## Victoria Davis - Fwd: Comments on Cannabis Facilities Code OA\_2017\_0001

From:

**PBS PBS** 

To:

Victoria Davis

Date:

9/6/2017 1:09 PM Subject: Fwd: Comments on Cannabis Facilities Code OA 2017 0001

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>>> "Casey O'Neill" <casey@cagrowers.org> 9/6/2017 9:19 AM >>>

**To: Mendocino County Planning Commission** 

From: Casey O'Neill, HappyDay Farms, Vice-Chair California Growers Association, Acting Chair **Mendocino County Growers Alliance.** 

## Comments Regarding OA\_2017\_001 Cannabis Facilities Code (CFC)

Honorable Commissioners,

I appreciate the opportunity to offer comments on this process as it continues to evolve. Effective regulation must balance the various needs of the community, while considering the economic realities faced by the county and the people who reside here. As a cultivator, I must point out that there is a desperate need to move this process along in ways that create a rapid, functional supply chain.

Mendocino County has a long history of cannabis production, with thousands of small-scale producers growing excellent cannabis. What we don't have is functional infrastructure to bring our production to market in competitive ways. There are large-scale operations coming online in other parts of the state that threaten our viability in the marketplace. It is essential that the county take steps to support and foster cannabis businesses; there is an undeniable economic contribution from the cannabis industry in all areas of the county.

The wine industry is often referenced in relation to the cannabis industry because of the many parallels that exist. One parallel that we must avoid at all costs is a repeat of what happened in the wine industry with Napa taking the lead and Mendocino being left behind. We have a golden opportunity to emerge as leaders in an industry that is rapidly taking shape; streamlined, functional regulations are necessary to this process.

The following are specific comments on the draft ordinance:

Processing and Nonvolatile Manufacturing in Commercial Zones: Staff has suggested that processing in commercial zones is inconsistent with the General Plan. At the same time, there is recognition that the General Plan Principal 2-2c includes support for small-scale or niche manufacturing. It is important to allow these types of uses in commercial zones, and justification is provided in the General Plan to "support the county's resource-based economy and take actions that protect and enhance the county's diverse natural resources". Cannabis producers occupy a very small footprint, and their economic viability supports diverse natural resources in the county. Limiting processing and nonvolatile manufacturing to industrial zones creates high barriers to entry for many businesses because of extensive build-out costs and limited accessibility of industrial zones. Given this reality, the need to allow these uses in commercial zones ties directly to the previously referenced General Plan statements. It seems incongruous that virtually all other uses under this ordinance are authorized in commercial zones, but processing and nonvolatile manufacturing are not. For volatile manufacturing, industrial zoning requirements make sense. Zoning Code section 20.088 and 20.092 deal with authorized uses in commercial zones. It is notable that packaging/processing for product grown onsite is an authorized use in these zones; it would make sense to add the ability for cannabis products grown off-site to the allowable uses in these zones. General Plan sections DE48 and DE49 provide discussion about development in the county; a consistent interpretation would allow for the proposed uses in commercial zones.

**Farmers Markets:** We expect to see the ability for issuance of "Special Event Permits" from the state that would allow for cannabis farmers markets to occur. The county should take steps to authorize these types of events; direct market interactions are becoming increasingly important to farmers as price volatility grips the wholesale marketplace.

**Microbusiness:** By definition, this license type is created for small producers (cultivating 10,000 square feet or less). To restrict it to industrially zoned parcels is in direct contradiction to the intention of this license to provide avenues for small producers to engage in value-adding and avoid extra supply-chain costs in getting their products to market.

**Cottage Use of Home**: By definition, Cottage Producers are engaged in home production. A prohibition on using the home for cannabis purposes is incongruous and detrimental to the idea of cottage production.

**Use Permits:** The County is facing a significant workload in bringing cannabis into the regulated environment. Too many Use Permits create administrative backlog and slow down the process. We should avoid this as much as possible, opting instead for Zoning Clearances first, Administrative Permits second, and in extreme cases, Use Permits.

**Coastal Zones:** It is important that the Coastal Zone not be left behind in this process. One option that has been proposed is the concept of Zoning Overlays which would allow for cannabis activity in these areas. We need innovative solutions that will help to bring the industry forward.

Thank you for your time and efforts on this complex public policy issue.

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