

Robert Adelman
Benmore Valley Road
Lakeport, CA 95453
17 May, 2018

County of Lake
Board of Supervisors
255 N. Forbes Street
Lakeport, CA 95453

Supervisors:

I am writing to clarify certain legal issues concerning early activation permits under Ordinance 3073.

At the Board's meeting on May 15th, 2018, Cliff Ruzicka, owner of Ruzicka Associates, the premier civil engineering firm in Lake County, made an urgent appeal to the Board to honor its obligation to activate the cannabis use permits that qualify for early activation under Ordinance 3073.

Chairman Steele responded to Mr. Ruzicka, stating that the delay in issuing the early activation permits was due to state law. **There is no state law that would cause a delay in issuance of early activation of permits for the proposed projects on the Benmore Valley Ranch.** A request of Planning Division staff to provide details on the state law causing the delay, so that we can help resolve that issue, has gone unanswered.

The Benmore Valley Ranch applicants have been issued State Temporary Cultivation Licenses by CalCannabis. By law, the issuance of the State Temporary Licenses by CalCannabis convey a right to begin cultivation. More specifically, state licensure requires an applicant for a temporary cultivation license to be allowed **"to conduct commercial cannabis activity at the location requested for the temporary license."**

While many applications under consideration for early activation require CEQA analysis, the Benmore Valley Ranch projects are CEQA exempt both under the "minor alterations to land" and "existing facilities" principles. These exemptions are codified in CEQA to allow existing facilities to continue operating. The Benmore Ranch has the vested right to plant up to 240 acres of vineyards tomorrow with no CEQA analysis. An analogy would be if a McDonalds restaurant was on a busy street corner for decades and shut its doors and a small organic sandwich shop was applying for a use permit to open in the same facility. The proposal for 5 acres of outdoor cannabis planted in the ground in the footprint of an existing 240 acre vineyard is similar.

The Board and staff have previously stated their intentions to allow those who are qualified to operate in 2018 to proceed and acknowledged the urgency by adopting two Emergency Ordinances clearing the way for state licensure. The Benmore Valley Ranch projects, working in good faith, have submitted complete applications to the Planning Division on April 19th, 2018, meeting all the requirements set forth by the Board for the issuance of early activation permits. One month later, on May 17th, 2018, the

applicants have not received any information indicating that the applications are incomplete. Attached is recent correspondence to the Planning Division.

The delay is causing significant damage to the applicants' ability to operate in 2018. Due to the delays the projects have been downsized from 5 acres to 2.25 acres of cultivation resulting in an unrecoverable loss of approximately \$120,000 in Measure C tax revenue to Lake County. By not supporting legitimate businesses who have the ability and intention to generate significant Measure C tax revenue the Board is directly and intentionally harming small local businesses while indirectly supporting black market cultivation that are destroying the local ecology and increasing crime.

Please hear us and the local business community that is relying on the revenue generated from the legitimate cannabis industry and consider a fair hearing and vote for the attached resolution which clarifies the Board's intent to allow legitimate businesses to operate in 2018.

Sincerely,

Robert Adelman

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