May 8th, 2017

Dear Board Of Supervisors,

The Humboldt County Growers Alliance (HCGA) would like to thank the county and the applicants for the effort put forth in working together to develop a cannabis industry that protects the environment, ensures public safety and encourages the economic success of family cannabis farms in Humboldt. This transition is complicated and will require patience from all participants.

Per the agenda item for Tue. May 9th HCGA has identified three violation issues:

1- Preexisting applicants who are expanding cultivation beyond their application
2- New farms who submitted a COMPLETE application yet are cultivating before being issued a permit
3- Building and grading violations for both 1 and 2

For 1- The violation should be based on the sq. footage that is considered 'expansion' beyond the permit applications square footage. We propose the violation fine to be equivalent to the Measure S tax structure. For example, expansion of a 10,000 sq. ft. of outdoor would be fined $10,000

For 2- The violation should be based on the square footage that is new. For example, 10,000 sf. of new mixed-light should be a $20,000 violation fee. Again, based on Measure S.

For 3- Building, grading and other violations, should pay the standard 3x for such violations. This is the current procedure for landowners, cannabis cultivation should not be a determining factor in how the county deals with such situations.

Also, because a violation will stall the permitting process we think a very clear time frame for the violation to be addressed is appropriate from both ends, county and applicant. It would be problematic and perhaps a fatal flaw to see applications stall while trying to clear the violation.

We do not support pulling plants in any situation.

We do not support restoring the site to the prior conditions. The county does not require a house be torn down if it is built without permits. This would be a waste of resources and potentially exacerbate environmental impacts associated with action as proposed. From our perspective, this is not acceptable.

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We do not support violations being set at three times (3x) the application deposit and/or remediation based on a third party assessment. Cannabis applicants should pay the same fines like everyone else who grades or builds something without a permit. This is not a new phenomenon associated only with cannabis. This is a systemic problem across all types of development.

Another thing the board may want to consider is the building and remediation aspect of this process. For example the North Coast Regional Water Board Order (Order R1-2015-0023) requires enrollees have a water resource protection plans (WRPP) within 6 months of enrolling. WRPP are required to be on site and do not go to the state or the county for review. In such plan, a landowner may have a greenhouse (cultivation) next to a water course or in a wetland. The WRPP may instruct them to move the cultivation. In doing so they move it and build a new greenhouse. That move and rebuild could be considered as a violation. The Water Board Order **does** require that the applicant follow all other agencies rules and laws, thusly the landowner is in a Catch-22. If the applicant follows the county rules first, that process could take and unforeseeable amount of time, and if they wait, they are in violation from the Water Boards order. Typically an applicant is deciding to move the cultivation, and choosing to protect the natural resource. Applicants are being told from different agencies what to do with different time frames to do it.

We strongly think that building, grading and any other permits should be decoupled from the cultivation application. **Again, building, grading (#3) violations should pay the standard 3x (or the current standard). Cannabis applicants should pay the same fines like everyone else who grades or builds without a permit.** We highly suggest the county issue a violation based on the current procedure in place, regardless of whether or not there is cannabis on the property. If a person wants to risk building a commercial building on their property, building greenhouses or other agriculture except buildings, it is within their right to do so, if its a comparable use with the proper permits and should be fined the equivalent with the standard protocol if they don't.

A suggestion is that the county could have the applicant sign an affidavit stating that they understand they may not get to use such buildings for commercial cannabis, if their cultivation permit is denied, and allow them to continue to process the axillary permits. The risk would then fall on the property owner, not the county.

Egregious development that is well out of the scope of the law is not on okay in any situation and this type of development should be considered on a site-by-site approach.

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From our perspective, for the applicants who are gaming the system, the only way to cull those offenders out, is with the time frame the Planning Dept. has provided to finish a complete application.

We also strongly believe that complicated applications should be given extensions if they provide sufficient evidence of working towards a complete application. If they don't provide such evidence and an applicant has not completed their application submitted by X time frame they face their application becoming defunct, as stated by the Planning Department.

In conclusion the violation issue is not straightforward, not black and white and not one size fits all.

We request the county be mindful that some of these applicants are trying to do the right thing by engaging in a very uncharted and untested system and are now facing violations based on their effort to comply. In addition we would like to acknowledge that there are applicants who are trying to play the system. We do not support such applicants. Finding a solution to differentiate between the two is key. In doing so we urge the county to be mindful that an all 'stick' approach to early adopters will erode confidence in the system, a system that has only issued 22 permits in over a year. There is considerable stress on the relationship between the industry and the planning department and it essential for compromise on both ends.

The core mission of the ordinance is to bring as many people into compliance so that the environment is protected, public safety is protected and Measure S starts to infuse tax money into our county. We urge the county not lose sight of this. Humboldt has the most to gain and the most to lose in the same breath. Working together is the only way forward.

Thank you for your time and consideration on this very complex situation.

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Bullet Points:

- **We do not support pulling plants.**
- **We do not support restoring the site to the prior conditions.**
- **We do not support violations being set at three times (3x) the application deposit and/or remediation based on a third party assessment.**

Three violation issues identified and proposed resulting violation fee:

1- Preexisting farm that have expanded beyond their application sq. footage:
-Violation fee based on Measure S for the sq. footage that is considered 'expanding'
-Time frame for county and applicant to clear up violation.

2- New farms who are growing before being issued a permit:
-Violation fee based on Measure S
-Time frame for county and applicant to clear up violation.

3- Building violations for both 1 and 2
-Reorganizing the cultivation should not be a violation resulting in Measure S size fines if the sq. footage is the same or bellow application sq. footage. (can be proved with application).
-3x (the current standard) of the building or grading violation unless the applicant has clear guidance to move a cultivation site due to environmental threat and can provide evidence of such guidance.

-Separate building, grading permits from cultivation application.

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