March 1, 2021

Lake County Board of Supervisors

Re: Comments to Amendments to Cannabis Early Activation Permits

Dear Supervisors:

We are writing to provide comments and alert staff to several critical issues in the proposed amendments to the Lake County Early Activation program which have come to our attention.

The Early Activation program is intended to assist applicants due to the backlog of applications impacting the Community Development Department's ability to timely process cannabis land use applications. We applied this effort, and the program has been a success in many respects.

In our case, our application was submitted in early 2019, and the application was deemed complete in October, 2019. We have been waiting for **one year and five months** since then for a hearing before the Planning Commission. We requested early activation for a trial plot of 10,000 square feet in 2020, which was granted, secured a state license, and have been conscientious stewards of the program.

Our comments to the proposed Ordinance and Resolution are as follows:

ORDINANCE

1. *CEQA Compliance*. Section 2(i)(c) does not correspond to CEQA, and misstates the CEQA process.

The Ordinance provides

"(d) An Initial Study must be submitted to, deemed complete by the Department, and complete the State Clearinghouse public review process prior to requesting an Early Activation Permit."

However, the Initial Study is never sent to the State Clearinghouse. The CEQA document sent to the State Clearinghouse would consist of the Negative Declaration, Mitigated Negative Declaration, etc. The proposed Ordinance is therefore fundamentally flawed in that it completely misstates the actual CEQA process.

We are requesting that the Ordinance be corrected to correspond to the CEQA process and requirements. We are therefore requesting that the Initial Study be submitted and deemed complete as the condition to the Early Activation Permit.

2. **Early Activation Becomes Irrelevant.** Also, the final Initial Study and CEQA processing is at the end of the permitting process, making Early Activation irrelevant by the time this step taken. In a normal process, an application is submitted, the application is adjusted in consultation with Staff, and not until the final project has been characterized is the Initial Study itself finalized (based on the final project description). This is often the last step before the Planning Commission hearing. At that point the Early Activation is essentially meaningless.

We are requesting that the Initial Study be submitted and deemed complete as the condition to the Early Activation Permit.

3. *Adjoining Landowners*. The neighboring landowner complaint provisions grant neighboring landowners an absolute veto right for Early Activation. The Ordinance provides

"Early Activation Permits shall not be approved if formal complaints are received about the project."

This condition permits any adjoining landowner, for any reason, substantial or insubstantial, and substantiated or unsubstantiated, to unilaterally deny an Early Activation Permit. This is inappropriate in that it places the decision making power in the hands of individuals rather than the County Planning Department.

We are requesting that the proposed Ordinance be revised to delete this condition.

Resolutions (Existing Early Activation Participants)

- 4. Section 1(d) reflects the same provisions regarding neighboring landowner complaints as discussed above. We are requesting the same adjustments to the language of the Resolutions.
- 5. *Early Activation Area.* Section 1(e) requires that

"The request for a new Early Activation permit is an exact footprint and square footage of the previously most recently approved Early Activation Permit."

Many applicants have been waiting over a year for a hearing before the Planning Commission, in our case almost a year and a half since the application was deemed complete. Last year we sought early activation for a trial plot of 10,000 square feet, with the full intention of increasing this to 2 acres for the 2021 growing season.

We have relied in good faith on the County to provide a fair and consistent process for pursuing cannabis land use permits. We have worked closely with Staff, followed all the County's processes, rules and regulations, and been good corporate citizens. This radical change in the process will punitively deprive us of millions of dollars in lost growing opportunities in crop year 2021, and unfairly punish us for the County's continuing delays in processing and hearing our cannabis Use Permit application.

We are requesting that 2021 Early Activation for holders of 2020 Early Activation permits (which comply with all of the other requirements) be permitted to seek Early Activation for their full proposed entitlement.

We appreciate the work of the County in designing and implementing the Cannabis Ordinances and in particular the Early Activation program. These comments are intended to assist the County in arriving at an appropriate, calibrated response to needed adjustments to the Program. We appreciate your consideration of these items and will be in attendance at the hearing answer any questions.

Golden State Herb

Crystal Keesey