



Cannabis Ordinance Revision Discussion

Lee Tannenbaum
President, El Dorado County Growers Alliance
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Why are we here? Is there enough evidence that the current cannabis ordinance needs review and changes so that it can be functional, practical and implementable?

- ▶ This is the only, very simple question in front of the Board today:
 - ▶ The results from the workshop and the Planning Commission's recommendation are a clear **YES**. This is a simple step in a formal process, if the answer is yes then you vote to do an ROI to have the ordinance opened and returned to you with draft changes.
- ▶ Making decisions on any of the specifics alluded to by staff or the "themes" would be inappropriate at this time since you have not been provided with facts and analysis by staff for each. That is the next step in the process.
 - ▶ There are serious practical problems outside of the 'themes' that are not implementable (like a school bus stop that is a moving target and may lead to potential legal action)
- ▶ Today: Resolution Of Intent or not. Tomorrow, specific changes are brought back to you for your review.

History - But before we get started...

- ▶ Every Supervisor is aware of the wine industry in EDC.
- ▶ As we have this discussion, please think of the cannabis farmer like you would a wine producer.
- ▶ WHY?
- ▶ A grape vine is planted and grows producing fruit. So too does a cannabis plant
- ▶ The grape is harvested, processed/manufactured into wine. So too is a cannabis plant
- ▶ Wine is sold in its final state or aged and then sold. So too is a cannabis plant
- ▶ We call these products different names, but they are the same in many ways

History

- ▶ Cannabis legalized in 2018 by an overwhelming majority vote of EDC citizens
- ▶ Since 2018, one grower has received a license and is growing. Two total licenses issued with one in appeal.
- ▶ EDC county sued and settled due to issues with the ordinances
- ▶ Planning commission sessions go through entire ordinance, the issues as they currently exist and makes recommendations to this Board
- ▶ And here we are...
- ▶ There are significant issues with the current ordinances and processes which are preventing residents who desire to get a legal license from attaining one. As an example, both (yes only 2 in 5 years) approved applicants took over 3 years and several hundred thousand dollars each to get through the approval process
- ▶ This is not what the voters voted for!
- ▶ The work has already been done by the Planning Commission... See below.

Planning Commission Discussions

- ▶ As noted in the staff report, the PC, staff and interested parties (including the public) participated.
- ▶ The entire ordinance was discussed with the above group. Recommendations and questions were made by the PC for this board to give direction on. While a general recommendation is requested today, there was a detailed discussion and tentative consensus on all items presented.
- ▶ Supporting documentation presented by the alliance was fact checked by members of the PC.
- ▶ We will discuss all of these and offer during today's discussion. The issues presented by Counsel are a summary of the below presented material.
- ▶ If the Board approves and agrees with these suggestions, it will significantly speed up the process, lower costs to the applicants (while we still pay for the program). AND it will move toward eliminating more illegal grows in EDC

Setback Reduction - etc.

- ▶ Removal of Nov 6th, 2018, date - This was done to prevent something which has not occurred and needs to be removed
- ▶ Distances/Setbacks - EDC Currently 500' greater than other counties
- ▶ Parcel and Premise - EDC has different definitions for cannabis than other properties/businesses. EDC has different definitions from the state as well as any other county in the state.

- ▶ Side fun facts (but not fun) - A convicted pedophile has less restrictions to living near a sensitive site (school bus stop, school, etc) than a fully vetted cannabis applicant. EDC is the only county that considers a bus stop a sensitive site.

Expanded Canopy

- ▶ Current county regulations state maximum grow area to be no more than 2 acres. During the PC meeting, it was determined that this was an artificial number created for no apparent reason.
- ▶ Allow for cottage licenses - Current code requires even small farms (Cottage licenses designated by the state as under 2500 sq/ft of growth) to do the same, long and very expensive CEQA studies. This is too much of a burden for the smaller farmer



Changes to Propagation and Expanded Use

- ▶ Allow Indoor growing to occur on any commercial cannabis location regardless of zoning
- ▶ Allow Processing to occur on any commercial cannabis location regardless of zoning
- ▶ Allow Non-Volatile Manufacturing to occur on any commercial cannabis location regardless of zoning
- ▶ Change lighting to emulate state lighting regulations - EDC eliminated an important lighting range.
- ▶ Mixed light definition needs to be changed to match changes in state language
- ▶ Think vineyard...



Sheriff's Office and Background Checks

- ▶ 45-day limit was discussed, and the Alliance agrees that this is no longer an issue. The Sheriff's office providing background checks in a timely fashion is no longer an issue
- ▶ Ownership - Sheriff's position appears to be fine with our county's definition of ownership being tied to the state definition and not a special county definition.
- ▶ Alliance agrees that doing background checks spouses of owners are OK. The Alliance also agrees that if an 'owner' is the Designated Local Contact, that a background check be required.
- ▶ Alliance disagrees with the Sheriff's position on Designated Local Contact having a background check. This role, if not an owner, will have no authority over the business and falls into the ownership, or lack thereof. No critical decisions will be made by the DLC, unless they are an owner.
- ▶ A non-owner DLC could be an answering service, and so the Alliance believes this is an overreach.
- ▶ Background checks should align with state, EDC currently makes subjective, not objective decisions. EDC is also the only county who does credit analysis of applicants.
- ▶ What is the expected date EDSO will have their LiveScan vs HDL? 5 years and counting. Alternatives? Why will EDSO not use state provided background checks?
- ▶ Remove 5th amendment violations from background application. There are several self-incriminating questions. This was not addressed by the Sheriff in his letter.

Other policy considerations

- ▶ Taxes - Current EDC Tax Collector would prefer to have a gross sales tax on cannabis cultivation, not a square foot tax. This would align with all other cannabis businesses
- ▶ Taxes - consider lowering cannabis tax rates as the high taxes by county and state are driving illegal activity
- ▶ County Wide EIR and change from commercial to agriculture - Speed up process. See DCC/Mendocino Document.
- ▶ In addition to above, other counties certify scientists (for various studies - Bio, odor, etc). This will greatly speed up the CEQA review (which is the long pole in the tent)
- ▶ Direct to consumer - again, vineyard
- ▶ Ensure this ordinance is reviewed every year or two, not every five

Easy and with total agreement from Staff

- ▶ Annual Operating Permit - Tie effective date to conditions of approval completion date
- ▶ Renewal and resubmission - Only require any changes in the original submission documents to be submitted and not the entire package.
- ▶ Allow porta potties on cultivation sites
- ▶ Not fully agreed to but saw a lot of heads nodding - Multi-year licenses should be made available.
- ▶ Transfer of ownership language reads one way, but intent is to allow for easy transfer of ownership, so language need to reflect this.

Thank you for your time and consideration. Questions?

- ▶ One vote - Open an ROI or not? Is there enough evidence presented to support change?
- ▶ The (in the) weeds discussed are to show dysfunction with the existing ordinance and are not for exploration today.

