

Ramirez, Angelica

Public Comment - Group 1

#2

From: Lillian Clary <mzll2988@gmail.com>
Sent: Monday, December 13, 2021 2:35 PM
To: sbcob
Cc: Lil Clary
Subject: Public Comment, December 14, 2021, Update on Cannabis Compliance...



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Please post this email in public comment and also please share with the Board members.

Thank you.

Lil Clary
Tepusquet Canyon

There is so much that is objectionable or questionable in this staff report that I'm not quite sure where to start or what to leave out.

That said, let me begin with the recommendation from "Objectives for the Upcoming Quarters" that states that staff intend to propose that they "transition the cannabis quarterly update to an appendix in the quarterly budget update".

If this is county-speak for 'let's bury this' then this proposal is absolutely inappropriate. We need more, not less transparency about the status of cannabis issues. It is incredibly premature to remove this reporting from public scrutiny.

From the Acreage Cap section: staff state that an applicant's position on the Eligibility List is "non-transferable". What does this mean? Since residents of Tepusquet have noted that the original application for a CUP filed by Dayspring *et al* is being processed despite the changeover in the named agent (his girlfriend), just how non-transferable are we talking about? And is non-transferable differently defined whether it applies to a permit application or the eligibility list?

Removing processing from the cap raises a number of issues. The staff report euphemistically states that applicants removed processing from their LUP and CUP permits in order to "expedite approval". I think this really means that they felt that by removing the most odiferous of the on-site operations they'd have a better chance of getting approved. In fact, that is exactly what happened as Planning Commissioners approved one after another LUP.

Further, what are the guidelines for filing "new permit applications" for processing? Will these be ministerial? I noted that elsewhere in the staff report there have been hundreds of odor complaints filed. Guess what, this number is about to increase geometrically.

I am extremely skeptical of the statement that staff propose to develop amendments to the ordinance that address "changes in ownership". I've watched as some permit applicants have clearly used ownership via LLC as a way to obfuscate. An LLC is a legal entity with specific responsibilities yet some applicants have changed LLC names, agents, etc. yet claimed that these changes were meaningless and that the latest version is worthy of being allowed to use all application documents filed by the original (scofflaw).

Lil Clary
Tepusquet Canyon

PS: I note that cannabis revenues are down because of a decrease in demand as stated in the staff presentation.

- Local operators continue to indicate that product supply exceeds demand

Ramirez, Angelica

From: Tadd McKenzie <tadd@pacificdutchgroup.com>
Sent: Monday, December 13, 2021 2:39 PM
To: Hartmann, Joan; Williams, Das; Hart, Gregg; Adam, Peter; Lavagnino, Steve; sbcob
Subject: Public Comment Item D2

Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

Chair Nelson and Honorable Supervisors,

We have reviewed the Quarterly Cannabis Update staff materials and appreciate an opportunity to make the following comments:

1. The legal industry is truly struggling due to price compression, unsustainable local and state taxes, lack of federal legalization, and increasingly difficult permitting, licensing and regulatory requirements. We are actively working with the State regulatory agencies and decision makers to seek relief from cultivation tax, and METRC inefficiencies.
2. Please consider any efforts to streamline the County's existing permitting, licensing and auditing processes to support those of us who are operating legally;
3. One of our land use permits was recently appealed and we were informed by staff that the earliest we could schedule an appeal hearing is April 2022. We urge the County to fast track applicants that are ready for appeal hearings, and schedule extra hearings per month at PC as needed. It would also help to have additional staff resources to process these permits.
4. Our architects are still struggling to get through the building permit review and issuance process in a timely manner. In many cases we have completed the land use permit and business licenses process, and the building permits are our last bottle neck to start operating. This means big tax losses for the County, each day we are not operating. Some of the main challenges include the time it takes for our architects to get access to upload the permit application via dropbox, as well as getting electrical and mechanical plan check comments in a timely manner.
5. We also support efforts to further refine and enhance the Business License process. This is critically important, as there is a significant back-log of licenses under review that have not been issued.

We appreciate all of staff's work and applaud all of the existing efforts to continue to refine the County's cannabis program. Thank you,

Tadd McKenzie
CFO, PDG

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Tadd McKenzie | Pacific Dutch Group, LLC | 5360 Foothill Rd. | Carpinteria, CA | 93013 | (805) 451-8095

Ramirez, Angelica

From: Graham Farrar <Graham@glasshousefarms.org>
Sent: Monday, December 13, 2021 2:45 PM
To: Hartmann, Joan; Williams, Das; Hart, Gregg; Lavagnino, Steve; sbcob; Nelson, Bob
Cc: Bantilan, Cory; Litten, Jefferson; Elliott, Darcel; Henson, Chris; Hanke, Aaron
Subject: Public Comment Item D2

Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

Chair Nelson and Honorable Supervisors,

On behalf of Glass House Farms, thanks for the opportunity to comment on the Quarterly Update.

The legal industry is really struggling to survive with the local and State tax rates, as well as lack of federal legalization, and increasingly difficult regulatory and compliance hurdles, such as METRC. We critically need relief at the local, State and Federal levels, so the legal market can sustain and thrive. Many of our operators are closing their doors, and laying off employees, or turning to the illicit market.

In fact, some local jurisdictions are delaying their tax programs, to give the legal operators relief, such as San Francisco County. (See article ["San Francisco Suspends Cannabis Tax to Combat Illegal Marijuana Sales."](#))

We support the County's existing efforts to continue to streamline and enhance the licensing, permitting, and auditing processes:

Building & Safety Division: For example, our architects and engineers are still having difficulty securing simple electrical permits in a timely manner. Our retail business – the Farmacy – is looking forward to quickly opening our storefronts in both IV and Santa Ynez, and we ask for timely building permit review and issuance, which is the last part of the process. We went through a very lengthy merit-based review process and are eager to start serving these communities and generating tax revenues through the counties 6% cannabis retail tax!

Business License Issuance: Glass House also strongly supports streamlining the Business License issuance process and decoupling it from the Building and P&D departments. This is logical and would make a huge difference for us. We have some concerns about transitioning from State Provisional licenses to State Annual licenses before the statutory deadline of Jan 1, 2023. Fine-tuning the Business License issuance process will help.

Permitting & Licensing of "Processing:" Finally, we support eliminating "processing" from the acreage cap. We know from experience that permitting and licensing "processing" in SBC is extraordinarily difficult and expensive. Keeping processing in Santa Barbara County is imperative for the health of the local cannabis ecosystem, and imperative for the fiscal health of the county (tax collection).

Thank you for your consideration,

Graham Farrar

de la Guerra, Sheila

From: Dave Clary <templeclary@gmail.com>
Sent: Monday, December 13, 2021 2:59 PM
To: sbcob; sbcob
Cc: Dave Clary; Lil Clary
Subject: Public Comment, December 14, 2021, Departmental Item Number 2, Cannabis Compliance
Attachments: DAVID CLARY - SUBMISSION RE ITEM 2 OF 12 14 2021 BOS AGENDA .docx

Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

to the Clerk of the board ...

Please forward the attached public comment regarding the Cannabis Compliance issue scheduled as Departmental item number 2 on the BOS meeting of December 14, 2021.

Please also distribute it to each member of the Board. If you need it as a PDF rather than a Word document, please let me know.

Thank you.

Dave Clary

To the Board of Supervisors for Santa Barbara County
Re: Meeting: December 14, 2021, Agenda Item: Departmental Number 2

My wife and I have been residents of Santa Barbara County for 40 years and Tepusquet Canyon EDRN for 25 years (as of 12/19/2021).

We have been following the county cannabis cultivation issues for approximately 4 years. The changes we have seen during that time pose an enormous change in the nature of the County for us and future generations.

We have joined with other county residents in objecting to the incredible expansion of cannabis cultivation in the county. We have won some issues and lost some.

Now we see an effort to undermine what we consider some of our important wins. I am dealing with only one of those issues raised in this departmental item.

One of our most important wins, for people effected by cannabis cultivation throughout the county was the establishment of acreage caps in the Carpinteria area and the unincorporated parts of the County.

The cap for the unincorporated areas of the County is 1,575 acres of cannabis cultivation.

This cap is now under attack.

Acreage or Canopy

There is a proposed amendment to change the definition of cultivation acreage to canopy as defined by state law for state licenses, from total acreage. It is not clear why, all of a sudden, we need to conform to the state measure. I believe this was considered and rejected when the Board was deciding which measure to use.

It would be a lot like comparing apples to oranges. The state licenses are not for a specific size, but a range of sizes. For example, a small outdoor grow would be between 5001 and 10,000 square feet of canopy. A medium outdoor grow would be 10,001 square feet and one acre. State cannabis cultivation licenses larger than this cannot be issued until after January 1, 2023.ⁱ It appears an entity would need a large number of licenses for greater than one acre. Would a grower be allowed to change the canopy within a category without further licensing?

Canopy would be much more involved and difficult and uncertain to establish as it involves the mature plant size along the boundaries. Who would determine the size of the canopy? It would require an enormous amount of county staff to ascertain this and would vary from year to year most likely. Would the County wind up taking the word of the cannabis cultivator for the canopy? Would the cap even be ascertainable? There are too many questions. Acreage is a simple measure. Canopy threatens to be a very difficult, labor-intensive one.

David Clary

ⁱ Information supplied by California Department of Cannabis Control on its website, <https://cannabis.ca.gov/applicants/license-types/>. Downloaded on December 13, 2021