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Subject: Listening Session Documentation / Sonoma County Growers Alliance
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Attachments: [SCGA Formal Letter 8_20_21.pdf](#)

EXTERNAL

Hello Crystal and Scott,

Thank you for meeting with members of the SCGA policy committee today. Attached, please find our formal comments which includes links to useful documents supporting our positions.

Moving forward, please feel free to contact us for questions or clarification; our committee is cc'd here.

Best regards,

Joanna Cedar
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August 20, 2021

To: Sonoma County Board of Supervisors and Staff
Re: SCGA Suggestions for Revisions to Cannabis Policy

Dear Honorable Supervisors and County Staff,

Since 2015, Sonoma County Growers Alliance (“SCGA”), a local nonprofit trade association, has represented cannabis cultivators and other operators, provided education and other resources for our membership to help them understand what is expected of them in the regulated marketplace and advocated for sensible local and state cannabis policies.

In 2016, SCGA and our members were optimistic when the Board of Supervisors (BoS) gave direction to staff to develop an ordinance that would further the intent of the MMRSA and later Prop 64 and transition many of the estimated 5000 cultivators into the regulated market. The program, however, has not been successful by any metric. In the past five years:

- The BoS ignored the recommendations from their own staff and the Planning Commission and removed RR and AR zoning classifications from the permissible properties closing the permitting pathway for thousands of small farmers and significantly impacting the local economy
- The BoS raised the suggested minimum parcel size from 2 acres to 5 and then raised it again to 10 acres preventing many operators from becoming permitted and forcing out some operators who were permitted but no longer met the requirements
- The county allowed the Cannabis Advisory Group to lapse. CAG members who resigned prior cited the lack of county engagement with the very body that was established to provide guidance.
- The county has allowed the cannabis program to go without a dedicated program administrator and without dedicated planners
- The number of applicants and operators, 180 in 2018, has dwindled to fewer than 40 outdoor and MLI unique businesses representing less than 1% of the cultivators that existed the prior year. And, a notable percentage of these are well capitalized from outside the county.

With all due respect, the SCGA community has volunteered 1000s of person hours answering the same questions and making the same recommendations since 2016. The situation has only gotten worse. We would rather farm. Yet, we remain engaged; we have no choice.



Our community has drafted defensible ordinance language only to have the county decline to respond; we have served on advisory boards whose recommendations have been ignored; we have attended meeting after meeting where nothing is decided and watched our members sit in the conditional use permitting process for over 4 years only to have planners indefinitely pulled off of their projects.

In the same time frame, policy makers at the county have become progressively less responsive, and increasingly willing to be held hostage by a small group of NIMBYs who do not want to see cannabis grown outdoors, will litigate to prevent it, and have no qualms about bullying our members sometimes to the point where restraining orders have been required. We just want to farm.

Permitting and code enforcement are two sides of the same coin and the county's unwillingness to be reasonable about the former results in its inability to do the latter. This dysfunction pits neighbor against neighbor, each hoping to get the attention of county government to further their goals; the resulting animosity serves no one and needs to stop.

And when cannabis legalization at the federal level occurs, recognition of cannabis as an agricultural crop that can cross state lines will finally expose how far away from reasonable cannabis policy Sonoma County really is; and all due to the hold that those opposed to cannabis cultivation have had over the county. Our members have been denied the economic liberty to run legal businesses from farming to canna-tourism, form appellations, add tax revenue to county coffers, create jobs, generate local economic activity and contribute solutions to climate change.

One local farmer has been so challenged by Sonoma County's constantly changing metrics for success and lack of movement forward on his project that he came to the conclusion that he was worth more to his family dead than alive, though thankfully he has not acted on that impulse. His story, and the county government's role in it, was recently published¹ and has been shared nationwide drawing negative attention to Sonoma County and its failures surrounding this issue.

The Sonoma County Growers Alliance board and policy committee offer the following recommendations that are not EIR related and can positively affect the program now:

- Continue accepting and processing applications for commercial cannabis permits under the existing Commercial Cannabis Land Use Ordinance. Those that qualify for a ministerial process should be permitted in a swift manner.

¹<https://mjbizdaily.com/marijuana-farmers-at-greater-risk-of-taking-own-lives-amid-hardships-california-industry-officials-warn/>



- Engage with the Department of Cannabis Control and develop consolidated local regulations that align with the state's.
- Update the county's definitions to align with state law and add additional permit types. Needed improvements include, but are not limited to:
 - Allow distribution in AG zones with, at most, a MUP.
 - Allow on-farm light manufacturing with a MUP.
 - Develop regulations that allow for Type-7 manufacturing.
 - Allow delivery-only retail with a MUP.
 - Allow consumption lounges in dispensaries or as stand-alone facilities with a MUP.
 - Remove all caps on the numbers of certain types of permits that can be issued.
 - Allow farm stands and direct-to-consumer sales on a property where a cannabis permit has been issued provided that the applicable state licenses have been obtained.
 - Develop trigger language that will allow issuance of a permit or other authorization for cannabis direct to consumer sales so one can submit a state license application once state regulations allow for this.
 - Mirror state regulations to allow for more propagation area.
- Eliminate the county's current cap on dispensaries.
- Create a process for current applicants and previous operators who were "zoned out" of the current program to be able to participate in the legal market.
- Reduce the 10 acre minimum parcel size for cultivation. This is supported by the MND supporting Chapter 26.
- Allow small scale cultivation on appropriate AR + RR parcels over the minimum parcel size on a case-by-case basis. Also supported by the original MND.
- Eliminate the canopy cap for indoor cultivation on industrial parcels.
- Immediately re-establish the Board of Supervisors' Cannabis Ad Hoc Committee, or a Cannabis Standing Committee, to deal specifically with cannabis-related issues.
- Hire or appoint a dedicated Cannabis Program Manager, who would coordinate with the various departments involved and serve as a liaison between the county and the public.
- Dedicate planners in Permit Sonoma to review cannabis permit applications. With the fires and other permit issues, the cannabis permits have created a major backlog with some applicants waiting four years now for a determination. Cannabis permit fees sufficiently cover dedicated planning staff, and more permit applications would be filed if the process was more efficient.
- Reduce cultivation tax rates to stimulate economic development. Many businesses would rather pay a lower tax somewhere else, and decide not to purchase or lease land and apply for a cannabis business elsewhere because of this. The County then loses out on tax revenue and jobs.



- Engage with the community to establish a successful Cannabis Equity Program specific to Sonoma County to help local operators who've been disproportionately harmed by the war on drugs, from prohibition or overregulation. Enforcement without opportunity is a failed paradigm.
- Direct staff to inform and assist existing permit holders with the CEQA process for state licensing.

Moving forward, we have the following recommendations regarding the components of a successful program, the parameters of the EIR, and resources to help inform your process.

A successful program will be one that has many small canopy farmers with diversified crops, flexibility to rotate their crops around their property for optimal land management incentivized by the county to augment local food sheds, raise bees, become the hubs of community microgrids and contribute taxes to county coffers that can be used for the public good.

The scope of the EIR should start with the scope of the original Mitigated Negative Declaration which assumed 250 acres of cannabis in production and allowed for cottage cultivation (25 plants) on AR and RR parcels over 2 acres. The environmental impacts of such small gardens are not a significant departure from those of a large vegetable garden which doesn't require permitting or water metering yet the products produced can enter the marketplace through a local farmstand and/or processed and sold through the California Homemade Food Act. Additionally, the 5000 cannabis gardens that existed in 2017 should be considered within the environmental baseline.

In most cases, outdoor and MLI cannabis farms under 10,000 sq. ft in AG zoning and cottage sized in AR and RR should be ministerially permitted through the AG department as long as they meet minimum criteria for parcel size and are enrolled with the Water Quality Control Board. Larger farms that meet expanded criteria in alignment with similar uses for other agricultural crops should be eligible for ministerial permitting. Buildings for drying and light processing should be Ag Exempt. Buildings for indoor and ML2 cultivation, manufacturing, distribution and retail should require appropriate permits from Permit Sonoma in parity with other agricultural support and supply chain requirements. If a similar non-cannabis businesses can be permitted with a MUP, then that should be the requirement for a cannabis operation. There are a host of regulations that are associated with normal agricultural buildings and functions that specifically exclude cannabis. The simplest way to move forward is to include cannabis.

Water: There has been a lot of discussion about how much water cannabis requires. A Napa study suggested 3 acre feet per acre. New Frontier Data disputes this, equating the water needed for cannabis and hemp at 1.3 acre feet per year. For the sake of argument, let's assume the larger. One acre of

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cannabis produces on average 4,356lbs of cannabis and uses 3 acre-feet of water. At a wholesale price of \$600/lb that would mean that 1 acre could theoretically produce about \$2.6mil worth of product. That same acre but of grapes would use about 0.5 acre-feet of water according to the Napa water analysis study, producing about 6 tons (generous assumption) of grapes with a value of \$16,000. What is not included in these numbers is the post harvest/processing water use.

For the economic value of grapes to match the economic value of 1 acre of cannabis, 162-acres of grapes, estimated to use 81 acre-feet of water would be required. 64,000+ acres of grapes in the county required 32,000 acre-feet of water per year.

Cannabis water use is metered by state law. Water use for vineyards and hemp are not.

The county should not blanket curtail cannabis cultivation by groundwater availability zone. Properties are unique and disqualifying many otherwise eligible parcels which would be subject to regional and state water regulations anyway is poor public policy.

Hemp: Sonoma County has a hemp program. Hemp and cannabis are the same plant, require the same inputs, water use, have the same environmental impacts, the same odor and should be treated with parity in setbacks, and water use reporting. Because hemp is normally grown with a larger canopy as a field and row crop it is best suited to agricultural zoning parcels as the Sonoma County hemp ordinance stipulates. Cannabis can be grown profitably with a much smaller canopy and therefore cottage permitting (unavailable for hemp) should be allowed in RR and AR zones.

Setbacks: Setbacks for hemp cultivations are suggestions included in a county Best Practices document offered to hemp cultivators. Legally, hemp can be cultivated right up to the property line. Given this truth, the setbacks that presently exist for cannabis are unreasonably large and should be adjusted to those suggestions in the hemp ordinance.

Hoop Houses: There has been a lot of discussion regarding the acres upon acres of hoop houses in Monterey and Salinas and the fear that changes to the Sonoma County cannabis program could bring that kind of large-scale cannabis production. Often, what does not get mentioned is the fact that this type of production, of flowers and other crops, existed in these regions prior to cannabis; not so in Sonoma County. The largest parcels that could house mega-farms are in the coastal zone, normally not suitable for cannabis cultivation.

Equity: We are universally thrilled that the county has been awarded \$75,000 for a needs assessment for the Cannabis Equity Program. Many of us have deep roots in the cannabis cultivation community in

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this county and many of us have been directly affected by the War on Drugs and the negative externalities associated with it. For decades, local opportunities for homesteading, generational wealth creation and even freedom to live with one's families were stolen by overzealous, over-militarized law enforcement with no tangible benefit to society. It is high time that the county and state government right these wrongs.

It is a shame that equity dollars from the state are limited and not an entitlement for those who have been wronged and counties are pitted against other counties to compete for these limited funds. It is also a shame that the implementation of Chapter 26 has resulted in the War of Drugs 2.0 - Sonoma County edition. Almost all of those who were cultivating cannabis for the legal 215 market had their businesses shuttered by over zealous county ordinance restrictions. By limiting the pathway to permitting for small farmers, the county is not helping to fulfill the state's goals of creating an industry that allows communities more impacted by cannabis prohibition to participate in the regulated market.

Events: People routinely travel to Sonoma County with the expectation that it is friendly to cannabis events and tourism as we have such a rich history of cannabis cultivation. What they find is tacit approval of cannabis but not an embrace of the culture that would result in creative ways the county could support and promote Sonoma County cannabis as it does with wine. This is a missed opportunity. In permitting event uses the industry should have parity with wineries and the same types of resources from the Economic Development Board that other industries enjoy.

The recommendations herein are supported by research documents contained in this [linked folder](#). Therein, please find:

- [Origins Council Report: Cannabis Cultivation, CEQA & Licensing Reform](#)
- [Executive Summary of the OC CEQA Report](#)
- [Attorney Jim Moose Memo regarding streamlining CEQA compliance](#)
- [New Frontier Data cannabis water usage report](#)
- [Journal Article: Shifting geographies of legal cannabis production in California](#)
- [The Economic Impact of the Cannabis Industry](#)
- Mendocino Appellations Project (precursor to Origins Council) Reports:
 - [Cannabis and Sustainable Development](#)
 - [The Importance of Appellations](#)
- Infographics from Cannabis Research Center at UC Berkeley
 - [Water](#)



- [Land Use](#)
- [Compliance](#)

We remain hopeful that the Board of Supervisors understands that the industry needs full engagement, that cannabis and the economic activity that flows from this essential supply chain can and should be part of the solution to reestablish solvency and economic growth in a post-COVID world and in the face of increasing negative effects of climate change. We urge you to focus on sound research-based policies that support a robust cannabis industry in Sonoma County.

Respectfully Submitted,

Sonoma County Growers Association Policy Committee

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