

February 25, 2019

To County of Lake Board of Supervisors:

My name is Damien Ramirez, owner of Mezzrow Meadows LLC, the single largest applicant in the county for commercial cannabis cultivation. I have submitted a completed application for UP 18-42 which, if approved by the Planning Commission, will generate nearly \$180,000 of annual tax revenue for the County of Lake. I have been earnestly following the Commercial Cannabis Cultivation Ordinance since the discussions first began a couple years ago. Unfortunately, the news of the discussion to review the ordinance was just updated this morning on the County of Lake Legistar which did not give me enough time to arrange my schedule to attend the meeting. It is stated on the website that meeting and agenda information will be updated one-week prior to the meetings, unfortunately this was posted only one day prior. I only hope enough people heard of this meeting to give you the true sense of the painstaking process that each applicant has and is currently enduring trying to develop a legal cannabis cultivation operation in this county. Before submitting public comment, I want to give you a brief background of the situation I am personally in to illustrate some of the many issues that applicants similar to myself are forced to deal with.

I officially applied for four Major Use Permits on September 13th and ever since I have been diligently providing any information asked of me to expedite this process as quickly as possible. I received a letter (which I would happily provide upon request) from the Principal Planner, Byron Turner dated January 17th with the following statements verbatim:

- “The County of Lake has accepted the application and is currently drafting the Initial Study”
- “It is anticipated this will take place sometime in early April, 2019” (“this” is referencing the Planning Commission Hearing from a prior sentence in the letter)

I spent the following four weeks calling and leaving countless voicemails as well as sending a multitude of emails in an attempt to confirm this information. I finally received an email response from Byron on February 20th stating that the Initial Study document preparation was assigned to Peggy Barthel. Through my correspondence with her I received an email stating, and I quote, “I hope to have the draft CEQA report ready for internal review by the end of March.”

I am by no means trying to write anything negative about either of them or anyone else in the Community Development Department, I am simply bringing to your attention the tremendously stressful situation that applicants such as myself find themselves in. I am happy and willing to provide the county nearly \$180,000 worth of annual tax revenues, and even me, the largest single applicant in the county cannot get through this process in a timely fashion. As you can clearly see in the above quotes, I am receiving inaccurate and contradictory information on projected timelines which has dire consequences to my entire operation. Even if I receive a favorable determination by the Planning Commission, it would be at such a time that I would be unable to have site preparation activities completed and have plants in the ground in a timeframe that would allow for a successful operation in 2019. I will be forced to wait until 2020 to activate my permits, resulting in the county losing the immense tax revenue that I am happy and willing to provide to operate. This will not only have terrible consequences to my business, my CDFA temporary licenses, and my family; it will have severe financial ramifications to the county as well. **I hope you can empathize with my frustrations and something can be done to take care of the applicants such as myself who are already in the system; allowing the county to reap the benefits that the implementation of this Ordinance desires to achieve.**

The following are my public comments regarding some of the topics listed in Michalyn DelValle's Memorandum to the Board of Supervisors:

Regional Water Quality Control Board Enrollment Date:

This cutoff date has been proven to be an ingenious decision by the Board when originally decided upon last year. The Community Development Department has been tremendously inundated with the current applicants and I couldn't imagine the length of the already long process with more applicants being allowed. There are currently 105 properties in Lake County that were enrolled in the Water Quality's General Order prior to April 19, 2018. There has been a total of 91 applicants with 19 of them just applying in 2019. Of those applicants many have not even applied for the total amount of permits that Ordinance 3073 will allow on certain sized parcels. I believe there will continue to be new applicants as well as a large number of applicants continuing to apply throughout this year to maximize their allotment of permits on their specific sized parcels (1 for every 20-acres). **I desperately implore the Board to NOT remove or change that qualifying condition from the Ordinance for at least another full year.** To make a thorough assessment of the economic and environmental impacts of the Cannabis Program the Board should wait at least one year to see how the current and future applicants under the current Ordinance perform during their annual review processes. Removing this cutoff date would not be a prudent decision considering this is an industry still in a stage of infancy with minimal data supporting a decision one way or the other. Let the current and proposed projects run their course and choose to make an informed decision backed by data, not just the allure of more tax revenue. That revenue will always be there when the proper time arises.

Authority to Construct

The Lake County Air Quality Management District has chosen to assess the highest amount on their entire fee schedule to Commercial Cannabis Cultivators. This exorbitant amount of money includes over \$5,000 for an Authority to Construct Permit as well as over \$15,000 for a Permit to Operate. My project, for example, has zero new land disturbances outside of traditional agricultural practices such as disking, tilling, and harrowing the historically disturbed land. The carbon footprint produced by these tractors is offset by the planting of the cannabis itself along with many other operational techniques to minimize land and environmental impacts. When I asked Douglas Gearhart at the LCAQMD why this is the only agricultural practice that has such high-priced demands to operate, I was told that much of the money will be used to alleviate costs involved with responding to odor complaints. My projected operation is in a remote rural location without inhabitants for literally miles around, although I am still subjected to the same inflated amount that proposed farms in areas where this odor nuisance is truly a problem. I encourage the Board to take a closer look at the fee schedule that the LCAQMD has in place and ask them to make it more reasonable to represent the true air quality impacts that farming produces. Whether the result is an overall lowering of the fees or at least a logical assessment of each individual project to provide each applicant with a fair cost to run their operation. This really feels like the LCAQMD is taking advantage of a new LEGAL industry that has an unfair and unfounded stigma lingering over it.

License Type Limitations Per Applicant and Per Parcel

I believe that the members of this community that have spent the last three years helping develop a quality ordinance that contributes to the County while following all the laws and decisions to maintain respect for the persons opposed to the industry deserve to be thoughtfully considered on this matter. While Ordinance 3073 has in many ways virtually mirrored the CDFA's laws and regulations, it failed to mirror one important aspect. While the CDFA has a cap on Medium Type licenses they have allowed

small licenses to be obtained on an unlimited basis. I suggest the Ordinance maintains its stance on one permit for every 20-acres that is on a parcel, but removes the limit of four permits per parcel, allowing for applicants to receive permits on a basis that is more consistent with the CDFA. Current and proposed operators have completed the seemingly endless hours of work to secure land and SWRCB General Order Enrollments in a timely fashion, so why shouldn't they reap the true benefits of how the CDFA has constructed their rules and regulation? Allowing for more cultivation canopies on already approved parcels will make compliance and other assessments easier on the Community Development Department. It will be a way that the county can receive a larger sum of tax revenue from the Cannabis Program. It will also keep the grow operations in areas where they have already satisfied the litany of requirements needed to obtain State Licensing and County Permitting, located in areas where the surrounding parcel owners view the industry as acceptable and viable.

Thank you for your valuable time and thoughtful consideration of my thoughts on these matters.

Sincerely,

Damien Ramirez
Mezzrow Meadows LLC