabis industry as a whole.

As an existing open-air cultivator, I'd like to thank the Planning Commission and Staff for moving provisional permitting forward. However, I still have significant concerns regarding the County's resistance to issuing permits for centralized processing, nurseries and distribution, and manufacturing until such time as a new ordinance is passed. Without such support facilities in the County, provisionally permitted farmers will still fail to have access to the legal marketplace come January 1, 2018. For this reason, I would like to express my support for the proposed language in the draft CCLUO which allows for the transportation of commercial cannabis with a business license. With that said, I would like to suggest that the County consider fine tuning this provision to match the State's new distribution transport license which allows for transport between cultivation, manufacturing and distribution facilities but not to retail facilities. If the County mirrors the expected State licensing scheme then local permit holders granted the ability to transport by the County will have a pathway to compliance with the State's requirements.

Additionally, the County's proposed 1000 foot setback for open air cultivation and flammable solvent extraction facilities, stands to disqualify most farms from continuing open air cultivation activities and will likely disqualify most HM zoned parcels, that would otherwise qualify for the Adaptive Reuse provisions, from housing these much needed facilities. While it is understandable that the County would like to find a solution for odor related complaints while addressing public safety concerns it is important that the Planning Commissioners and County Staff consider the potential environmental consequences associated with encouraging enclosed cultivation and the limitation of jobs if flammable extraction facilities are zoned out of existence.

In closing, I'd like to encourage the County to eliminate all restrictions pertaining to permit counting. While I understand and appreciate the concerns expressed regarding out of the area investment, I do have concerns that any limit on the number of permits could inadvertently disqualify local commercial cannabis permit holders from receiving local investment dollars in an effort to work together and establish much needed nursery, manufacturing, processing, and distribution facilities. The current proposed language is somewhat confusing as currently written and it is likely that the State will establish limits, or caps, on the amount of cultivated area allowed to any one person. I strongly encourage the County to keep this draft ordinance simple and to please consider adopting Alternative 3, eliminating ownership restrictions on permits.

I want to thank the Planning Commissioners and County staff for considering the concerns expressed in this letter. Please see the following pages for language specific concerns and suggestions.

Sincerely,

Matt Scott

Owner, Humboldt's Finest

Richardson, Michael

From: Ford, John
Sent: Wednesday, December 13, 2017 6:35 PM
To: Lazar, Steve; Richardson, Michael
Subject: FW: Planning Commission Meeting - December 14, 2017

John H. Ford

Director

Planning and Building Department

707.268.3738

-----Original Message-----

From: Virginia Fox [<mailto:ginnyfox@att.net>]
Sent: Wednesday, December 13, 2017 5:12 PM
To: Ford, John; Planning Clerk
Subject: Planning Commission Meeting - December 14, 2017

Dear Director Ford and Supervisors,

I would like to echo my support for the comments made by Bill Thorington on behalf of the NHA regarding setbacks and their application to existing permitted cannabis operations. We want to be fair to those growers who are playing by the rules, but at the same time, to have consistent rules applied as much as possible. If an operation is "grandfathered", it should only be where existing physical structures are already in existence. Thank you.

Virginia Fox

Nelson-Hillside Association

501 Maya Ln. Fortuna, CA 95540
nha@suddenlink.net / 707-496-4703

December 13, 2017

Humboldt Planning Commission

Humboldt County Courthouse
825 5th Street
Eureka, CA 95501

Sent electronically: jford@co.humboldt.ca.us
planningclerk@co.humboldt.ca.us

RE: CMMLUO and CCLUO

Dear Commissioners and Director:

While I had planned to attend tomorrow's Planning Commission meeting, a conflict has just arisen that prevents my attendance, so I am submitting this letter, albeit late, to make our views known.

Regarding the issue of setbacks: The NHA strongly endorses the greater setback to protect adjacent property owners, roadways and nearby buildings, roads and structures. Furthermore, the larger setback should be applied to all approved applications that have not already set permanent structures, such as foundations, in the ground. All possible attempts should be made to have a fair and uniform setback for the protections of adjacent residents, homeowners and businesses, even if it is retroactive to some approved applications.

Regarding pending applications: It is the opinion of the NHA that only applications that have received final approval under the CMMLUO should be held to those standards and regulations. Any application still in any pending status, which has not yet been approved at the time the pending CCLUO is approved, should be held to the conditions and regulations of the CCLUO. While many pending application may have to resubmit additional data and make changes to their application, the County should permit such modifications without additional cost, or changing their priority or position in the Queue.

While there will always be some that are allowed to operate under the CMMLUO, let's try to keep that to a minimum and to apply setbacks to all applicants, unless permanent structures have been erected. Follow up and code enforcement will be greatly enhanced by having a uniform set of codes with the least amount of "grandfathered" cases to consider.

Respectfully,

Bill Thorington

Bill Thorington, Chairman
Nelson Hillside Association

Richardson, Michael

From: Ford, John
Sent: Thursday, December 14, 2017 8:29 AM
To: Lazar, Steve; Richardson, Michael; Lippre, Suzanne
Subject: FW: Public comment for 12/14/17 Planning Commission Meeting



John H. Ford
Director
[Planning and Building Department](#)
707.268.3738

From: Samantha Chukker [<mailto:samanthachukker@yahoo.com>]
Sent: Wednesday, December 13, 2017 4:29 PM
To: Ford, John
Subject: Public comment for 12/14/17 Planning Commission Meeting

The following echoes my stance on the matter of setbacks and the CMMLUO. I am a member of NHA and a resident of Fortuna and a homeowner AND a concerned parent.

Please consider these words as my sentiments as well (via Bill Thorington):

“Regarding the issue of setbacks: The NHA strongly endorses the greater setback to protect adjacent property owners, roadways and nearby buildings, roads and structures. Furthermore, the larger setback should be applied to all approved applications that have not already set permanent structures, such as foundations, in the ground. All possible attempts should be made to have a fair and uniform setback for the protections of adjacent residents, homeowners and businesses, even if it is retroactive to some approved applications.

Regarding pending applications: It is the opinion of the NHA that only applications that have received final approval under the CMMLUO should be held to those standards and regulations. Any application still in any pending status, which has not yet been approved at the time the pending CCLUO is approved, should be held to the conditions and regulations of the CCLUO. While many pending application may have to resubmit additional data and make changes to their application, the County should permit such modifications without additional cost, or changing their priority or position in the Que.

While there will always be some that are allowed to operate under the CMMLUO, let’s try to keep that to a minimum and to apply setbacks to all applicants, unless permanent structures have been erected. Follow up and code enforcement will be greatly enhanced by having a uniform set of codes with the least amount of “grandfathered” cases to consider.”

Sincerely,

Samantha Lee
Fortuna, CA
708-725-2572
1242 Elizabeth Barcus Way
Fortuna, CA 95540

Sent from my iPhone

12/18/17

From: Drew Barber and
Dylan Mattole
Mattole Valley Small Scale Growers Consortium

To: Rex Bohn, Humboldt County supervisor and
John Ford Humboldt County Building and Planning Director

We are 11 farms representing 11 families. We are long-term members of our Humboldt community. Our children are in school here. We sit on many local boards, and serve as officers and members in the local fire department. We are also holders of Cannabis cultivation permits. Small Scale growers have been the back bone of Humboldt county commerce for many years.

We understand that the diverse and unregulated cannabis market in the past has caused administrative and regulatory challenges and offered minimal direct financial contributions to the county government. We also understand that a Humboldt county government that is supportive of the new regulated cannabis market stands to gain handsomely. We also recognize that Humboldt county geography is best fit for small-scale value added farming. If we do not capitalize on these advantages in the marketplace, the entire county will lose – falling back into a bust cycle where we have been so many times through out history.

We wish to offer what we think is critical direction to Humboldt County's decisions regarding management and control of cannabis operations.

Small Scale growers in Humboldt are exhausted, and at the bottom of their financial barrel. This is resultant from expensive permitting process, the county flat tax, state permit fees and recent decisions made by CDFA that remove the 1 acre cap, as well as previous removal of any restrictions on vertical integration. The business model of the Humboldt County small scale grower is in peril.

Currently cost savings advantage and market share have been handed to large-scale operations located in urban environments outside of our county. Humboldt County is loosing a huge economic opportunity. The state has handed the small-scale farm and Humboldt County two advantages – the “micro business” and the agricultural co-op.

The “micro business” license allows a cultivator to apply for three licenses if they are under 10,000 square feet and the county approves. This license is the only way for example, that a small scale business can take it's products to any market with out having a distributor. The implication of this is that without each farm possessing it's own distributor license, a distributor will have to come out to our rural communities, travel to each distantly located farm to pick up product. The volume

of a small scale grower will make this cost unattractive to a distributor who can make more profit from fewer, closer and larger scale grow locations – like there are and will be in urban environments to the south. This will also drive the profit margin for the small farm down further

Small farms are also allowed to form agricultural cooperatives (Chapter 22 MAUCRSA) that do not exceed 4 acres cumulatively. We have a rich history of this right here in Humboldt County from when the dairy industry also faced increasing regulatory requirements. The agricultural cooperative made Humboldt Counties dairy boom carry on to this day and not end in a bust. County support of agricultural coops could do the same for the cannabis industry. This would require a more broad willingness from the county to work with co-ops through land use decisions to make those efforts effective.

In summary, we find it imperative to the success of small businesses in Humboldt County and to the Humboldt County economy that the county approve a broader range of cannabis land use for permit holders, to allow the micro business license to function as it is intended by the state. In addition it is imperative that the county offer agricultural coops benefits to land use so they can take advantage of a willingness to work together to maintain market share and keep Humboldt County cannabis fiscally viable.

Our recommendations:

1. Permit micro businesses to operate three of the four licenses permitted only as a micro business
2. Permit coops to designate specific and appropriate members parcels to have land use that allows a manufacturing, distribution (non volatile), and or retail non-store front status.
3. Permit coops to utilize a mobile process trailer to process and manufacture on-site at members farms. As well as to permit coops to designate specific and appropriate members parcels as centralized locations for storage of shared tools including a mobile process trailer.

Thank you for your time,

Drew Barber and
Dylan Mattole
Co-founders Mattole Valle Small Scale Growers Consortium

Richardson, Michael

From: Ford, John
Sent: Thursday, December 28, 2017 5:09 PM
To: Richardson, Michael; Lazar, Steve
Cc: Lippre, Suzanne
Subject: FW: Letter regarding concern over cannabis operations set backs



John H. Ford
Director
[Planning and Building Department](#)
707.268.3738

From: Dr. Donald Fregeau [<mailto:donalddf@yahoo.com>]
Sent: Thursday, December 14, 2017 3:29 PM
To: Ford, John
Subject: Letter regarding concern over cannabis operations set backs

Dear Mr. Ford:

Regarding the meeting to consider issues about setbacks or cannabis operations from cities and residential areas:

I am writing to voice my opinion regarding commercial cannabis operations situated so close to heretofore generally accepted residential areas. It is the height of stupidity to allow commercial to exist so close to residential areas. The rural nature of Humboldt County allows for the segregation of grows which could protect residential areas from the effects of increased traffic, marijuana smell, outrageous night time security lighting and the unique problems associated with marijuana grows. There are so many areas grows could exist and not impact residential areas. The 600 foot offset is a joke. I have photos of my growing neighbor walking down my road with a pistol in his hand and peering into my security camera while wearing a tactical vest.

Marijuana activity brings different problems with it. It is not legally recognized in the same way a farming operation or flower growing or commercial vegetable garden and so should be treated as such. There are lots of places grows could exist and not impact local residential areas. A grow should never be allowed to exist next to and abutting any city limit.

My property is next to a current grow. My children and grandchildren play in the pasture and tell me they can smell the marijuana. I am appalled that the supervisors and planning department have allowed the grows to negatively impact long time residents who have worked hard to create a home that now is not what it used to be. We are the people who have helped build Humboldt County. The growers are interlopers and have been outlaws for years.

The current regulation does not allow for grows to exist on roads which fail to meet a category 4 standard. Loop Road does not meet that standard yet we have grows along Loop Road. Why is it that the treatment of the growers seems favorable for them but no concern is shown to the long time resident? My growing neighbor is not from Humboldt County yet he has no problem dropping his grow into an area which by law should have been excluded from a commercial operation.

I have no faith that either the planning department or board has any concern for the long time residents negatively impacted by the current lenient treatment of growers. If they did we would not see grows next to residential areas and abutting the city limit. I am hoping against hope to have my once beautiful property restored by pushing the grows away from Fortuna and other cities.

I have heard it said that to apply new regulations to already permitted operations would be like "nuking" them. What do you call it when residents who have been law-abiding all their lives, working hard to build a legacy for their family, find their holdings forever altered by unreasonable pot grows on their doorsteps. I feel we are the ones who

have been nuked. It is just plain unfair and we find ourselves at your mercy. You alone have the power to reinstate fairness and equity to the hard-working residents who have played by the rules and legally paid for what they have acquired. Making setbacks retroactive will inconvenience a few growers but benefit many more of these taxpaying residents.

Sincere regards,

Donald Fregeau Jr.
3653 Loop Road
Fortuna, CA 95540
707-725-4419
donaldfvf@yahoo.com



November 1, 2017

Planning Commission Clerk
County of Humboldt Planning and Building Department
3015 H Street
Eureka, CA 95501

RE: WCCSD comments on updates to the Humboldt County Commercial Cannabis Ordinance

Planning Clerk,

The Willow Creek Community Services District (WCCSD) Board met on October 26th, 2017 at their regular board meeting and discussed the current proposed draft changes to the Humboldt County Commercial Cannabis ordinance. Specifically, we discussed how the ordinance will impact our downtown.

The WCCSD has always had a vested interest in our community. Please see the attached vision and mission statements of our three departments. Additionally, I would like to direct your attention to the Willow Creek Community Action Plan (CAP) from 1996 and 2003. The vision statements in the CAP include the following which are particularly relevant to the topic of this letter.

- Willow Creek will be an attractive rural community with a healthy downtown business district.
- The town will be comprised of a number of thriving small businesses (rather than one or two large ones).
- The town will retain the positive aspects of a rural community, including low crime, trust, safety, and a relaxed feel.

The community of Willow Creek is quite spread out with the exception of our small downtown. This downtown area, or business district, is critical to the viability of our community. Please see attached map which was developed for our current wastewater project which we are currently in the final stages of design. For the purposes of this letter, the "downtown" area also includes the properties on each side of the highway north on highway 96, which includes the elementary school, forest service, and medical services.

We would like this downtown area to be used for commercial businesses which serve the public by providing goods or services. Our downtown area currently has gas stations, restaurants, coffee shops, markets, accountants, realty office, vet and pet grooming and other similar businesses.

We would like the county to help the community of Willow Creek maintain our vision for our small downtown. Specifically, the following are items we hope to maintain:

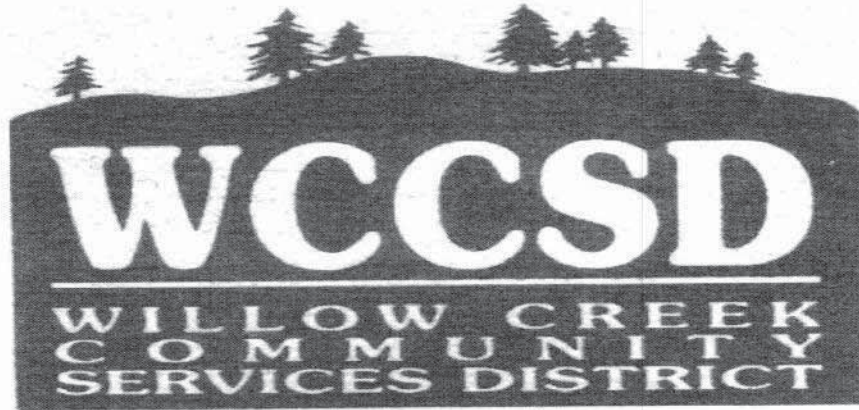
1. Retail – Our downtown area is quite small. For this reason, we would like to maintain the small amount of space for retail and service businesses. A small amount of manufacturing associated with a retail store may be welcomed.
2. 2 Stories – We understand the local volunteer fire department does not have the ability to fight fires over 2 stories in height. For this reason, the building height in downtown (and in all of the greater Willow Creek area) should be restricted to not more than 2 stories in height.
3. Smell – We would like to have our town be welcoming to all walks of life. To do this, we would like to avoid the smell of cannabis in our downtown area.
4. Safety – We would like our downtown to be as safe as possible. We would like to restrict the types of businesses in downtown that require the security of armed guards. If a business requires an armed security guard, this generally means they have significantly valuable goods in the building that could entice armed robberies.
5. Welcoming – We would like all buildings and properties in downtown to be welcoming. Tourism is a significant element in our community and a welcoming downtown is key to maintaining tourism. For example, security fences, or boarded up windows which impart exclusivity are not desired effect.
6. Hazards – We would like to restrict the use of volatile chemicals and other hazardous elements in our downtown district.

While this letter is meant to address the cannabis ordinance, we don't necessarily expect the items above to be incorporated into the ordinance itself. We will leave the determination of how to best apply the land use goals of the downtown area of Willow Creek to the Planning Department and Planning Commission. Additionally, with this new business market and associated regulations, the WCCSD plans to meet and discuss this topic at future meetings. Additional comments or concerns may be developed at these meetings that will be sent to the county at that time.

Sincerely,



Susan O'Gorman
General Manager



DISTRICT MISSION

The MISSION of the Willow Creek Community Services District is to deliver efficient, environmentally sound, economical, and compliant services to the residents of Willow Creek. We are committed to providing reliable, high quality water, street lighting, wastewater services and well maintained parks and recreation facilities.

Recreation Vision & Mission Statement

Vision:

We see a prosperous, beautiful village, growing in an agrarian setting. Its inhabitants take care of and use the wilderness and nature that surrounds it. A diversity of people lives in and passes through this village. This village, Willow Creek, is a unique, integrated part of our state, our nation and our world.

Mission:

The Recreation Department of the WCCSD will be part of creating this vision by husbanding, in a fiscally responsible manner, its various holdings for the health and safety benefits they provide those living near and passing through Willow Creek. The department will offer a variety of options for all ages, from leisurely walks through our landscaped village to vigorous exercise in our summer sports programs. Our Recreation Department will cooperate with the public and private sectors to avoid unnecessary duplication of services.

Waste Water Mission and Vision Statement

Vision

We see a prosperous, beautiful village, growing in an agrarian setting. Its inhabitants take care of and use the wilderness and nature that surrounds it. A diversity of people lives in and passes through this village. This village, Willow Creek, is a unique, integrated part of our state, our nation and our world.

Mission

In order to help fulfill this vision, the WCCSD Board of Directors hopes to begin an environmentally progressive wastewater system for the heart of our community. This wastewater system will help us protect the health of our people and our river. It will help each property owner to prosper by bringing added flexibility to our land usage. It will stimulate a more vibrant, local economy by helping to create a walkable and diversified commercial center for our residents and visitors alike.



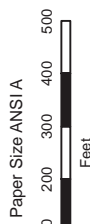
Source: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

Willow Creek Community Services District
 Project Name
 Job Number 1205711001
 Revision A
 Date 07 Nov 2013



LEGEND

- Core
- Supplemental Core (Residential Zoned Commercial)
- Expanded



Paper Size ANSI A
 Map Projection: Lambert Conformal Conic
 Horizontal Datum: North American 1983
 Grid: NAD 1983 StatePlane California 1 FIPS 0401 Feet

Potential Service Boundaries

From: [Dr. Donald Fregeau](#)
To: [Planning Clerk](#); [Planning Clerk](#)
Subject: Letter regarding Planning commissiod decisions regarding pot grows
Date: Thursday, December 14, 2017 11:32:16 AM

Dear Planning Commission:

I am writing to voice my opinion regarding commercial cannabis operations situated so close to heretofore generally accepted residential areas. It is the height of stupidity to allow commercial to exist so close to residential areas. The rural nature of Humboldt County allows for the segregation of grows which could protect residential areas from the effects of increased traffic, marijuana smell, outrageous night time security lighting and the unique problems associated with marijuana grows. There are so many areas grows could exist and not impact residential areas. The 600 foot offset is a joke. I have photos of my growing neighbor walking down my road with a pistol in his hand and peering into my security camera with a tactical vest.

Marijuana activity brings different problems with it. It is not legally recognized in the same way a farming operation or flower growing or commercial vegetable garden and so should be treated as such. There are lots of places grows could exist and not impact local residential areas. A grow should never be allowed to exist next to and abutting any city limit.

My property is next to a current grow. My children and grandchildren play in the pasture and tell me they can smell the marijuana. I am appalled that the supervisors and planning department have allowed the grows to negatively impact long time residents who have worked hard to create a home that now is not what it used to be. We are the people who have helped build Humboldt County. The growers are interlopers and have been outlaws for years.

The current regulation does not allow for grows to exist on roads which fail to meet a category 4 standard. Loop Road does not meet that standard yet we have grows along Loop Road. Why is it that the treatment of the growers seems favorable for them but no concern is shown to the long time resident? My growing neighbor is not from Humboldt County yet he has no problem dropping his grow into an area which by law should have been excluded from a commercial operation.

I have no faith that either the planning department or board has any concern for the long time residents negatively impacted by the current lenient treatment of growers. If they did we would not see grows next to residential areas and abutting the city limit. I am hoping against hope to have my once beautiful property restored by pushing the grows away from Fortuna and other cities.

Sincere regards,

Donald Fregeau Jr.
3653 Loop Road
Fortuna, CA 95540
707-725-4419
donaldvf@yahoo.com

January 4, 2018

To:
Humboldt County Board of Supervisors
County Courthouse
Eureka, CA

From:
EcoMeds LLC
Robert May
1271 Evergreen Dr. Suite 2
Redway, CA 95560

Dear Commissioners,

This letter is to suggest clarifications to the Draft Ordinance that will strengthen Humboldt County's competitiveness in the California cannabis industry, create rural jobs, and generate significant new tax revenues with no changes to current tax mechanisms.

Per EcoMeds' testimony at the November 22nd commission meeting, CA BCC believes that the Type 9 Non-Storefront Retail is the correct license for direct sales to consumers. BCC will require a valid local permit to issue the corresponding state license.

Sec. 55.4.10.2 (Farm-Based Retail Sales) of the current Planning Staff Report can be construed to permit direct internet sales from farms but its language is general and its requirements are onerous for rural farms.

There are significant differences between “on-location” sales to consumers driving up to a farmstand versus “off-location” sales to urban buyers who order from the Internet and receive their product at their city residence from a licensed transportation/delivery service.

Requiring an applicant to hire an engineering firm to evaluate private or county roads that are not owned and controlled by the applicant may be reasonable for on-location sales, where traffic control, fire safety, and road “wear-and-tear” from frequent buyer visits may be an issue. But we believe requiring an engineering report for an “off location” license is an unnecessary overreach.

Costs to operate urban-to-rural transportation are high. Humboldt farmers are not Amazon. Their range of products for sale are not large, therefore profits are low on a per trip basis. Therefore, “Off-Location” farms selling over the Internet will send their products to urban distribution depots from which deliveries will be made.

Due to high transportation costs, distributors (and their farmer customers) will be strongly incented to schedule these inventory pickups infrequently, on a weekly or even bi-monthly basis. These periodic pickups from the farm will be made by licensed transporters with professional drivers in vehicles no larger than a typical UPS or FedEx van. Thus, the environmental impact of “Off-Location” sales will be significantly less than “On-Location” FBS.

The Commission is rightfully concerned about preventing increased traffic, environmental impacts, and fire safety from Farm Sales. But over-regulation hurts Humboldt County. Expensive and intrusive engineering studies, for example, (especially on roads that are not owned or controlled by the applicant) for “Off-Location” sales are wasteful and unnecessary.

UPS and FedEx trucks deliver to rural residents every day. Should Humboldt County’s rural residents be required to hire an engineering firm in order to permit UPS or FedEx to supply their ranch?

We therefore respectfully urge the Commission to adopt two types of permits for Farm Based Retail Sales under Sec. 55.4.10.2.

- I. “On-Location” Farm Based Sales permits that can be more highly regulated to address local concerns. This permit could tie to a CA BCC Type 10. Retail Dispensary License.
- II. “Off-Location” Farm Based Sales permits with less onerous regulatory requirements. County approval of an “Off-Location” permit should make the permit-holder eligible for the CA BCC’s Type 9 “Non-Storefront Retail” license.

Either permit should be deemed valid for an applicant seeking a CA BCC Type 12 Microbusiness license.

If Humboldt County is going to survive the onslaught of massive over-capacity in this new market, we’re going to do so by playing to our strengths.

Let’s help our rural entrepreneurs focus on inventing new, high-value, small-sized cannabis products delivered to their customers’ doorsteps.

Let's help Humboldt County entrepreneurs bypass the stranglehold of urban dispensaries and their "Big Ag" grows.

Internet sales are taxed in the location the product is ordered. Let's harvest the millions of dollars in sales taxes currently being collected by urban dispensaries and put them to work here, fixing Humboldt County's roads, schools, and other infrastructure needs.

Thank you for your consideration. We hope the Commission will specifically delineate these two permit types, adjust the regulations pertaining to them, and make both eligible for County and State Microbusiness licenses.

Robert May
Owner
EcoMeds LLC

cc: Director John Ford, Senior Planner LRU Steve Lazar, Senior Planner Michael Richardson, Supervisor Estelle Fennell, Supervisor Ryan Sundberg

From: Sean Trainor [<mailto:sean.trainor@sensivalley.com>]
Sent: Monday, January 08, 2018 10:45 AM
To: Planning Clerk
Subject: Comments for meeting 1-11-18

Please provide these comments for the planning dept and public comment.
Thank you,

Sean Trainor
7072738655
7274225125
Sensivalley.com
sean.trainor@sensivalley.com
Founder/CEO

The SENSI-ble solution for Cannabis compliance from Cultivation to Consumption.

***CONFIDENTIALITY NOTICE *THIS ELECTRONIC MAIL TRANSMISSION IS PRIVILEGED AND CONFIDENTIAL AND IS INTENDED ONLY FOR THE REVIEW OF THE PARTY TO WHOM IT IS ADDRESSED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE IMMEDIATELY RETURN IT TO THE SENDER. UNINTENDED TRANSMISSION SHALL NOT CONSTITUTE WAIVER OF THE ATTORNEY-CLIENT OR ANY OTHER PRIVILEGE.** This message contains information, which may be confidential and privileged. Unless you are the intended addressee (or authorized to receive for the intended addressee), you may not use, copy or disclose to anyone the message or any information contained in the message. If you have received the message in error, please advise the sender by reply at sean.trainor@sensivalley.com and delete the message.

Comments for Ordinance.

In definitions “Distribution Facility” is defined and included in this section, (Please define section and details) Is this type of facility now included solely in the new class of operations called, “Support facility”?

Please define Cannabis Support Facility in the definitions in order to bring into alignment with Distribution facility and the other options created by the new “Support facility”.

Please provide the zoning section for Commercial Distribution facilities defined in definitions.

Please clarify what business type of license is required and does it mirror or improve the state license options for transportation?

Distributors should be able to transport with the distribution permit without an overly burdensome program required for all its ancillary services like packaging or transportation.

Planning Commission modification at the November 30 meeting c) Sensitive Receptors - Six hundred feet (600') from a ~~School Bus Stop~~, Church or other Place of Religious Worship, Public Park, or Tribal Cultural Resource. For purposes of this section, the setback requirement applicable to Public Parks, other than lands managed for open space and/or wildlife habitat, shall only be applied to designated and developed recreational facilities such as picnic areas and campgrounds, trails, river and fishing access points, and like facilities under public ownership.

Please remove this same sensitive receptor from all chapters of cannabis operations. or define a “bus stop” further that provides for bulk student loading or unloading that removes random stops releasing one or two students at a time from this sensitive receptor.

Remove section 55.4.13 as this is not a land use permit or zoning item. While in complete support of branding for Humboldt and its artisans, we recommend this to be a Agricultural dept procedure using vetted information and the ability for track and trace options if processed off site. There should be no limit on ones ability to be deemed an artisan especially by square feet of canopy. Please add an option for rv housing or labor housing on remote “facility” sites.

55.4.12.1.3 Remove.

The state requirements for track and trace are burdensome enough for operators to have to do. Having this burdon placed on top of a state system is redundant and overburdensome.

However, we do believe a certified Humboldt standard system should be implemented to secure branding values. Again this is a voluntary option not

mandatory and should be developed and released by the county agriculture commission and the state of Cali.

55.4.1.1.4 What business license is being referred to here? Please define.

I agree that Number 3 should be the action taken. Do not apply 1 or 9.

CALIFORNIA COASTAL COMMISSION

NORTH COAST DISTRICT OFFICE
1385 EIGHTH STREET • SUITE 130
ARCATA, CA 95521
VOICE (707) 826-8950
FACSIMILE (707) 826-8960



February 2, 2018

John Ford, Director
Humboldt County Planning and Building Dept.
3015 H Street
Eureka, CA 95501

RE: Comments on proposed changes to the ordinance relating to the commercial cultivation, processing, manufacturing, distribution, testing, and sale of cannabis for medicinal or adult use in the coastal zone (Version 2.0).

Dear Mr. Ford:

Thank you for soliciting input from the California Coastal Commission (Commission) on January 2, 2018 regarding proposed changes to the above-referenced section of the County's coastal zoning regulations (CZR). As you are aware, any changes to the CZR adopted by the County will not be effective until certified by the Commission. The standard of review that the Commission will apply to any proposed changes to the CZR is whether or not the CZR as amended would conform with and be adequate to carry out the provisions of the Land Use Plan (LUP) portion of the County's certified Local Coastal Program (LCP).¹ The County has six different LUPs that the Commission has certified for the lands within the County's coastal zone.² Please note that the following comments are provided by Commission staff; the Commission itself has not reviewed the proposed zoning code changes.

Previous Commission actions on cannabis-related LCP amendments

The Commission has certified several LCP amendments related to cannabis over the past several years (not including the five additional cannabis-related amendments scheduled for action on the Commission's February 7-9, 2018 meeting agenda).³ These amendments generally have fallen into the broad categories of regulations for medical dispensaries or outlets (regulations or prohibitions);⁴ regulations for personal medical use (including indoor cultivation);⁵ and, more recently, regulations for commercial manufacturing, testing, research, distribution, retail, cultivation, and microbusiness

¹ The County's LCP is comprised of an LUP component along with the CZR and zoning district maps, which implement the LUP. The Commission effectively certified the County's LCP in 1986, after certification of each of the LUPs between 1983 and 1985. The Commission refers to the certified CZR and zoning district maps as the Implementation Plan (IP).

² The six different LUPs are the North Coast Area Plan (NCAP), Trinidad Area Plan (TAP), McKinleyville Area Plan (MAP), Humboldt Bay Area Plan (HBAP), Eel River Area Plan (ERAP), and South Coast Area Plan (SCAP). All were certified by the Commission between 1983 and 1985.

³ Cities of Carmel, Grover Beach, San Diego and Santa Cruz and County of Monterey. See the Commission's on-line agenda on for links to the various regulations: <https://www.coastal.ca.gov/meetings/agenda/#/2018/2>

⁴ For examples, the [Cities of Manhattan Beach, Carpinteria, and Carmel](#) (among other jurisdictions) have adopted regulations banning dispensaries, and the [County of Santa Cruz](#) and [City of San Diego](#) (among others) have adopted regulations allowing dispensaries or retail outlets in certain zoning districts.

⁵ For example, Humboldt County's Medical Marijuana Land Use Ordinance – Phase I, was certified as a minor amendment on March 9, 2012: <https://documents.coastal.ca.gov/reports/2012/3/F7a-3-2012.pdf>.

facilities.⁶ The Commission has found that cannabis-related commercial or industrial activities (e.g., warehousing, laboratory testing, or commercial sales) that are similar to other uses in those use type categories often do not raise significant coastal resource issues.⁷

Humboldt County's proposed cannabis regulations are in many ways distinct from regulations that other jurisdictions have brought before the Commission in past actions. First, Humboldt's proposed regulations would allow large-scale open-air activities (outdoor and mixed-light cultivation, on-site processing, and nurseries) in all parts of the County's largely rural coastal zone on a variety of land use types, including prime and non-prime agricultural lands, transitional agricultural lands, rural residential lands, and, in limited cases, on timberlands.⁸ This raises a number of coastal resource issues addressed by the County's six LUPs (discussed in the below comments). Second, while the County's regulations include various standards for irrigation, water diversions, water storage, and wells, they do not otherwise prohibit or restrict large-scale open-air cultivation in areas of known limited water supply. Indeed, the FEIR completed for Version 2.0 concludes that the proposed ordinance will have significant unavoidable adverse environmental impacts related to increased water demand from public water systems that could exceed supply and related infrastructure capacity. Again, this raises LUP conformity issues. Third, Humboldt County, unlike most other areas, has an existing setting that includes widespread, long-established, large-scale, unregulated open-air activities on resource lands and environmentally sensitive sites (mostly outside the coastal zone).⁹ The proposed ordinance attempts to "incentivize, promote, and encourage the retirement, remediation and relocation" (RRR) of pre-existing operations from inappropriate, marginal, or sensitive sites to "environmentally superior" sites both within and outside of the coastal zone that would allow open-air cultivation areas up to four times the size of the existing cultivation area. While we support the RRR concept and the development of appropriate regulations for open-air activities in general, the current version of the ordinance largely lacks recognition of the coastal zone's unique geographies and protections for coastal resources as described and regulated under its six different certified LUPs.¹⁰ For all of these reasons, we see Humboldt County's commercial cannabis regulations (i.e., the current draft of Version 2.0 for the coastal zone) as more complex, and as implicating more coastal resource issues, than the commercial cannabis regulations of most other jurisdictions that previously have come before the Commission.

At the same time, we recognize that Humboldt County has the unique advantage over most other jurisdictions of having quickly adopted and implemented commercial cannabis land use regulations for its inland areas. As such, the County now has the perspective of having processed (or has in process) thousands of permits for commercial cannabis activities, which is invaluable in informing the development of improved and updated regulations. We recognize and appreciate the improvements in Version 2.0 over Version 1.0 from a coastal resources protection standpoint, such as additional protections for prime agricultural soils, timberlands, and biological resources. We also greatly appreciate the extensive efforts that the County has taken to involve the public and incorporate public input into the development of its regulations.

⁶ For example, see the City of Eureka's regulations certified by the Commission on December 13, 2017: <https://documents.coastal.ca.gov/reports/2017/12/w14a/w14a-12-2017-report.pdf>.

⁷ Exceptions where coastal resource issues have been raised typically relate to potential parking impacts and associated effects on public access, and impacts to priority uses under the Coastal Act, such as visitor-serving facilities and coastal-dependent uses.

⁸ Other jurisdictions, such as Monterey County, have prohibited outdoor cultivation and allowed commercial cannabis cultivation only within existing greenhouses or buildings legally established prior to January 1, 2016.

⁹ The DEIR states that as many as 15,000 existing cannabis operations are estimated in the County.

¹⁰ We appreciate that the ordinance includes various minimum siting standards for open-air cultivation such as slopes of less than 15%, limitations on prime agricultural soils, various setbacks, and special requirements for cultivation on coastal-dependent industrial lands.

Beginning on page 4 of this letter we offer preliminary comments on Version 2.0 for the County's consideration. Although our comments raise several issues, most relate to open-air activities (outdoor and mixed-light cultivation, on-site processing, and nurseries). We look forward to proactively working with the County to address the issues raised in these comments and advance the amendment through our application process as quickly as possible.

The County's pending application for MMLUC Phases II, III, and IV (Version 1.0)

On December 30, 2016, the County transmitted LCP Amendment Application No. LCP-1-HUM-16-0075-2 to the Commission for certification. Commission staff reviewed the application and informed the County on January 17, 2017 that additional information is needed to complete the application in conformance with section 30510 of the Coastal Act¹¹ and associated implementing regulations (Title 14 CCR § 13552 et seq.). To date we have not received any of the requested information, though we have met with County staff several times over the past year and discussed the status of updates to the cannabis ordinance and possible coastal resource issues raised.

As submitted, LCP-1-HUM-16-0075-2 consists of three parts:

- A. Part A: amendments to indoor personal use cultivation regulations (section 313-55.1, also known as Phase I of the Medical Marijuana Land Use Code, MMLUC); and new regulations (section 313-55.2) governing the cultivation of medical marijuana for personal use on parcels 5 acres or smaller in size (Phase II of the MMLUC);
- B. Part B: new regulations (section 313-55.3) governing facilities involved in retail distribution (i.e. dispensaries) of medical cannabis to qualified patients (Phase III of the MMLUC); and
- C. Part C: new regulations for commercial activities associated with cultivation, processing, manufacturing, and wholesale distribution of cannabis for medical use (section 313-55.4, Phase IV of the MMLUC, or the Commercial Medical Marijuana Land Use Ordinance, now referred to cannabis Version 1.0).

It is our understanding that the latest version¹² (Version 2.0) of the updated cannabis regulations that have been considered at recent Planning Commission hearings would (if adopted by the Board of Supervisors) repeal the entirety of Part C and certain sections of Part B and would establish new regulations for the "commercial cultivation, processing, manufacturing, distribution, testing, and sale" of cannabis for medical and adult use in the coastal zone (new section 313-55.4). If our understanding is correct, in terms of process this would mean that only Part A and certain sections of Part B would remain pending for consideration under LCP-1-HUM-16-0075-2. The new updated regulations for commercial activities (Version 2.0) would need to be submitted separately to the Commission for certification under a new LCP amendment application.¹³ After receipt of the previously requested

¹¹ PRC sec. 30510 states: *Consistent with this chapter, a proposed local coastal program may be submitted to the commission, if both of the following are met: (a) It is submitted pursuant to a resolution adopted by the local government, after public hearing, that certifies the local coastal program is intended to be carried out in a manner fully in conformity with this division. (b) It contains, in accordance with guidelines established by the commission, materials sufficient for a thorough and complete review.*

¹² Planning Commission hearing draft dated January 11, 2018, including changes to sections approved by the Commission on January 18th related to flammable extraction and farm-based retail sales.

¹³ In recent meetings between Commission and County staff, the County has expressed concern that the number of LCP amendment applications that the County anticipates submitting in 2018 may exceed the maximum number allowed for submitted per year (three) under section 30514(b) of the Coastal Act. We are happy to work with the County to figure out how best to package or bundle LCP amendments within this calendar year to achieve the County's targeted application submittal schedule consistent with section 30514(b), which places "no limitations on the number of amendments included in each of the three submittals."

information for Part A and applicable (not repealed) sections of Part B and deeming the amendment submittal complete, we could schedule LCP-1-HUM-16-0075-2 for Commission action.¹⁴

For clarification purposes, it will be important for the County to include with its response to our January 17, 2017 letter specific identification of all changes made to previously submitted versions of the cannabis regulations that are not being repealed (e.g., identify using strikethrough and underline text the changes to Part B that have been adopted to explain how the updated version differs from the version submitted with the original application on December 30, 2016). In addition, prior to transmitting an application for Version 2.0 to the Commission for certification, we encourage the County to consider the related questions and information needs we identified for the previous version of the ordinance (Version 1.0 submitted as Part C of LCP-1-HUM-16-0075-2), as outlined in our January 17, 2017 letter, much of which remains applicable to Version 2.0.

Preliminary comments on Version 2.0:

1. Clarify when CDPs are required for cannabis activities and specify minimum CDP requirements.

The ordinance clearly explains permitting requirements with respect to zoning clearance certificates, special permits and conditional use permits but is silent regarding coastal development permits (CDPs). As you are aware, and as specified in section 312-3.1.4 of the CZR, a CDP “*must be secured... prior to the commencement of any development within the Coastal Zone of the County,... unless the development is exempted or excluded under the California Public Resources Code (Section 30000 and following) or the California Code of Regulations.*” We recommend adding text (perhaps to section 55.4.3, which references the need for other permits) to clarify that a CDP will be required for cannabis-related activities that involve “development” as defined in Public Resources Code section 30106, unless the development is exempt or excluded.¹⁵ In addition, we recommend the County add one or more new sections to the ordinance specific to CDP requirements. For example, new subsections specific to CDP requirements could be added for each category of activity addressed by the ordinance (e.g., a new subsection within the open-air activities section, within the section on cannabis support facilities, on indoor cultivation, etc.). Alternatively, CDP requirements could be added to 55.4.11 regarding “Application Requirements,” or to 55.4.12 regarding “Performance Standards.” However the County chooses to do it, adding requirements specific to the review and processing of CDPs for cannabis-related development is needed to ensure that coastal resources will be protected consistent with LUP requirements. For one example of adopted commercial cannabis regulations in the coastal zone that clearly specify CDP requirements, see the Monterey County commercial cannabis ordinance scheduled for action on the Commission’s upcoming February 7, 2018 meeting agenda.¹⁶

2. Clarify CDP requirements for “existing” cultivation sites.

The terms “pre-existing” and “existing” are used throughout the ordinance to refer to cultivation sites developed prior to January 1, 2016.¹⁷ We recommend adding language to clarify that “pre-existing” and “existing” cannabis operations must have obtained the requisite CDP authorization for any “development” associated with the operation, as required by section 312-3.1.4 of the CZR (cited above). Furthermore, the ordinance should acknowledge that in cases where pre-existing cannabis-related development did not obtain the requisite CDP authorization, the County may not be able to

¹⁴ The two applications could be brought before the Commission at the same hearing or separate hearings, depending on the relative timing of the filing of each application, among other factors.

¹⁵ [PRC \(Coastal Act\) sec. 30610](#) lists development that does not require a CDP, subject to limitations specified in the Commission’s regulations ([14 CCR § 13240-13253](#)).

¹⁶ Accessible from our website: <https://documents.coastal.ca.gov/reports/2018/2/w19h/w19h-2-2018-exhibits.pdf>

¹⁷ E.g., sections 55.6.4.2, 55.4.6.5 et seq. and 55.4.8.1.1.

approve a CDP for such development after-the-fact if to do so would be inconsistent with the LCP. In those cases, the ordinance should specify that the County may require removal of unauthorized development and site restoration to original conditions. For example, the proposed ordinance allows for the permitting of pre-existing cultivation sites on TPZ and TC lands. Generally, this use in these zones would be inconsistent with LUP policies that protect timberlands,¹⁸ and a CDP would be required for this type of activity as well as for any associated “major vegetation removal.”¹⁹ If development of the cultivation site on the timberlands, including major vegetation removal and/or other development, involved conversion of timberlands without the requisite CDP authorization and was inconsistent with LCP policies that protect the long-term productivity of timberlands, the County would not be able to approve a CDP for the cannabis facility consistent with the certified LCP.

3. To avoid unnecessary appeals to the Commission, amend the CZR as needed to specify the principally permitted use for each zone in which cannabis activities would be allowed.

As proposed, commercial cannabis activities would be allowed in the AE, RA, CG, ML, and MG zones as principally permitted uses (sec. 55.4.6-.8). The existing CZR (sec. 313-1 et seq.) describes multiple uses, rather than a single use, allowed as principal uses within many of these zones.²⁰ Section 30603(a)(4) of the Coastal Act (codified in Section 312-13.12.3 of the CZR) provides that local approval of any development that is not designated as the principal permitted use under the CZR results in an action that is appealable to the Commission. This means that unless a single use is designated as the principally permitted use in each particular zoning district, all development approved by the County in that particular zoning district is appealable to the Commission (which means a more complicated, time-consuming and expensive permit process for applicants and the potential for unnecessary appeals to the Commission). We therefore recommend that the County, for each applicable zoning district as needed, amend the applicable code sections to designate a single use as the principally permitted use for each zone for the purposes of appeals to the Commission.²¹

4. Perform a separate analysis to determine whether permit caps for open air cultivation are needed for LUP planning areas, and if so, specify such caps directly within the ordinance itself.

The proposed regulations would establish an overall cap on the maximum number of permits that could be issued in the County for open air cultivation activities (including outdoor and mixed-light cultivation and nurseries), to be divided evenly among the 12 discrete planning watersheds (six of which are, in part, in the coastal zone) as directed by the Board of Supervisors by resolution. As we understand it, the

¹⁸ Each of the LUPs include as a policy section 30243 of the Coastal Act: *The long-term productivity of soils and timberlands shall be protected and conversions of coastal commercial timberlands in units of commercial size to other uses...shall be limited to providing for necessary timber processing and related facilities.*

¹⁹ “Major vegetation removal” is included in the definition of “development” necessitating a CDP, except for the removal or harvesting of major vegetation “for agricultural purposes, kelp harvesting, and timber operations which are in accordance with a timber harvesting plan submitted pursuant to the provisions of the Z’berg-Nejedly Forest Practice Act of 1973 (commencing with Section 4511).” Thus, if the timber removal occurred pursuant to an approved THP, no CDP would have been required for the harvesting operations. CDP requirements came into effect in 1977.

²⁰ For example, although the RA zone lists only a single use (the “Rural Residential Agriculture Principal Permitted Use”) as the principal permitted use allowed in the RA zone (sec. 313-6.4), this use type is described in section 313-163.1.9.8 as having multiple principally permitted uses (i.e., Single Family Residential, Second Residential Unit, General Agriculture, and Cottage Industry).

²¹ Using the example from Footnote #20, language could be added to the description of the “Rural Residential Agriculture Principally Permitted Use” in section 313-163.1.9.8 similar to the language included in the description of the AE principally permitted use (sec. 163.1.9.9) to distinguish between the principally permitted use for appealability purposes and the various other listed uses that do not require a conditional use permit but which are not considered the principal permitted use for purposes of appeal to the Commission.

purpose of the caps is to ensure that further permitting (beyond the caps in each area) will not proceed until the County has performed further analysis of the state of these 12 planning watersheds, including review of water flow data and applicable studies or information prepared by state and local agencies.

We recommend the County perform a separate analysis (or analyses) with a focus on each LUP planning area²² to determine whether caps and/or development standards within particular parts of the coastal zone are needed to protect coastal resources consistent with each LUP.²³ This LUP planning area analysis should focus on possible cumulative impacts to coastal resources that could result from permitting open air cultivation (including outdoor and mixed-light cultivation and nurseries) as proposed in the ordinance. This analysis is especially important for those areas with limited water supply as identified in the EIR and in the LUPs, such as the Big Lagoon and Trinidad areas and possibly the Eel River and South Coast areas as well. This type of analysis is needed because the LUPs each have policies that require new residential, commercial, or industrial development to be located within, contiguous with, or in close proximity to existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources (section 30250(a) of the Coastal Act). The County needs to determine the appropriate limitations and/or development standards for open air cultivation permits within each LUP planning area to avoid cumulative impacts not only to water resources in areas of limited water supply as identified in the LUPs, but also to other coastal resources such as prime agricultural lands (see #5 below), to visual resources protected under Coastal Scenic Area and Coastal View Area LUP designations, to transitional agricultural lands, wetlands, environmentally sensitive habitat areas and other coastal resources as protected by various LUP policies.

Where the County's analysis shows that limitations and/or development standards on cultivation permits are needed in certain areas to protect coastal resources consistent with LUP requirements, then we recommend specifying such limitations and/or development standards directly within the ordinance itself (e.g., within section 55.4.6.8).

5. Consider adding requirements to require clustering of structures on AE lands, to address greenhouse construction that may be authorized without a CDP pursuant to Categorical Exclusion Order E-86-4, and to protect agricultural resources consistent with the LUPs.

We appreciate the restrictions included in the proposed ordinance related to cultivation activities on prime agricultural soils, but we recommend including additional protective measures for open-air activities to ensure that the ordinance conforms with and is adequate to carry out the various LUP policies that protect all coastal agricultural land, including prime agricultural land (which is defined more broadly than prime agricultural soils) and other agricultural lands:²⁴

²² This analysis could be informed in part by the above analysis for the 12 planning watersheds, though we are unclear when that analysis is proposed to be completed.

²³ The Commission will need these LUP planning area analyses for its consideration of the LCP amendment application that the County will submit to the Commission for Version 2.0. This analysis will be a filing requirement of LCP amendment application submittal.

²⁴ Each of the LUPs defines "prime agricultural land" through incorporation-by-reference of paragraphs (1) through (4) of section 51201(c) of the California Government Code: *Prime agricultural land entails land with any of the following characteristics: (1) a rating as class I or class II in the Natural Resource Conservation Service land use capability classifications; or (2) a rating 80 through 100 in the Storie Index Rating; or (3) the ability to support livestock used for the production of food and fiber with an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture; or (4) the ability to normally yield in a commercial bearing period on an annual basis not less than two hundred*

- The proposed ordinance would limit the cumulative area of any Cannabis Cultivation Site²⁵ to 20% or less of the prime agricultural soil on a property (sec. 55.4.6.4.3). We are interested in understanding how the County decided on 20% and if/how that threshold relates to LUP requirements for protection of prime agricultural land.²⁶ We encourage the County to consider whether there should be restrictions, based on LUP requirements, on the use of either prime agricultural land or prime agricultural soils for facilities for drying, curing, grading and trimming activities.
- The LUP planning area analysis recommended in item #4 above should inform whether (i) the cultivation area size and coverage limits (for prime soils) are adequate to protect prime farmland consistent with the LUPs; and (ii) any additional restrictions related to greenhouses (e.g., coverage limits for other agricultural lands or for lands in designated scenic areas) may be needed to protect coastal resources consistent with LUP requirements.
- Since the Humboldt Bay Area Plan and Eel River Area Plan both include policies encouraging the reservation of agricultural land on Table Bluff for grazing use, and the South Coast Area Plan designates AEG lands “to protect coastal grazing lands for long-term productive grazing use,” we recommend the County add standards to implement these policies in these areas.²⁷
- It’s unclear whether cannabis support facilities, indoor cultivation facilities, and manufacturing facilities would be allowed on either prime agricultural land or prime agricultural soils. Sections 55.4.7 (related to support facilities), 55.4.8.1 (to indoor cultivation), and 55.4.8.2 (to manufacturing) require compliance with section 55.4.6.4.3, which limits the cumulative area of any cultivation site to not more than 20% of the area of prime agricultural soil on the parcel. Does the ordinance similarly propose to allow permitting of enclosed nurseries, testing and research laboratories, indoor facilities, and manufacturing facilities on up to 20% of the area of prime agricultural soil on AE parcels? If so, the County should analyze if and how such development can occur consistent with the LUP policies that protect agricultural lands and limit conversions of agricultural lands to non-agricultural uses. If such development cannot occur consistent with the certified LUP policies, the ordinance should be clarified to expressly prohibit such activities on AE lands.
- We recommend adding specifications/limitations related to siting of structures on AE lands (e.g., requiring clustering of structures with other structures on the property) to ensure that the maximum amount of agricultural land is maintained in agricultural production to protect agricultural viability, as required by the LUPs. Such added protection, combined with appropriate limits on size and coverage informed by the analysis recommended above, will help avoid scenarios whereby cumulatively, a proliferation of greenhouses on prime and non-prime farmlands throughout the coastal zone results in the transformation of rural open pasturelands to a structured, quasi-industrial landscape (which would be inconsistent with the visual resources protection policies of the LUPs, among other policies).
- To further avoid the potential for greenhouse proliferation on AE lands, we recommend including a provision that the County previously has discussed with us but which doesn’t

dollars (\$200) per acre of unprocessed agricultural plant production of fruit- or nut-bearing trees, vines, bushes or crops which have a nonbearing period of less than five years.

²⁵ Defined in the ordinance as “the location or a facility where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or that does all or any combination of those activities, except where drying, curing, grading or trimming is otherwise prohibited.”

²⁶ We will need this information as a filing requirement of the LCP amendment application that the County will submit to the Commission for Version 2.0.

²⁷ Policy 3.24-B-3-a of the HBAP and 3.34-C-1 of the ERAP state: *Grazing lands on Table Bluff shall be designated for agricultural use to insure availability of upland grazing sites and minimize conflicts with agriculture from conversion of these lands to other uses...*

appear to be included in the current draft: that is, include a specification that only those greenhouses that were constructed without a CDP pursuant to Categorical Exclusion Order E-86-4 prior to January 1, 2016 may be used for the purposes of commercial cannabis cultivation. New greenhouses proposed for commercial cannabis cultivation in an area where the Order applies²⁸ could be permitted with a CDP but would not be eligible for inclusion under the Order.²⁹

- We understand from recent coordination meetings with County staff that the County is developing further draft changes to section 313-69.1.5.2 of the CZR related to greenhouses.³⁰ That section of the code currently prohibits the development of greenhouses with concrete slab floors on prime agricultural soils except for footpaths within the structures. We appreciate that section 55.4.6.4.3 of Version 2.0 is consistent with section 69.1.5.2 in requiring that on prime agricultural soils, cultivation (including in mixed-light structures) shall only occur within native soils, and removal and replacement of native soils is prohibited. To be fully consistent with policies in the NCAP, MAP, HBAP, and ERAP that prohibit greenhouses with slab foundations on prime agricultural land, we recommend adding protections for prime agricultural land as defined in the LUPs. The protections in section 55.4.6.4.3 (related to cultivation facilities) should not be limited to prime agricultural soils.

6. Clarify the RRR provisions, evaluate for consistency with LUP policies, and add restrictions as needed to protect coastal resources consistent with LUP requirements.

As we understand it, cultivation areas (including outdoor and mixed light cultivation as well as nurseries) up to 20,000 square feet in size could be permitted on RRR receiving sites, more than one RRR permit may be granted on relocation site parcels 10 acres in size or larger, and the cumulative total cultivation area may be up to 20% of the area of the relocation site parcel. The ordinance should clarify minimum parcel size for RRR receiving sites in general, and how the size and coverage limits in section 55.4.6.5.9 relate to the size and coverage limits specified in sections 55.4.6.1 and 55.4.6.2. The County should carefully evaluate whether or not these RRR relocation provisions are consistent with LUP policies protecting coastal wetlands and other environmentally sensitive habitat areas, water resources in areas of limited water supply, prime agricultural lands (not just prime soils), visual resources, and policies restricting development in areas of high flood hazard. Add restrictions as needed to ensure that the provisions conform with the LUPs.

7. Evaluate the farm-based retail sales provisions for consistency with the LCP.

Section 55.4.10.2 would allow for retail sales of cannabis products for products produced on the same parcel or premises where cannabis was cultivated, including in the AE, RA, and various other zones. How does this section relate to section 69.1.5.8 of the code (Roadside Sales of Agricultural Products)? That section prohibits such sales in the RA zone. The County should carefully evaluate whether the allowance of farm-based retail sales conflicts with the agricultural protection policies of the LUPs either by possibly increasing conflicts with agricultural production that could diminish the productivity and

²⁸ The Order applies to certain AE lands. It does not apply to those AE lands or portions of AE lands located within (a) a coastal wetland; (b) 100 feet of a stream; (c) 200 feet of a coastal wetland; (d) the Commission's CDP jurisdiction; or (e) the Commission's appeal jurisdiction. All combined, the Order does not apply to several thousand acres of coastal agricultural lands, but it does apply to significant expanses of agricultural lands within the LUP planning areas.

²⁹ New greenhouses proposed in areas where the Order does not apply would require a CDP since, unless exempt from CDP requirements under PRC sec. 30610, development of a greenhouse is considered "development" under section 30106 of the Coastal Act.

³⁰ Commission staff provided [comments](#) on a version of draft changes to this section of the code considered by the Planning Commission at a public hearing on December 14, 2017.

viability of agricultural operations, change land use patterns, and/or impermissibly convert agricultural land to non-agricultural uses.

8. Add performance standards or additional requirements for ESHA protection consistent with LUPs.

Section 55.4.12.1.10 lists required protections for biological resources. While the various requirements appear to be appropriate to protect various resources, these standards are inadequate to carry out the LUP requirements for the protection of environmentally sensitive habitat areas (ESHA) and coastal parks and recreation areas. Each of the LUPs includes as a policy the language of section 30240 of the Coastal Act,³¹ which defines ESHA as “any area in which plant or animal life or their habitats are either rare or especially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and developments.” The LUPs specifically prohibit uses in ESHA except for resource-dependent uses, and they require that development adjacent to ESHA and parks and recreation areas shall be sited and designed to prevent impacts that would significantly degrade those areas and shall be compatible with the continuance of those habitat and recreation areas. As recommended in #1 above, CDP-specific standards implementing the LUP ESHA policies must ensure that (a) all ESHA will be protected consistent with LUP requirements, and (b) permitted development adjacent to ESHA and parks and recreation areas will be appropriately sited to protect those areas consistent with LUP requirements.

We appreciate the County’s consideration of these preliminary comments, and we would like to meet with County staff to discuss these issues further at your convenience. Again, we look forward to proactively working with the County to address the issues raised in these comments in the interest of advancing the amendment through our application process as quickly as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Melissa B. Kraemer". The signature is fluid and cursive, with the first name "Melissa" being more prominent than the last name "Kraemer".

MELISSA B. KRAEMER
Supervising Analyst

³¹ Section 30240 states: (a) *Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.* (b) *Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of those habitat and recreation areas.*

February 15, 2018

Dear Humboldt County Supervisors:

Last September, I submitted comments on the draft commercial cannabis ordinance and its accompanying Draft Environmental Impact Report (EIR). That ordinance recently was passed out of the Humboldt County Planning Commission (HCPC) and now is before you for consideration. First, I would like to share my thoughts about areas where the current version still falls short. For ease of locating the passages, I am listing them in the order that they appear in the ordinance, rather than my order of their importance:

1. **Grandfathering of Projects [Section 55.4.3.1].** I was very disappointed (but not surprised) that the HCPC chose not to require permit applications for **NEW** cultivation that had not been approved by the time the Supervisors adopt a revised ordinance to be subject to that revised ordinance, rather to the regulations in effect at the time of their submittal. [The exception is **Section 55.4.6.7**, which describes provisions and incentives for neighborhood compatibility for open air cultivation applications submitted under the prior ordinance. **Please stand firm on that language.**] In my opinion, approving a bunch of projects that wouldn't be able to pass heightened environmental muster will result in more problems and conflicts down the road.
2. **Odor and Setbacks [Sections 55.4.4 and 55.4.6.4.4(j) and (k)].** The requirements for indoor cultivation were weakened from "preventing the odor of cannabis from being detectable outside the structure" to "minimizing the odor of cannabis outside the structure." **Please reinstate the original language**, requiring structures to be mechanically ventilated with a carbon filter or other feature to prevent odor from escaping the structure. On another aspect of odor, the special area setbacks for odor mitigation of 600 feet from nearby residences or residentially zoned boundary for open air cultivation is an improvement over the draft language. **Please retain this distance.**
3. **Early Neighbor Notification [Sections 55.4.5.1(b) and (c)].** Nearby property owners should be notified when a cannabis project is **SUBMITTED**, rather than the County waiting until the permit has been determined complete for processing to inform neighbors. Many neighbors have no idea that a cannabis plan has been submitted on an adjoining parcel! Waiting until the County is ready to rule on approving a permit does not allow much time for neighbors to collect rebuttal information. Although neighbors can request a public hearing, the ordinance does not include neighbors having the right to appeal an administrative decision of the Hearing Officer.
4. **Special Permits vs. Zoning Clearance Certificates [Section 55.4.7.1].** The initial draft of the ordinance required distribution, enclosed nurseries, off-site processing,

and community propagation centers to obtain Special Permits to operate. This meant that neighboring property owners would be informed about the proposed project and have an opportunity to request a public hearing. However, the HCPC reduced the requirement on these potentially high-traffic, high-impact operations to obtain only a Zoning Clearance Certificate (ZCC). **Please reinstate the original language requiring a Special Permit for these operations.**


5. **Water Issues, Including Wells on Small Parcels and Trucked Water [Sections 55.4.5.10 and 55.4.12.2.5].** New wells on parcels of ANY size (not just those 10 acres or less) that are located within 400 feet of property lines should be required to be tested during the dry season to determine whether drawdown could occur in neighbor's wells. **Please make the determining criteria for well testing, forbearance, etc., be the distance the well is located from a neighboring parcel, NOT the size of the parcel where it is drilled.** All permits obtaining water from a well should document well production and changes in groundwater levels during each month of the year. All applicants should determine connectivity of the source supply well to neighboring wells and to surface water. Wells should be subject to the same performance standards as diversionary water use, including forbearance. Adaptive management measures should remain in place until groundwater levels have recovered. Neighbors of cannabis projects that are irrigating with well water should have an established protocol to report to the County that their wells have run dry, triggering limitations on continued cannabis-related irrigation. The permittee should be required to pay for water deliveries to non-cannabis-growing neighboring properties until groundwater is recharged. **Please specify a maximum length of time for what's considered an "emergency" for trucked water.**
6. **Timberland Conversion [Sections 55.4.6.4.2 and 55.4.12.2.4].** Under the current ordinance adopted in 2016, cultivation sites may only be located in non-forested areas that were in existence prior to January 1, 2016. However, there appears to be a loophole for sites created through prior unauthorized conversion of timberland. **Cultivation should NOT be permitted on sites created by illegal conversion of timberland, and certainly not on any illegal 3-acre conversions performed since January 1, 2016.**
7. **Noise [Section 55.4.12.6].** While the proposal to limit an increase above ambient noise levels to less than 3 decibels is good, the language allows this increase to be **CONTINUOUS**, rather than specifying start and end times for operational noise. Also, why are ambient noise levels only required to be measured at **THREE** property lines? The HCPC also weakened language regarding generator use. **No generators should be allowed on new sites.**

Second, my thoughts about strong provisions in the ordinance passed by the HCPC that should not be weakened in the final ordinance:

8. **Sphere of Influence [Section 55.4.5.1.4(a)].** This requires any commercial cannabis activity located within the Sphere of Influence of any incorporated city or within 1000 feet of any incorporated city, tribal lands, or within the specified mapped Community Planning Areas to obtain a Special Permit rather than a ZCC. **Please retain this protective language.**
9. **Cap on Permits [Section 55.4.6.8].** The HCPC made an excellent addition to have a watershed-based cap on permits for open air cultivation, mixed-light operations, and nurseries. **Please stand firm on this.**
10. **Category 4 Road Standards [Sections 55.4.8.1.3 and 55.4.12.1.8(b)].** Including language that requires sites to either be accessed by Category 4 roads or to obtain a Special Permit that includes a road evaluation report by a licensed engineer is one of the most protective provisions of the ordinance. The engineer's report must evaluate whether the design, condition, and performance of all necessary road segments are currently capable of supporting increases in traffic volume created by the project, in addition to the existing traffic using the road(s), and include substantial evidence to support a finding that measures have been taken to protect the public health and safety, including fire safe road access, capacity to support anticipated traffic volumes, water quality objectives, and sensitive habitat. The proposed ordinance also requires applicants seeking an exception to the required functional capacity to notify property owners within 300 feet of the parcel boundaries. **Please do not weaken these standards.**
11. **Farm-based Retail Sales [Section 55.4.10.2]. Please retain the requirements** that A) facilities hosting on-site customer traffic obtain a Conditional Use Permit rather than a ZCC and B) retail sales of cannabis products are limited to those cultivated on the parcel.
12. **Performance Standards [Sections 55.4.12.1.10 and 55.4.12.1.13]. Please retain added performance standards** to mitigate impacts described in the Final EIR, especially for biological resource protection and management of waste and hazardous materials.

During your deliberations, please make protection of neighbors and natural resources your highest priorities, rather than permitting the most projects for tax revenues. Thank you in advance for considering these comments on the commercial cannabis ordinance.

Sincerely yours,



Susan Leskiw

155 Kara Ln, McKinleyville CA 95519
707-442-5444; sueleskiw1@gmail.com

Richardson, Michael

From: mikemgordon@earthlink.net
Sent: Wednesday, February 14, 2018 12:24 PM
To: Planning Clerk; Bohn, Rex; Fennell, Estelle; Wilson, Mike; Bass, Virginia; Sundberg, Ryan
Subject: Response to Rex's Small Cultivation Tax Inquiry

Follow Up Flag: Follow up
Flag Status: Flagged

Mike how do I justify lowering the lowest Tax in the State, no one talks about the cyclical nature of commodities the tax would not even be an issue if prices were anywhere near last year's levels we do need to help our cottage grower's but they need to work with us, Rex

Rex,

Thank You for your reply to my email.

Prop 64 was SOLD to public with the intention that Large Industrial Cultivators would be excluded from obtaining a cultivation license for anything over 1 acre until after 2023. This was meant to allow existing cultivators the opportunity to become established in the regulatory market before being faced with stiff competition.

Unfortunately, during the last hours before emergency regulations were released, the state decided to NOT limit the "stacking" of permits to achieve over ONE acre of cultivation area per entity (even though California's EIR suggested otherwise). This in essence has given the power players in our County and State the ability to price small cultivators out of the market. Is this right NO, is it most like legal MAYBE. (CalGrowers is currently suing the state over this same issue) What WE need from OUR county is compassion in the light of competition. If the small and cottage growers could be exempt from the county excise tax until 2023, this would help give them the window of opportunity the law was intended to provide, which will allow everyone to see if their business models are indeed viable in the unknown regulated market to come.

I have heard many local "mega" growers laugh at how much they are making in this market, and welcome taxation. Let these growers pay the initial burden as they are much more poised to do so.

The small and cottage growers pay their dues and taxes, through property taxes, income taxes, and sales taxes. These growers spend their entire disposable incomes in town at local establishment. It has been well documented that "MAIN" street is taking a hard hit to their incomes as well, in the light of the cannabis melt down.

Let us help to save "MAIN" street, while at the same time give OUR least capable cultivators a chance to compete in this regulated market, before it is too late.... Many of US have been waiting decades for this opportunity.

Thank You for your consideration,

Mike Gordon

Excerpt from Prop 64:

(c) Except as otherwise provided by law:

(1) Type 5, or "outdoor," means for outdoor cultivation using no artificial lighting greater than one acre, inclusive, of total canopy size on one premises.

(2) Type 5A, or "indoor," means for indoor cultivation using exclusively artificial lighting greater than 22,000 square feet, inclusive, of total canopy size on one premises.

(3) Type 5B, or "mixed-light," means for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, greater than 22,000 square feet, inclusive, of total canopy size on one premises.

(d) No Type 5, Type 5A, or Type 5B cultivation licenses may be issued before **January 1, 2023**. (e) Commencing on January 1, 2023, a Type 5, Type 5A, or Type 5B licensee may apply for and hold a Type 6 or Type 7 license and apply for and hold a Type 10 license. A Type 5, Type 5A, or Type 5B licensee shall not be eligible to apply for or hold a Type 8, Type 11, or Type 12 license.

-----Original Message-----

From: "Bohn, Rex"

Sent: Feb 14, 2018 11:01 AM

To: "mikemgordon@earthlink.net"

Subject: RE: Together we CAN prosper, divided we will fail.

Mike how do I justify lowering the lowest Tax in the State, no one talks about the cyclical nature of commodities the tax would not even be an issue if prices were anywhere near last year's levels we do need to help our cottage grower's but they need to work with us, Rex

From: mikemgordon@earthlink.net [mailto:mikemgordon@earthlink.net]

Sent: Wednesday, February 14, 2018 10:08 AM

To: Planning Clerk; Bohn, Rex; Fennell, Estelle; Wilson, Mike; Bass, Virginia; Sundberg, Ryan

Subject: Together we CAN prosper, divided we will fail.

Date: 2/14/2018

To: Planning Staff, Planning Commissioners, Board of Supervisors

From: Mike Gordon, 19 year resident of Humboldt County

Subject: Together we CAN prosper. Individually we will be destroyed.

I am writing, again, to urge you to think long and hard about Humboldt Counties FUTURE!

I am hoping as elected officials and county staff, our collective vision for Humboldt is that of Prosperity for ALL and not just for closely connected wealthy individuals.

Unfortunately I was not able to attend yesterdays Board of Supervisors meeting to continue my goal of standing up for small and cottage cultivators.

I have consistently given my opinion on the matter since December of 2015, and have included the speech I gave at the first meeting I attended, which still rings true today, more than ever.

As well, I have again included my newest recommendations for CMMLUO which I hope you are able to review and contemplate.(originally submitted October 23, 2017)

I know the planning staff has worked long and hard to come up with a recommended ordinance which addresses the vast array of challenges in OUR counties cannabis industry. And the county counsel has, as well, tried to give sound advise as to the legal interpretation of the counties actions.

In listening to both the planning director and county counsel I consistently hear a tone of contempt for the individuals engaged in the permitting process. These permittee's are the people WE need to be HELPING to move forward, not ignoring while viewing them as criminal, tax evading, miscreants, which most of them ARE NOT!

Please remember that even though these staffer "experts" are here to give their "expert" OPINION, it is just that, a sometimes biased, sometimes misguided, OPINION.

The current draft of the CMMLUO will not solve the problems we are presented with.

For our county to truly doing something special in moving from the SHADOWS and into the LIGHT, we must be BOLD in our actions. And to be BOLD, we, as a county, are going to have to RISK more than ever.

I am going to follow up this email with my recommendation for the ONLY way I see us coming out of this situation intact and WHOLE as a community. Please think about it with an open mind and an open heart. Together WE can Prosper, Divided we will Fail!

Richardson, Michael

From: mikemgordon@earthlink.net
Sent: Wednesday, February 14, 2018 11:26 AM
To: Planning Clerk; Bohn, Rex; Fennell, Estelle; Wilson, Mike; Bass, Virginia; Sundberg, Ryan
Subject: Humboldt Prosperity
Attachments: CDC.docx; From LOCO on Medical Marijuana Innovation Zone.docx; Bonneville Article.docx

Follow Up Flag: Follow up
Flag Status: Flagged

Date: 2/14/2018

To: Planning Staff, Planning Commissioners, Board of Supervisors

From: Mike Gordon, 19 year resident of Humboldt County

Subject: Community Cannabis Development Center

I have been waiting for a developer to come along and address this issue like I am about to present in the following email. But I fear, that day will never come. Unfortunately I do not think many developers will engage in the risk of developing a community oriented project because the risks may not outweigh the profits. This is where I DO believe the government can get involved.

What I present here, is a project I have been contemplating for over three years as, the only true solution to Humboldt Counties Economic Dilemma. I will try and keep it short and to the point. Remember, this plan is BOLD and will not be with out major controversy and mostly likely legal challenge, but it is and will be the best thing Humboldt has ever done for its people.

1. County to Acquire at least Three Properties, one in the north, central and southern regions of Humboldt County for the sole purpose of developing Community Cannabis Development Centers to Employ displaced cannabis experts in their designated regions.

Using Eminent Domain if Necessary

Many Possible Sites to choose from Korbell Mill Sites, Carlotta Mill Site, Old Palco Mills, many possible Brownfield Sites(which may need to be cleaned up through government action anyways)

2. Develop these site for maximum density to their highest and best use.

Integrated Mixed Light Greenhouses

Onsite Processing

Onsite Manufacturing

3. Employ Community Oriented Cultivators, Trimmers, Former Collective Owners, and Manufactures to Manage and Run these County Owned "NON PROFIT" Centers.

Retain the same talent that made Humboldt's Name recognized WORLD WIDE.

4. All workers would start at the same wage at \$25/hour plus benefits and retirement, with ALL "Profits" going back the Community!!!

I estimate we can end up employing 1000's of highly paid happy workers through out these centers.

5. Humboldt County's Name would be immortalized as a forward thinking Community producing the best quality Cannabis World Wide for years and generations to come.

Just like that, WE CAN HAVE AN ECONOMICALLY VIABLE FUTURE!

Attached:

A more detailed Overview of the Cannabis Development Center.

Excerpt from The Lost Coast Outpost and City of Arcata in reference to MMIZ.

Article talking about the First City Owned Dispensary in Oregon.

Richardson, Michael

From: Ford, John
Sent: Wednesday, February 21, 2018 8:08 AM
To: Richardson, Michael; Ellinwood, Joseph; Lazar, Steve
Subject: Fwd: Memo
Attachments: Memo 2.20.18 FINAL.pdf; ATT00001.txt

We should discuss the attached

John

Get [Outlook for iOS](#)

From: Bobbie <bobbie@lostcoastgraphics.com>
Sent: Tuesday, February 20, 2018 6:30:10 PM
To: Bohn, Rex; Ford, John
Subject: Memo

Hi John & Rex,

Please see the attached memo per our meeting last Wednesday with Barry our investor. His law firm put this piece together as per our discussion and he's sharing with you to amend and have your legal counsel review to send out directly from the county of Humboldt to Lori Ajax and whomever else it could be amended and sent to that would be beneficial in amending existing state policy for success pertaining to the cannabis industry in Humboldt. This piece is global in nature and the intent is to benefit the local industry county-wide.

If you could both reply back confirming you received the attached PDF and please send out to the other supervisors, planning commission, etc. Barry and his group of investors are happy to share the document with the relevant parties.

Thx you both in advance for your continued support and for your cooperation with all of us to get Humboldt County to be a leader in the cannabis industry.

All feedback is welcomed and Barry and his team are happy to assist as needed or address or speak to any questions concerning the statewide policy as it currently reads.

Thx much all,
Bobbie

SELECTED ISSUES OF INTEREST
WITH RESPECT TO
HUMBOLDT COUNTY PROPOSED 2.0 ORDINANCE
AND
THE CALIFORNIA STATE EMERGENCY REGULATIONS

CULTIVATION AREA V. CANOPY

Proposed Ordinance

The Humboldt County Proposed Ordinance 2.0 (the “Ordinance”) defines Cultivation Area as follows:

the sum of the area(s) used for cannabis cultivation, calculated in square feet and measured using clearly identifiable boundaries around the perimeter of all area(s) that will contain plants at any point in time, including all the space within the boundary as shown on the approved plot plan. Cultivation area shall include the maximum anticipated extent of all vegetative growth of cannabis plants to be grown to maturity on the premises. See also “Propagation.”

State Regulations

The term Cultivation Area is not a term which is used in the State Regulations. It appears that the correlative term in the California Emergency Regulations for Cultivation (the “State Regulations”) is Canopy (which term is not used in the Ordinance), which is defined as follows:

the designated area(s) at a licensed premises, except nurseries, that will contain mature plants at any point in time, as follows: (1) Canopy shall be calculated in square feet and measured using clearly identifiable boundaries of all area(s) that will contain mature plants at any point in time, including all of the space(s) within the boundaries; (2) Canopy may be noncontiguous but each unique area included in the total canopy calculation shall be separated by an identifiable boundary that includes, but is not limited to, interior walls, shelves, greenhouse walls, hoop house walls, garden benches, hedgerows, fencing, garden beds, or garden plots; and (3) If mature plants are being cultivated using a shelving system, the surface area of each level shall be included in the total canopy calculation.

Canopy v. Cultivation Area – Contiguity

The State Regulations make it clear that canopy may be contiguous or non-contiguous as long as such areas have identifiable boundaries. The Ordinance appears to contemplate a contiguous Cultivation Area. The Ordinance should clarify that cultivation area may be contiguous or non-contiguous (and specifically exclude all other activities).

Nurseries

Under the State Regulations nurseries are clearly excluded from the definition of canopy. However, under the ordinance Propagation is defined as follows:

“Propagation” means cultivation of immature, non-flowering cannabis plants. Areas used for Propagation which are incidental, accessory, and subordinate to Cultivation areas on the same Parcel or Premises may be excluded from the calculation of Cultivation area at the discretion of the Planning Director or Hearing Officer.

In connection with preparing a cultivation plan an applicant needs certainty in understanding the definitive cultivation area. Accordingly, there should be consistency between the State Regulations and the Ordinance with respect to the treatment of nurseries.

Cultivation Tax

Under the Humboldt County Commercial Marijuana Cultivation Tax (the “Cultivation Tax”) Section 719-4, provides, in pertinent part, as follows:

each property owner whose property is subject to a commercial marijuana cultivation permit shall pay an annual tax of \$1 per square foot of outdoor cultivation area, \$2 per square foot of mixed-light cultivation area or \$3 per square foot of indoor cultivation area regardless of whether or not marijuana is actually grown on such property.

The Cultivation Tax provisions define Cultivation Area as the “area stated on the commercial marijuana cultivation permit issued by the Humboldt County Planning and Building Department.”

As set forth above, the tax is imposed whether or not marijuana is actually grown on such property. However, the Ordinance should be modified to provide that a cultivation permit on property on which marijuana is not being grown and has not received either an annual or temporary state license shall not be deemed a cultivation area for purposes of imposing the Cultivation Tax.

MULTIPLE LICENSE ISSUES

Multiple License Issues

The primary issue for holders of multiple licenses is addressing the requirements under Section 8202(b) of the State Regulations which provides that each “business entity shall obtain a separate license for each premises where it engages in commercial cannabis cultivation.” Section 8202 of the State Regulations provides an exception to such requirement permitting a licensee to hold “both an A and M license on the same premises, provided the inventory for each license type is kept separate and distinct.”

Pursuant to the State Regulations a single entity owning 100% of multiple licenses (or a group of entities under common control) would be required to have a separate premises for each license, including a separate cultivation plan. Under Section 8106 of the State Regulations the cultivation plan for each premises shall include, among other things, the following: (A) a detailed premises diagram showing all boundaries and dimensions in feet of the following proposed areas

(i) canopy areas; (ii) areas outside of the canopy where only immature plants shall be maintained, if applicable; (iii) designated pesticide and other agricultural chemical storage areas; (iv) designated processing area if the licensee will process on site; (v) designated packaging areas if the licensee will package products on site; (vi) designated composting areas if the licensee will compost cannabis waste on site; (vii) designated secured areas for cannabis waste; and (viii) designated areas for harvested cannabis storage; (B) for indoor and mixed-light license type applications, a lighting diagram; (C) a pest management plan; and (D) a cannabis waste management plan.

In addition, the State Regulations do not contain provisions for a simultaneous review of the filing of applications for multiple licenses, which is inconsistent with the Ordinance's permitting of parcels which may contain Cultivation Areas which are larger than those permitted under a single state license.

The State Regulations impede the cost benefit of vertical integration without any apparent rationale. Arguably, the regulatory structure is at odds with sound land use practices. Consider for example, a premises with multiple waste, composting and pesticide areas. The inability of a licensee to utilize consolidated and contained areas for such activities appears more likely to have a negative impact on both the environment and the community than the alternative.

ORDINANCE PROVISIONS V. STATE PROVISIONS – OWNERSHIP AND PERMIT LIMITS

Section 55.4.5 of the Ordinance provides as follows:

No more than four acres of Commercial Cannabis cultivation permits may be issued to a single Person. For purposes of this limitation, any natural person who owns or controls any interest, directly or indirectly, in a firm, partnership, joint venture, association, cooperative, collective, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, shall be collectively considered a single person with those entities.

Section 55.4.6.1.1 (c) of the Ordinance provides in pertinent part as follows:

On parcels 320 acres or larger in size, up to 43,560 sq. ft. of Cultivation Area per 100 acre increment can be permitted subject to approval of a Use Permit, up to a maximum of eight (8) acres can be permitted.

Neither provision is consistent with the State Regulations which permit an unlimited number of licenses per applicant (subject to the Medium Cultivation License Limits set forth in Section 8209 of the State Regulations). Although four acres of an eight acre property may be utilized for cultivation activities under the Ordinance, the property owner would only be able to utilize four acres and the other four acres of Cultivation Area could only be utilized by an unaffiliated third party. Such provision seems to penalize the owners of larger parcels in that they are not able to utilize the full eight acres and may be compelled to share water, roads and other

common facilities and resources with a third party to the detriment of such owner's commercial cannabis activities.

There are several additional issues in connection with such provisions. Consider the following issue in connection with a corporation with 20 investors. Of such 20 investors, 19 investors hold 99% of the shares and have no interest in a permit holder. One investor holds the remaining 1% of the shares in such permit holder together with a 1% interest in another entity with a Humboldt County cultivation permit. As a result both entities would be in violation of the terms of the Ordinance. Such provision potentially impairs the ability of permit holders to raise capital to finance their commercial cannabis activities without any apparent public policy reason for such limitation.

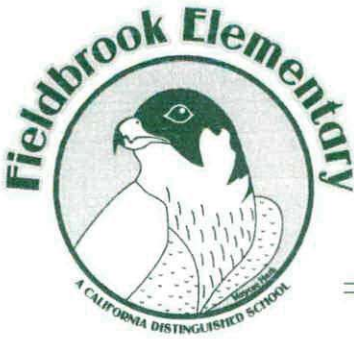
There are similar issues under the State Regulations which are likely to have an impact on the ability of entities engaged in commercial cannabis to raise capital. Under Section 8102 of the State Regulations an applicant is required to provide a substantial amount of information as to each "Owner" of the applicant. Such information includes the following: (1) full legal name; (2) title within the applicant entity; (3) date of birth; (4) social security number or individual taxpayer identification number; (5) home address; (6) primary phone number; (7) e-mail address; (8) date ownership interest in the applicant entity was acquired; (9) percentage of the ownership interest held in the applicant entity by the owner; (9) a list of all the valid licenses, including license type(s) and license numbers, from the department and other cannabis licensing authorities that the owner is listed as either an owner or financial interest holder; (10) a copy of their government-issued identification; (11) if applicable, a detailed description of criminal convictions and (12) a copy of their completed application for electronic fingerprint images submitted to the Department of Justice.

Under Section 8102 of the State Regulations the definition of an Owner includes a person with an aggregate ownership interest in the applicant of 20% or more of the applicant. Notwithstanding the foregoing, Section 8102 of the State Regulations also provides that an Owner includes a member of an entity that has been formed as a limited liability company. A limited liability company is generally viewed as a more tax efficient and flexible investment vehicle for small closely held entities (i.e. an entity with say less than 100 investors). It is difficult to determine the rationale for including all of the members of a limited liability as Owners, while corporations are subject to a 20% threshold.

Section 8103 of the State Regulations further provides that all individuals and business entities that have a financial interest in a commercial cannabis business shall be listed on the license application; provided however that a financial interest excludes certain financial interests, including, but not limited to bank loans, interests in mutual funds and blind trusts and persons who hold less than 5% of a share of stock of the total shares of a public company.

Section 8204 of the State Regulations provides that licensees shall notify the department in writing within ten (10) calendar days of any change to any item listed in the application. Stock in public companies change hands frequently and a public company may not be aware that a person has acquired 5% or more of their shares. Under the Federal securities laws filings are required by

persons who acquire more than 5% of the shares of a public company. Accordingly, the obligation to file an amendment to a public company's license should be limited to the public company's knowledge of such change of ownership. In the event that the State Regulations are not amended to reflect the practices of the capital markets, then the likelihood of a capital investment by a public company in commercial cannabis activities is likely to be limited.



4070 Fieldbrook Road
Fieldbrook, California 95519
(707) 839-3201 • FAX (707) 839-8832

F2

Daria Lowery
Superintendent/Principal

February 21, 2018

FEB 26 2018

Humboldt County Board of Supervisors
Ryan Sundberg, Chair
825 Fifth Street
Eureka, CA 95501

Dear Chairman Sundberg and the Humboldt County Board of Supervisors:

Please accept this correspondence as an opportunity to share an important perspective regarding the ordinance related to establishing and maintaining a 600' setback between cannabis operations and school bus stops.

It is my opinion that the 600' setback should apply to all bus stop locations. I am concerned that the Planning Commission has removed this from the proposed ordinance and urge the Board of Supervisors to maintain the originally written 600' setback from all bus stop locations. In addition to supporting the 600' setback, I also oppose any reduction of the distance due to a waiver, appeal or any other process that minimizes the 600' distance.

Additionally, I request that School District Superintendents and School Boards be left out of the 600' assessment and review process. I believe it is the job of the Humboldt County Planning & Building Department to handle the review of property boundaries and make the determination on the 600' distance requirement. Lastly, I request that once a decision has been made regarding the location or recommendation of a cannabis operation, that I be made aware if the operation resides within my district.

Ensuring the safety and wellbeing of students in our county is our number one priority. Maintaining a minimum 600' barrier between school bus stops and cannabis operations is one precaution we urge you to maintain as originally outlined in the County ordinance.

Sincerely,

Daria Lowery
Principal/Superintendent
Fieldbrook School District



FD

Karla K. Darnall
Superintendent/Principal
Alyse Eckenrode
Associate Principal
Board Of Trustees
Jason Barr
Karan Collenberg
Chris Emmons
Dirk Luoma
Ted Weller

Pacific Union School District

3001 Janes Road • Arcata, California 95521 • 707/822-4619 FAX 707/822-0129

February 23, 2018

Humboldt County Board of Supervisors
Ryan Sundberg, Chair
825 Fifth Street
Eureka, CA 95501

FEB 26 2018

Dear Chairman Sundberg and the Humboldt County Board of Supervisors:

Please accept this correspondence as an opportunity to share an important perspective regarding the ordinance related to establishing and maintaining a 600' setback between cannabis operations and school bus stops.

It is my opinion that the 600' setback should apply to all bus stop locations. I am concerned that the Planning Commission has removed this from the proposed ordinance and urge the Board of Supervisors to maintain the originally written 600' setback from all bus stop locations.

Additionally, I request that School District Superintendents and School Boards be left out of all aspects of the 600' assessment and review process. I believe it is the job of the Humboldt County Planning & Building Department to gather relevant information, handle the review of property boundaries, and make the determination on the 600' distance requirement. Lastly, I request that once a decision has been made regarding the location or recommendation of a cannabis operation for a permit, that I be made aware if the operation resides within my district.

Ensuring the safety and wellbeing of students in our county, in general, and our district, specifically, is a number one priority. Maintaining a minimum 600' barrier between school bus stops and cannabis operations is one precaution I urge you to maintain as originally outlined in the County ordinance.

Sincerely,

Karla K. Darnall
Superintendent/Principal
Pacific Union School District



Fortuna Elementary School District

Jeffrey E. Northern, M.A., District Superintendent
500 9th Street, Fortuna, California 95540-1997 • 707/725-2293 FAX 707/725-2228

February 23, 2018

Humboldt County Board of Supervisors
Ryan Sundberg, Chair
825 Fifth Street
Eureka, CA 95501

FEB 26 2018

Dear Chairman Sundberg and Board of Supervisors:

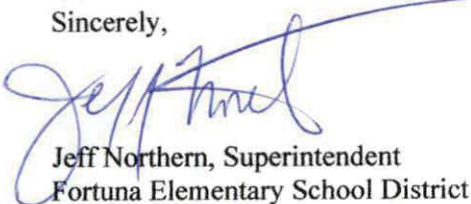
Please accept this correspondence as an opportunity to share my perspective regarding the ordinance related to establishing and maintaining a 600' setback between cannabis operations and school bus stops.

As District Superintendent, it is my opinion that the 600' setback should apply to all bus stop locations. I am concerned that the Planning Commission has removed this from the proposed ordinance and strongly urge the Board of Supervisors to maintain the originally written 600' setback from all bus stop locations. In addition to supporting the 600' setback, I feel it is also my obligation to oppose any reduction of the distance due to a waiver, appeal, or any other process that minimizes the 600' distance.

Additionally, I request that all Humboldt County School District Superintendents and elected School Boards be removed from the 600' assessment and review process. It is the job of the Humboldt County Planning & Building Department to handle the review of property boundaries and make the determination on the 600' distance requirement, not school districts. Lastly, I respectfully request that once a decision has been made regarding the location or recommendation of a cannabis operation, that I be made aware if the operation resides within my district's boundaries.

Ensuring the safety and wellbeing of students in our county and within my own school district is my number one priority. Maintaining a minimum 600' barrier between school bus stops and cannabis operations is one precaution I am urging you to maintain as was originally outlined in the County ordinance.

Sincerely,


Jeff Northern, Superintendent
Fortuna Elementary School District



CHRIS HARTLEY, Ed.D., Superintendent

Fa

901 Myrtle Avenue, Eureka, California 95501-1294

Phone: 707/445-7000

FAX: 707/445-7143

www.hcoe.org

February 21, 2018

Humboldt County Board of Supervisors
Ryan Sundberg, Chair
825 Fifth Street
Eureka, CA 95501

Dear Chairman Sundberg and the Humboldt County Board of Supervisors:

Please accept this correspondence as an opportunity to share an important perspective regarding the ordinance related to establishing and maintaining a 600' setback between cannabis operations and school bus stops.

It is my opinion that the 600' setback apply to all bus stop locations. I am concerned that the Planning Commission has removed this from the proposed ordinance and urge the Board of Supervisors to maintain the originally written 600' setback from all bus stop locations. In addition to supporting the 600' setback, I also question any reduction of the distance due to a waiver, appeal or any other process that minimizes the 600' distance.

Additionally, I request that School District Superintendents and School Boards be left out of the 600' assessment and review process. It is the job of the Humboldt County Planning & Building Department to handle the review of property boundaries and make the determination on the 600' distance requirement. Lastly, I request that once a decision has been made regarding the location or recommendation of a cannabis operation, the Superintendent of the school district that the operation resides within be promptly notified of the operation.

Ensuring the safety and well-being of students in our county is our number one priority. Maintaining a minimum 600' barrier between school bus stops and cannabis operations is one precaution I urge you to maintain as originally outlined in the County ordinance.

Sincerely,

Chris Hartley, Ed.D.
Humboldt County Superintendent of Schools

February 15, 2018

Dear Humboldt County Supervisors:

Last September, I submitted comments on the draft commercial cannabis ordinance and its accompanying Draft Environmental Impact Report (EIR). That ordinance recently was passed out of the Humboldt County Planning Commission (HCPC) and now is before you for consideration. First, I would like to share my thoughts about areas where the current version still falls short. For ease of locating the passages, I am listing them in the order that they appear in the ordinance, rather than my order of their importance:

1. **Grandfathering of Projects [Section 55.4.3.1].** I was very disappointed (but not surprised) that the HCPC chose not to require permit applications for **NEW** cultivation that had not been approved by the time the Supervisors adopt a revised ordinance to be subject to that revised ordinance, rather to the regulations in effect at the time of their submittal. [The exception is **Section 55.4.6.7**, which describes provisions and incentives for neighborhood compatibility for open air cultivation applications submitted under the prior ordinance. **Please stand firm on that language.**] In my opinion, approving a bunch of projects that wouldn't be able to pass heightened environmental muster will result in more problems and conflicts down the road.
2. **Odor and Setbacks [Sections 55.4.4 and 55.4.6.4.4(j) and (k)].** The requirements for indoor cultivation were weakened from "preventing the odor of cannabis from being detectable outside the structure" to "minimizing the odor of cannabis outside the structure." **Please reinstate the original language**, requiring structures to be mechanically ventilated with a carbon filter or other feature to prevent odor from escaping the structure. On another aspect of odor, the special area setbacks for odor mitigation of 600 feet from nearby residences or residentially zoned boundary for open air cultivation is an improvement over the draft language. **Please retain this distance.**
3. **Early Neighbor Notification [Sections 55.4.5.1(b) and (c)].** Nearby property owners should be notified when a cannabis project is **SUBMITTED**, rather than the County waiting until the permit has been determined complete for processing to inform neighbors. Many neighbors have no idea that a cannabis plan has been submitted on an adjoining parcel! Waiting until the County is ready to rule on approving a permit does not allow much time for neighbors to collect rebuttal information. Although neighbors can request a public hearing, the ordinance does not include neighbors having the right to appeal an administrative decision of the Hearing Officer.
4. **Special Permits vs. Zoning Clearance Certificates [Section 55.4.7.1].** The initial draft of the ordinance required distribution, enclosed nurseries, off-site processing,

and community propagation centers to obtain Special Permits to operate. This meant that neighboring property owners would be informed about the proposed project and have an opportunity to request a public hearing. However, the HCPC reduced the requirement on these potentially high-traffic, high-impact operations to obtain only a Zoning Clearance Certificate (ZCC). **Please reinstate the original language requiring a Special Permit for these operations.**


5. **Water Issues, Including Wells on Small Parcels and Trucked Water [Sections 55.4.5.10 and 55.4.12.2.5].** New wells on parcels of ANY size (not just those 10 acres or less) that are located within 400 feet of property lines should be required to be tested during the dry season to determine whether drawdown could occur in neighbor's wells. **Please make the determining criteria for well testing, forbearance, etc., be the distance the well is located from a neighboring parcel, NOT the size of the parcel where it is drilled.** All permits obtaining water from a well should document well production and changes in groundwater levels during each month of the year. All applicants should determine connectivity of the source supply well to neighboring wells and to surface water. Wells should be subject to the same performance standards as diversionary water use, including forbearance. Adaptive management measures should remain in place until groundwater levels have recovered. Neighbors of cannabis projects that are irrigating with well water should have an established protocol to report to the County that their wells have run dry, triggering limitations on continued cannabis-related irrigation. The permittee should be required to pay for water deliveries to non-cannabis-growing neighboring properties until groundwater is recharged. **Please specify a maximum length of time for what's considered an "emergency" for trucked water.**
6. **Timberland Conversion [Sections 55.4.6.4.2 and 55.4.12.2.4].** Under the current ordinance adopted in 2016, cultivation sites may only be located in non-forested areas that were in existence prior to January 1, 2016. However, there appears to be a loophole for sites created through prior unauthorized conversion of timberland. **Cultivation should NOT be permitted on sites created by illegal conversion of timberland, and certainly not on any illegal 3-acre conversions performed since January 1, 2016.**
7. **Noise [Section 55.4.12.6].** While the proposal to limit an increase above ambient noise levels to less than 3 decibels is good, the language allows this increase to be **CONTINUOUS**, rather than specifying start and end times for operational noise. Also, why are ambient noise levels only required to be measured at **THREE** property lines? The HCPC also weakened language regarding generator use. **No generators should be allowed on new sites.**

Second, my thoughts about strong provisions in the ordinance passed by the HCPC that should not be weakened in the final ordinance:

8. **Sphere of Influence [Section 55.4.5.1.4(a)].** This requires any commercial cannabis activity located within the Sphere of Influence of any incorporated city or within 1000 feet of any incorporated city, tribal lands, or within the specified mapped Community Planning Areas to obtain a Special Permit rather than a ZCC. **Please retain this protective language.**
9. **Cap on Permits [Section 55.4.6.8].** The HCPC made an excellent addition to have a watershed-based cap on permits for open air cultivation, mixed-light operations, and nurseries. **Please stand firm on this.**
10. **Category 4 Road Standards [Sections 55.4.8.1.3 and 55.4.12.1.8(b)].** Including language that requires sites to either be accessed by Category 4 roads or to obtain a Special Permit that includes a road evaluation report by a licensed engineer is one of the most protective provisions of the ordinance. The engineer's report must evaluate whether the design, condition, and performance of all necessary road segments are currently capable of supporting increases in traffic volume created by the project, in addition to the existing traffic using the road(s), and include substantial evidence to support a finding that measures have been taken to protect the public health and safety, including fire safe road access, capacity to support anticipated traffic volumes, water quality objectives, and sensitive habitat. The proposed ordinance also requires applicants seeking an exception to the required functional capacity to notify property owners within 300 feet of the parcel boundaries. **Please do not weaken these standards.**
11. **Farm-based Retail Sales [Section 55.4.10.2]. Please retain the requirements** that A) facilities hosting on-site customer traffic obtain a Conditional Use Permit rather than a ZCC and B) retail sales of cannabis products are limited to those cultivated on the parcel.
12. **Performance Standards [Sections 55.4.12.1.10 and 55.4.12.1.13]. Please retain added performance standards** to mitigate impacts described in the Final EIR, especially for biological resource protection and management of waste and hazardous materials.

During your deliberations, please make protection of neighbors and natural resources your highest priorities, rather than permitting the most projects for tax revenues. Thank you in advance for considering these comments on the commercial cannabis ordinance.

Sincerely yours,



Susan Leskiw

155 Kara Ln, McKinleyville CA 95519

707-442-5444; sueleskiw1@gmail.com