



*Rio Dell City Hall
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cityofriodell.ca.gov*

February 6, 2024

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Approval of Letter Opposing Measure A - Humboldt Cannabis Reform Initiative (HCRI)

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Approve the letter as drafted; or

Amend the letter and approve; or

Take no action on the letter; or

Direct staff to draft a letter in support of Measure A.

BACKGROUND AND DISCUSSION

The March 5, 2024 California Presidential Primary Election includes a local ballot initiative entitled "Measure A – Humboldt Cannabis Reform Initiative." Attached to your packet is a letter drafted in opposition of Measure A. This item comes at the request of the Mayor. The opposition letter has also been requested by legal cannabis operators in the City of Rio Dell. Proponents and opponents of this measure have been invited to the Council meeting.

It should be noted that Measure A, if passed, has no direct impact on legal cannabis land use decisions or policy within the boundaries of the City of Rio Dell. However, the success or failure of the legal cannabis industry in unincorporated Humboldt County does have some degree of impact on cultivation serving businesses, potential value added cannabis processing businesses, interest in cannabis investments within Rio Dell and general economic activity within Rio Dell. The degree of this economic impact on Rio Dell, either positive or negative, is not quantified.

Attachments:

- Draft letter of opposition
- HCRI Analysis and Recommendation by Humboldt County Planning and Building Department
- Full text of the Humboldt Cannabis Reform Initiative

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February 6, 2024

RE: Letter of Opposition to Measure A

To Whom it May Concern,

On March 5, 2024 the California Presidential Primary Election will be held. This election includes a local initiative that will be voted on in Humboldt County called Measure A, the "*Humboldt Cannabis Reform Initiative*." The Council wishes to oppose this Measure.

There is no doubt that past decades of unregulated and illegal marijuana operations have taken a toll on the environment and public safety while simultaneously creating a local economic engine that has fueled a significant portion of Humboldt County's economy while other sectors have declined. With the legalization of cannabis via Proposition 64, Rio Dell has looked forward to the legitimization of the economic benefits of this industry while pushing back on the deleterious environmental impacts and the impacts to community safety. This is the promise of legalization that can only be realized through prudent policy and regulation.

A March 2023 analysis from the County of Humboldt's Planning and Building Department determined that Measure A would have "dire consequences to the cannabis industry in Humboldt County if passed" by "discourage[ing] existing permit holders from modifying their permits in any way." According to the County this would restrict modifications intended for environmental protections or modifications that adapt to the evolving industry, regardless of operation size.

As a voter initiative and if approved, Measure A's language could only be changed or removed by voter initiative. This creates innumerable obstacles to the success of the industry in an already highly regulated market that will continue to be dynamic and changing for the foreseeable future. In order for the legal cannabis industry to succeed, the County will need to retain flexibility and responsiveness to public input and maintain an appropriate balance between all interests.

For these reasons, the Rio Dell City Council is opposed to Measure A.

Sincerely,

Debra Garnes
Mayor
City of Rio Dell

Humboldt Cannabis Reform Initiative

Analysis and Recommendations



Prepared for the Humboldt County

Board of Supervisors

By
Humboldt County
Planning and Building Department

March 7, 2023

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I. EXECUTIVE SUMMARY

This report is prepared in response to direction from the Board of Supervisors on October 25, 2022, to provide an analysis of the Humboldt Cannabis Reform Initiative (HCRI). This report describes the proposed changes in cannabis regulations, discusses how this would affect existing farmers, evaluates overlapping issues with points being discussed in the existing regulations, and provides recommendations.

The HCRI purports to “...protect the County’s residents and natural resources from harm caused by large-scale cannabis cultivation...”¹ It does this by developing a regulatory system that renders most existing permitted farms non-conforming. This will place Humboldt County farmers at an increased disadvantage in the statewide cannabis market precluding permit modifications needed to keep pace with an evolving statewide cannabis industry and possibly preclude installment of new improvements for environmental sustainability.

The existing Humboldt County cannabis regulations are intended to encourage a well-regulated cannabis industry in Humboldt County, but the HCRI could have the opposite effect by making compliance so difficult that the legal market is rendered not viable in Humboldt County. It has been a difficult transition from the illegal to legal industry. Making compliance even more difficult to participate in the legal market may encourage some to return to the illicit cannabis industry. Most of the environmental damage associated with the cannabis industry is associated with unpermitted activities.

The HCRI identifies eleven findings as the basis for making the changes proposed by the initiative. Some of the assertions in the findings are misleading or false. The most profound of these findings is that Humboldt County’s regulations allow large scale cannabis cultivation sites. The term “large scale” needs to be defined. The largest farms in Humboldt County range between 7 and 8 acres. There are four farms this size. For comparison, in Lake County there are farms in excess of 60 acres and in Santa Barbara and San Bernadino Counties there are farms in excess of 100 acres. In a statewide market context, Humboldt County does not have large scale farms.

Humboldt County has adopted two ordinances to regulate commercial cannabis production. While the County has learned a great deal in this process, there continue to be new concerns raised during public hearings. Some of these concerns overlap with concerns raised in the HCRI. There are opportunities to more wholistically and precisely address these issues than as presented in the HCRI.

The Humboldt County Regulatory system has two components. First is permitting legal farms and second is enforcing against farms that operate without appropriate permits and licenses. The HCRI does not acknowledge that most of the approved cannabis permits are for pre-existing cultivation sites (sites that existed prior to legalization) and that for every new site that has been approved, five (5) have been removed through the Code Enforcement process.

¹ HCRI Section 1(A) page 1.

The HCRI would modify the General Plan with the stipulation that the cannabis provisions could only be changed by a vote of the people. Other than things that are expressly allowed to be changed by the Board in the initiative, any changes to the initiative would require a vote of the people, this would cement these regulations in place until the public wanted to change them. It is likely that the public does not understand what this initiative would do and signed the petition thinking that “large scale” cannabis farms should not be in Humboldt County without recognizing that most of the so-called “large-scale farms” that would be outlawed if the HCRI passed are the very farms that have existed in Humboldt County for decades.

It is important to attempt to address the significant challenges that the initiative would pose. It is recommended an Ad Hoc Committee be formed to meet with the initiative sponsors to determine if there are alternative actions available that would better harmonize existing county cannabis regulations with those concerns raised in the initiative.

II. EXISTING REGULATORY ENVIRONMENT

Humboldt County has been known for the cannabis produced in the County for nearly 50 years. When Proposition 64 was passed to legalize medical marijuana and subsequently recreational cannabis, Humboldt County adopted a land use ordinance to provide local regulatory control. It is estimated there were as many as 15,000 grow sites in the County on approximately 5,000 parcels. The state actions to implement Proposition 64 resulted in many counties opening their doors to cannabis cultivation with the lure of generating tax revenue. The state initially promised existing cultivators that a one-acre cap would be maintained to protect existing cultivators in a fledgling legal industry. The state quickly removed the one-acre cap and other counties opened the doors to cultivation sites that ranged from 10 acres to over 100 acres in area. Many of these cultivation sites are part of vertically integrated corporations who have product control from seed or clone all the way to market. Small cultivators have found it increasingly difficult to sell their product for what it costs to produce. This is partly due to oversupply at the state level and control over who has shelf space at the retail level.

The County has been implementing two sets of cannabis regulations. There are still applications submitted under the County’s first ordinance (Commercial Medical Marijuana Land Use Ordinance, CMMLUO) and the second ordinance (Commercial Cannabis Land Use Ordinance, CCLUO). This has not been without controversy. The unanticipated consequence of the CMMLUO requiring new cultivation to be located on prime farmland was that most prime farmland is located in and around populated areas. This created controversy with neighboring landowners at times. New provisions to address this issue were incorporated into the CCLUO, but there have been other areas of controversy that have come up during the processing of applications. The Planning Commission has struggled with some issues raised by public comment and balancing these with the needs of the local cannabis industry. These will be addressed in more detail below.

A. Permitting Success

The existing regulations have been successful in moving existing unpermitted and unregulated cannabis cultivation into a regulated and legal status. To date, the County has processed over 1,200 cannabis cultivation permits to approval, although the number of active permits as of January

2023 was 1,027 due to withdrawal and cancellations by permit holders. The total permitted cultivation area in the County is 332 acres. As shown in Table 1 below, out of 1,027 total active cultivation permits, 739 of those are pre-existing cultivation sites. A total of 210 permits have been approved for new cultivation. Over 70% of the active permits are for existing cultivation sites.

Table 1: Active Cultivation Permits by Cultivation area and New and Existing²

Cultivation Area	Permits Active	Existing	Existing and New	New
0 - 10,000	611	430	46	135
10,001 - 20,000	208	180	7	21
20,001 - 43,560	189	123	22	44
Over 1 Acre	19	6	3	10
Total	1027	739	78	210

B. Post Approval Monitoring

Currently, the County has issued 1,027 cannabis cultivation permits and 118 other cannabis activity permits such as for manufacturing, dispensaries, nurseries etc. County Code requires an annual inspection for each permit.

In the 2022 season, the Planning and Building Department conducted a total of 919 on-site inspections and 418 remote inspections of permitted sites (noting that some sites received both an on-site and a remote inspection). As part of this work, the approved site plans are being digitized into the GIS system to establish what was approved and then to be able to remotely monitor for change. Less than 10% of permitted cannabis operations had one or more non-compliant items, and 90% were found to be compliant. The 2023 inspections plan begins with early on-site inspections of all sites previously found to be non-compliant, followed by onsite inspections for remaining sites. The established baseline will enable the inspection to alternate years of on-site and remote inspections to provide both efficient and effective post approval monitoring compliance for permit holders.

C. Code Enforcement

Starting in 2018, the Planning and Building Department has pursued a program of identifying and abating illegal cannabis cultivation. This has resulted in the abatement of over 1,100 illicit cannabis cultivation sites. Over the last two years there have been no new unpermitted outdoor cannabis cultivation sites developing and previously cultivated sites are not being re-used. Much of the illicit cannabis cultivation is now being done indoors and the Sherriff’s office has been focusing on identifying these and serving inspection warrants on these properties.

² Data for Table 1 as of January 15, 2023.

D. Areas of Controversy

1. **Concern with number of permits being issued.**

Members of the public have expressed concern over the number of cannabis permits being issued. Frequently, Planning Commission meetings have had up to two dozen cannabis applications on the agenda which has led to what some members of the public have referred to as “cannabis fatigue.” When the County first adopted its cannabis ordinance in mid-2016, there was a deadline for all existing and proposed operations to apply by December 31, 2016. Over 2,300 applications were submitted by the deadline. Due to the impending deadline, nearly all the applications were incomplete. Additionally, due to the emerging legal cannabis industry and the on-going development of the state regulatory framework, many items necessary for completing applications remained in-flux. By December 31, 2017, Humboldt County had issued only 106 cannabis permits. As the state regulatory framework began to develop and the County ramped up its permitting program, the rate of permits being issued began to increase. By December 31, 2018, a total of 299 permits had been issued. 535 permits were issued by the end of 2019; 770 permits were issued by the end of 2020; 1,138 permits by the end of 2021; and a total of 1,329 permits (including permit modifications) had been issued by December 31, 2022. By far, most of the permits being issued were submitted prior to the end of 2016 and have been in process for many years. The result of the long-term permit process has been a more visible effort which has caused alarm among some members of the public and a concern that these applications are not being given a proper review. However, as noted, most of these permit applications have been in the review process since 2016 and all applications have had a thorough and robust review.

2. **Concentration of permits**

Some neighborhoods, particularly in some Southern Humboldt communities, have expressed concern over the concentration of permits in certain areas. Places like Honeydew that contain prime farmland have attracted Retirement, Remediation and Relocation permits. This has resulted in many greenhouses and has changed the appearance of the community. Honeydew, Shively, and Holmes Flat are prime locations for agriculture and have attracted many cannabis permits. These are historic agricultural areas. People who have moved to these locations have expressed concern with the number of greenhouses being constructed. Many of the other areas include permits are for existing operations that have resulted in minimal changes to the landscape and, combined with the County’s robust enforcement program, the density of cultivation sites in most areas of the County has decreased.

3. **Concern with larger grows being approved**

The public has expressed concern over some of the larger cultivation sites that have been approved by the Planning Commission and Board of Supervisors on appeal. Two of the more controversial cannabis grows in the past 5 years have been the Rolling Meadow application for 5.73 acres of new cultivation on a large ranch of over 7,000 acres in size, and the Arcata Land Company’s proposal in the Arcata Bottoms for 22 acres of new cultivation, and which was ultimately approved at 5.7 acres in size. Both applications

underwent a substantial environmental impact analysis and public review process including meetings in front of the Planning Commission and the Board of Supervisors. For context, 5.7 acres in many other California counties would be considered a small to medium sized operation. Some of the largest cultivation operations in California exceed 100 acres in size.

4. Road evaluations

Concern has been raised over the practice of “self-certification” of roads that lead to cannabis cultivation sites. Early in the application process the County developed a form that allowed applicants to “self-certify” the functional capacity of roads accessing the site. This process was very quickly amended to require substantial supporting information such as road photographs and more substantial requirements for road evaluations to be prepared by licensed engineers. Most road evaluations accompanying projects presented to the Planning Commission and Zoning Administrator are currently utilizing road evaluations prepared by licensed engineers. The Commercial Cannabis Land Use Ordinance requires information be submitted supporting the finding that a road meets the Category 4 (or same practical effect) standard or, where the project takes access off a private road not meeting the Category 4 standard, an engineer must determine whether the road can accommodate the traffic (except for farms under 3,000 sf in size).

5. Use of groundwater for irrigation

The primary source of irrigation for the Humboldt County cannabis farms prior to legalization was from surface water diversions. The original regulatory schemes from both the County and the state discouraged diversions which led to the development of groundwater wells for cannabis operations. As more and more of the County’s legacy farms switched from diversionary sources to groundwater wells during an extended drought period, the use of groundwater for cannabis irrigation became controversial. Since 2021, the Planning Department has been requiring a geologic study for all proposed irrigation wells to determine what, if any, impacts to surface waters and adjacent water users might be from the use of the well for irrigation. Available scientific information also indicates that the concern over groundwater use for cannabis may be misunderstood. A research study published by the USGS (Flint, 2013) indicates that approximately 34% of precipitation in Northern California percolates into groundwater recharge and that the mean annual precipitation is 57.7 inches per year, meaning that 19.8 inches, or 1.65 acre-feet (also expressed as 530,000 gallons of water) of recharge per acre of ground area per year is available in a typical year. During a drought year, where as little as 1/3 of the average rainfall is recorded, at least 175,000 gallons of water is recharged into the groundwater *per acre* of ground area. The County’s cannabis ordinances require a minimum parcel size of ten acres for any cultivation area of more than 10,000 square feet in size, meaning that the irrigation needs of cannabis cultivation are nominal in relationship to the typical groundwater recharge occurring over properties that might seek to cultivate cannabis.

6. Use of generators and switching to renewable sources

Generators were used as the power source for most of Humboldt County’s legacy black market farms. The lack of available PG&E infrastructure in many areas of the County led to the need for on-site power generation to fulfill the needs of existing farms. The public has consistently raised concern over the use of generators, both due to noise and potential

fuel spills as well as for contribution to greenhouse gases. The Commercial Cannabis Land Use Ordinance prohibits generator use except in emergencies for both new cultivation and existing cultivation occurring in TPZ and U zoned (with a timberland land use designation) lands, and, due in large part to public concern, the County Planning Commission and Zoning Administrator have consistently been requiring all cannabis operations to transition to renewable energy sources within a defined period of time as a condition of permit approval.

7. Cultivation transition space

As the industry has become more refined, cultivators practicing mixed light and/or light deprivation often grow more than one crop a year and need to have space for their plants before they are put into the cultivation space. The plants become too big for the nursery but the greenhouses are still occupied with the previous run so they cannot yet be moved into the cultivation space. This does not increase the flower producing cultivation space but allows more flexibility to plant within a tighter time frame.

III. INITIATIVE IMPACTS AND IMPLICATIONS

The HCRI has several important sections to review when considering the impact to the County and cannabis industry, including purpose and findings, regulatory modifications to the General Plan, amendments to the local coastal plans and amendments to the coastal and inland Commercial Cannabis Land Use Ordinance.

A. Purpose and Findings

The initiative starts from the premise: “*The purpose of the Humboldt Cannabis Reform Initiative (Initiative) is to protect the County’s residents and natural environment from harm causes by large-scale cannabis cultivation.*” The need for the initiative is then supported by 11 findings. Some of the findings are statements of fact and do not require comment. Several of the findings do require further consideration.

Finding 3:

The HCRI states: *Humboldt County’s cannabis ordinances allow large-scale operations that threaten to displace small-scale cultivators.* Based upon the language of the initiative, anything over 10,000 square feet is a large-scale operation. The initiative does not explain how approval of large-scale cultivation comes at the expense of the small-scale cultivation that has made Humboldt County famous.

Identified Issues:

Finding 3 for the initiative seems to ignore:

- i. All cultivators in Humboldt County, regardless of size, are competing in a state-wide market which is producing more cannabis than the market can currently absorb. This is not a Humboldt County exclusive issue.

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- ii. In relation to other jurisdictions in California, Humboldt County does not have “large scale” grows.
 - iii. The percentage of pre-existing cultivators over 10,000 square feet is above 70 percent (309 of 416 active permits – see Table 1), so any impact of this ordinance on cultivators over 10,000 square feet would adversely affect those farmers who have had farms that lawfully and at the behest of the County transitioned out of the illicit cultivation industry.
 - iv. The finding infers large new cultivators are dominating the permits being obtained in Humboldt County and this is not true.

Finding 4:

The HCRI makes the statement: *The transition from small-scale to large-scale cannabis cultivation is adversely affecting the community and the natural environment.* The finding is supported by the statement: *“Concerns voiced by residents include: dust, noise, odor, glare, unsightly structures damaging scenic views, reductions in stream flows and water well production, adverse effects on wildlife, dangerous road conditions, and road deterioration.”*

Identified Issues:

Finding 4 infers that every cannabis operation is filled with adverse impacts that are not being addressed. This is simply not true. It is important to consider that most permits issued for cultivation are for pre-existing cultivation. This means those farmers must now comply with the County and State regulations including permits from the Waterboard and CDFW.

- i. Dust is most often associated with use of unpaved roadways. The adoption of the CCLUO imposed a requirement on new permit holders and existing permit holders to enter a Road Maintenance Association to maintain the road.
- ii. Noise is most often associated with generators; both the CCLUO and CMMLUO have restrictions to protect neighboring property owners and wildlife from the impact of generator noise. Residences on the same and neighboring property are not subject to regulations limiting noise from generator use.
- iii. The CCLUO adopted retroactive standards to address odor impacts in Community Plan Areas. The cannabis regulations encourage cultivation on agricultural land. Farming and ranching are often associated with odors.
- iv. Glare is probably a reference to violations of the County ordinances requiring compliance with dark sky standards. This is an issue the County has been working on addressing through both its code enforcement unit and permit compliance review staff.
- v. The reference to unsightly structures is probably a reference to greenhouses and water tanks. Both types of structures are common to agricultural land. In permitting facilities, scenic vistas and designated scenic areas are addressed as part of the analysis. Private views on agriculturally zoned land are not protected.
- vi. The reference to reduction in stream flows and water well production ignores several important considerations. Any observed reduction in stream flows over the last couple of years has likely been related to the drought California has been enduring. It is also important to understand that the CCLUO does not allow direct diversion from a surface water. The

CMMLUO only allows diversion from surface water for pre-existing cultivators and those who have a water right to do so. In situations where diversion is allowed, forbearance is required. Every well that has been allowed for cannabis irrigation has been reviewed to ensure it is not pulling from the underflow of a stream, creek, or river. Unfortunately, there are examples of farmers who choose not to follow the regulations and illegally pump water, but these are the minority, and these already impermissible actions are enforceable through code enforcement and/or permit suspension/revocation actions.

- vii. The impacts to wildlife are far more prevalent in unpermitted and unregulated grow sites. By the time a farm is permitted it will have been evaluated to determine if there is a likelihood of sensitive wildlife existing on the site. When there are, conditions are imposed to protect the wildlife. Permitted farms are not allowed to use illegal rodenticides and other chemicals that adversely affect wildlife and water quality.
- viii. Every cannabis permit is evaluated to determine whether the road has the capacity to support the cultivation operation in addition to other traffic on the road.
- ix. Road deterioration is addressed in the CCLUO through the requirement for formation of a Road Maintenance Association.

Finding 5:

Continued growth in the number of commercial cannabis cultivation permits and the amount of acreage under cultivation threatens the community and the environment. The finding says in order to accomplish this, the initiative reduces the caps on permits and acreage under cultivation previously adopted by the Board of Supervisors. This focuses on the numerical cap imposed by Resolution 18-43 adopted with the CCLUO to limit the total number of permits and allowed acreage in the County and number of permits and acreage in each watershed. The concern is that the caps are much higher than they should be. The argument supporting this finding is that the initiative strikes a better balance between allowing commercial cannabis cultivation and protecting the community and the environment. The HCRI significantly limits the issuance of any additional cannabis permits beyond those already deemed complete as of March 4, 2022.

Identified Issues:

- i. The HCRI approach picks a point in time to measure the cap on the number of permits that can be approved. In planning watersheds listed in Section 2 of the Board of Supervisors Resolution No. 18-43, and in the Coastal Planning Areas, the initiative would impose a cap of 1.05 times the total number of existing approved, unexpired permits for Open Air Cultivation and Indoor cultivation within that watershed as of March 4, 2022. This would be 978 permits including RRR donor and receiving sites. Similarly, the initiative would impose an acreage limit of 1.05 the total permitted acreage of cultivation area approved by the County under Open Air Cultivation and Indoor Cultivation as of March 4, 2022. If the caps are exceeded, any new applications are to be placed in a queue and shall not be further considered or processed until the limits for permits or acreage fall below the limit.
- ii. The measure would also limit any other new approvals for permits received after March 4, 2022, to a cultivation area of 10,00 square feet and limits approvals to Outdoor Cultivation, Mixed-light-Tier 1 cultivation, or nursery.

- iii. The caps posed in the initiative may be exceeded just by processing applications that were received prior to March 4, 2022. Applications received and completed prior to March 4, 2022, may still be processed; however, this creates significant uncertainty for applications received after March 4, 2022. Further, the total number of permits issued under these caps could be non-conforming based on the further changes to the regulatory scheme the initiative sets forth.
- iv. Additional applications have come in since March 4, 2022. These applications may exceed the acreage and/or permit caps that would be established by the initiative and may also seek a cultivation area of over 10,000 square feet and/or not of the types of cultivation allowed by the initiative, and therefore not eligible for a permit under the initiative. This could result in permit applications submitted under current rules not being able to be approved.
- v. The caps and limits can only ever be revisited by initiative (voter approval).
- vi. This approach does not consider the variability of the market and how market selection will determine which farms remain in the long term and which farms do not survive.
- vii. It may be appropriate to make a modification to the watershed caps, but this can be done in a manner that does not immediately make issued permits non-conforming.

See Table 2 on the following page for data on the status of permits and acreage caps for the planning watersheds.

Table 2: Status of Watershed permit and acreage caps³

Watershed	Allowed permits	Allowed Acres	Permits & Applications	Acres approved/pending
Cape Mendocino	650	223	233 permits, 74 pending	81.7 permitted, 34.8 pending
Eureka Plain	89	31	14 permits, 18 pending	9.5 permitted 31.8 pending ⁴
Lower Eel	336	116	77 permits 31 pending	36 permitted 24.4 pending
Lower Klamath	161	56	14 permits 29 pending	5 permitted 15.6 pending
Lower Trinity	169	58	59 permits 44 pending	25.8 permitted, 22.5 pending
Mad River	334	115	72 permits 42 pending	26.5 permitted, 24.9 pending
Middle Main Eel	360	125	100 permits 73 pending	40.4 permitted, 35 pending
Redwood Creek	141	49	11 permits 42 pending	3.2 permitted, 14 pending
South Fork Eel	730	251	300 permits 109 pending	92.6 permitted, 51.2 pending
South Fork Trinity	86	29	24 permits 13 pending	10.9 permitted, 16.1 pending
Trinidad	19	6	5 permits 4 pending	0.75 permitted, 0.67 pending
Van Duzen	425	146	118 permits 85 pending	39.7 permitted, 38.6 pending

³ Data for Table 2 as of January 15, 2023.

⁴ While the total of all approved and pending acreage within the Eureka Plain watershed would exceed the Cap, once the Cap is exceeded, all other pending applications will be required to be withdrawn or denied.

Finding 6:

New commercial cannabis cultivation should be limited to smaller outdoor and lower-wattage mixed-light grows and nurseries. The concern expressed in this finding is that the use of artificial light in cannabis cultivation is extremely energy-intensive and therefore using less artificial light will reduce demand on resources and the environmental impacts associated with electricity production.

Identified Issues:

- i. This finding ignores the regulatory framework behind the County’s Commercial Cannabis permitting program. The CCLUO requires all new commercial cannabis operations to utilize renewable energy sources, and as a matter of practice the County Planning Commission and Zoning Administrator have been conditioning existing cultivation permits to transition to renewable energy sources within a specified timeframe, usually no more than four (4) years.
- ii. Limiting all cultivation, including nurseries, to no more than 6 watts per square foot even when the environmental and resource impacts are well addressed would unnecessarily restrict the ability of Humboldt County farmers to produce a competitive product.

Finding 7:

Residents should be notified of cannabis permit applications and be given the power to engage meaningfully in the permit approval process. The premise behind this finding is that residents who may be affected by commercial cannabis cultivation operations are neither notified nor given a meaningful opportunity to participate in the County’s review process and that the County waives hearings for cannabis projects.

Identified Issues:

- i. This finding does not comprehend the County’s current efforts to ensure public involvement, even when not required by law or regulation.
- ii. There are three permit types in the Humboldt County Code that relate to cannabis. Zoning Clearance Certificates for smaller cultivation types on larger parcels, Special Permits, and Conditional Use Permits. Zoning Clearance Certificates are ministerial level permits and do not include public notice.
- iii. Under the County Code, hearings for Special Permits may be waived if, after public notice, no member of the public requests a public hearing. As a matter of practice and to ensure full transparency, the Planning Department has held public hearings for all Special Permits and Conditional Use Permits. The section of County Code allowing for public hearings to be waived has not been utilized for cannabis applications.

Finding 8:

Operators are not verifiably complying with applicable regulations and permit conditions. The concern is that the County is not conducting in-person on-site inspections before permit renewals, and, therefore, there can be no assurances that regulatory standards are met before permit issuance and renewal.

Identified Issues:

- i. The assertions behind this finding are uninformed. There are 1,027 approved cannabis cultivation permits and 118 other permitted cannabis activities such as manufacturing, dispensaries, nurseries, etc. and County Code currently requires an annual inspection for each permit to be renewed. Last year alone, the Planning and Building Department conducted a total of 919 on-site inspections and 418 remote inspections of permitted sites (noting that some sites received both an on-site inspection and a remote inspection). As part of this work the approved site plans are being digitized into the GIS system to establish what was approved and then to be able to remotely monitor for change.
- ii. Less than 10% of permitted cannabis operations had one or more non-compliant items, and 90% of all inspected sites were found to be compliant.
- iii. In addition to County inspections, permitted sites receive inspections from the Department of Cannabis Control, the Regional Water Quality Control Board, and the California Department of Fish and Wildlife. Cannabis operations in Humboldt County are among the most thoroughly inspected operations in the state.

Finding 9:

Coordination between the County and state wildlife and water quality agencies has been lacking.

Comments:

- i. There is no evidence for this finding.
- ii. The County's cannabis application process involves a very robust coordination process. After applications are accepted, project materials are forwarded to multiple county, state, and federal agencies with requests for comments and feedback. The County frequently interacts with, corresponds with, and engages in on-site and off-site meetings with the California Department of Fish and Wildlife, Regional Water Quality Control Board, California State Parks, and the California Department of Forestry and Fire Protection, among others.
- iii. Every staff report prepared by the Planning Department for a commercial cannabis project includes a discussion of the various agencies who were contacted, concerns raised and how those concerns are addressed. State wildlife and water quality agencies are invited to and often do participate in public hearings on cannabis applications. This often involves County Staff contacting regulatory agencies to determine if they have comments.

Finding 10:

Large-scale cannabis cultivation contributes to strains of water resources. The concern expressed is that Humboldt County is suffering from moderate to extreme drought, and that the County's ordinances allow diversions and groundwater use without concern for fish, wildlife and other water users.

Identified Issues:

- i. The assumption behind this finding is false.
- ii. The impact of irrigation from cannabis on fish, wildlife, stream health and other users was considered and analyzed in the Environmental Impact Report prepared for the Commercial Cannabis Land Use Ordinance and measures were implemented to protect these resources.

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- iii. Diversions for new cultivation under the CCLUO were prohibited entirely except when associated with dry-farming techniques, and pre-existing cultivation operations are required to forbear from water diversions during the forbearance period set by state wildlife agencies. Further, all diversions are heavily regulated by both the State Water Board and the California Fish and Wildlife who set restrictions based specifically on stream-health and wildlife concerns. For groundwater wells, the County has a practice of requiring a hydrologic analysis of the proposed well to determine its potential to impact adjacent watercourses and other water users prior to approving any discretionary cannabis application. The concern about groundwater impacts from cannabis cultivation appears to be misunderstood.

Finding 11:

Overreliance on generators causes noise pollution and threatens fuel spills. The concern raised in this finding is that generators from cannabis sites are causing noise pollution and fuel spills.

Comments:

- i. The County’s cannabis ordinances require noise from generators to be below specified thresholds which are intended to ensure no impacts to adjacent residents and wildlife.
- ii. A standard condition of all cannabis permits is for noise containment structures to be developed for all generators and for secondary containment to be in place for all generators and other sources of fuel storage. Additionally, as referenced elsewhere in this report, the current ordinance requires renewable energy for all new cultivation operations and standard Planning Department and Planning Commission practice requires the phasing out of generators for existing operations as a condition of permit approval.
- iii. Complaints made to the County Planning Department are investigated and resolved, and in most instances appear to stem from unregulated activities such as residential development or non-permitted cultivation operations.
- iv. The reference to fuel spills ignores current regulations which require containment of fuel and inspections by the Department of Environmental Health.

B. General Plan Amendment

The initiative places much of the emphasis on amending the General Plan and requiring subsequent modifications to the cannabis provisions of the Zoning Ordinance for both the Coastal and Inland ordinances. The core elements of the policy changes are as follows:

Definition – “Expanded”⁵

While the HCRI acknowledges the exercise of vested rights obtained as of the effective date of the initiative the definition of expanded is a huge concern. The definition reads as follows:

"Expanded," when used to describe commercial cannabis cultivation sites, uses, operations or activities or an application or permit therefor, shall mean an increase in the size, intensity, or resource usage of commercial cannabis cultivation

⁵ HCRI Section 2(A)(1) pages 7-8.

*activities on a parcel or premises where such activities have previously been permitted, regardless of whether authorization for expanded uses is sought by way of an application for a new permit or zoning clearance or an application for a modification to an existing permit or zoning clearance. Examples of "expanded" uses include, but are not limited to, an increase in cultivation area, water usage, energy usage, **or the number or size of any structures used in connection with cultivation.***" (Emphasis added.)

Identified Issues:

i. This definition means any existing permit holder that changes their operation such as adding solar panels or adding additional water storage may be "Expanded" under the HCRI, thus triggering its policies and standards. For example, if an existing permit holder is entitled to cultivate 20,000 square feet but wants to add solar panels after the effective date of the HCRI, they would have to reduce their cultivation to 10,000 square feet and comply with all the other regulations in the initiative to add the solar panels. Another example would be of an existing permit holder currently approved for 10,000 square feet of mixed light using more than 6 watts wanting to add water tanks would need to reduce the wattage to add water tanks.

ii. The term Structure is defined in the Zoning Ordinance as:

Anything constructed, the use of which requires permanent location on the ground or attachment to something having a permanent location on the ground, including swimming pools and signs, but excluding decks and platforms 30 inches or less in height, signs 3 feet or less in height, driveways, patios, or parking spaces where the area is unobstructed from the ground up, fences six feet or less in height, and for zoning setback purposes, retaining walls six feet or less in height.

Structure clearly refers to water tanks placed on the ground or solar panels attached to the ground or something located on the ground. Greenhouses are structures.

iii. Due to the regulations relative to roads, structures, and light, a significant number of the existing permitted farms would become non-conforming and not be allowed to improve their facilities or make changes to adapt to the evolving industry.

iv. Existing permit holders will not be able to make changes and continue to cultivate under their existing permit. This could result in a decision to cease cultivating.

Total number of permits capped at 1.05 times Number in effect on March 4, 2022.⁶

Under the current program, the total number of permits is regulated by Resolution 18-43 which sets limits on the number of permits as well as acres and is apportioned among 12 planning watersheds. Based on current approvals, the cap proposed by the HCRI has been met or exceeded. The HCRI does allow the continued processing and approval of pending applications that were received and deemed complete as of March 4, 2022. The HCRI would require the total number of permits to drop below the cap before any new applications for permits could be processed.

⁶ HCRI CC-P1 page 10.

Comments:

- i. This proposed change is related to Finding #5. The total number of cultivation sites and acreage in Humboldt County has declined overall since legalization and the implementation of the local cannabis program. Prior to the local cannabis program, it was estimated there were approximately 15,000 illegal cannabis cultivation sites on between 5,000 and 6,000 parcels. The Code Enforcement efforts have abated over 1,000 parcels with illegal cultivation. As noted above the County has issued permits for less than 300 new cultivation sites, so there is a net reduction in cannabis cultivation in the County.
- ii. Resolution 18-43 also prohibits new cultivation in watersheds identified as impacted. These watersheds were identified by the California Department of Fish and Wildlife. Existing County policy already protects the most sensitive watersheds.
- iii. The impact of this proposed change includes negative effects on the continued implementation of the RRR program. Many landowners have completed the retirement site portion of the program but have not yet identified a receiving site, which is a separate new permit. These individuals would be locked out of permitting these sites. Thus, even though they have cleaned up the retirement site and recorded a restrictive covenant on that property, they would not be in a position to permit the receiving site until such a time as the number of permits drops below that allowed in the initiative.

Cultivation area for permits deemed complete after March 4, 2022, capped at 10,000 square feet.⁷

This proposed change appears based on Findings #2, #3, and #4.

Identified Issues:

- i. Absent any analysis or data, the threshold of 10,000 square feet is arbitrary.
- ii. As presented above, over 59 percent of all permits are 10,000 square feet or less but 41 percent are larger and would become non-conforming permits.

Mixed Light and Indoor Cultivation prohibited.⁸ The definition of mixed light cultivation would be broken into two tiers, Tier 1 allowing light deprivation and less than 6 watts per square foot, and Tier 2 being more than 6 watts per square foot. Both Tier 2 mixed light and indoor cultivation would be prohibited. Currently, the County defines outdoor as relying solely on sunlight, Mixed Light as using supplemental light and indoor as using primarily artificial light. These changes to the definition of cultivation appear to be based on Finding #6. The HCRI provides no citation or data to support this finding.

Identified Issues:

- i. This change would make all existing mixed light and indoor cultivation permits non-conforming. Cultivators would not be able to add facilities that would make the operation more efficient or more environmentally friendly.

⁷ HCRI CC-P2(a) page 11.

⁸ HCRI CC-P2(b) page 11 and Section 2(A)(1) page 8.

- ii. Current practice requires use of renewable energy for mixed light or indoor operations. If this is to stop the use of generators, project conditions have been requiring that for some time.
- iii. This requirement also ignores that current market conditions favor mixed light flower. Mixed Light and indoor cultivation do not necessarily have increased environmental impacts if the power source is renewable and the other inputs are controlled.

Permit Term and Renewal and Conditions.⁹ The HCRI would set a limit on the term of a permit for 1 year, requiring renewal each year. The initiative is not clear on what the renewal process would entail. This provision would allow the County to inspect the property without notice and would require the County to consider all complaints. Currently, permits are extended provided the permittee allows an annual inspection and remains in compliance. As discussed above the County has inspected all the permitted farms operating in 2022. Only 10% of all permitted and active farms have outstanding violations. The Department is actively working with these permit holders to resolve these violations and prior to June these will either be resolved, or the permits will be scheduled for revocation.

Identified Issues:

- i. Placing a term limit on the permit creates unreasonable uncertainty for the business enterprise by placing the permit in jeopardy each year.
- ii. The existing zoning ordinance does not have a renewal provision and the HCRI does not explain what process is followed. It is clear within the initiative that an application for renewal is anticipated (CC-P2 “*shall not apply to an application for renewal ...*”). Under current circumstances this would involve the County processing over 1,000 renewal applications per year.
- iii. Alternative interpretations of the appropriate process for a renewal are available making it impossible to know what the HCRI intends. Given that the permit would expire each year, an argument could be made that the renewal should be issued by the Hearing Officer who would be approving the permit as if new. The renewal is then subject to whatever process is required by the HCRI. Discretionary permits (anything over 3,000 square feet) would be subject to changing political and social influences each year. This does not provide a stable regulatory environment. An administrative process could be envisioned, but this is unusual with the requirement that the permit automatically expires.
- iv. This process will significantly add to the regulatory cost and demand for County staff time. At some point, regulatory compliance can become so expensive that the activity cannot support the permit requirements.
- v. It is not explained how an expiration and renewal process achieves a better result than the existing annual inspection. It will take more time and cost the permit holder more.

⁹ HCRI CC-P4 page 12.

Multiple Permits.¹⁰ The HCRI states: “No approval of a permit for commercial cannabis cultivation shall result in either of the following: (a) any one person holding more than one active permit approved after the Effective Date of the Humboldt Cannabis Reform Initiative at the same time, or (b) more than one active permit approved after the Effective Date of the Humboldt Cannabis Reform Initiative on the same legal parcel at the same time.”

Under the CMMLUO, a person can have up to four permits. Under the CCLUO a person may not have permits to cultivate more than 8 acres, but there is no limitation on the number of permits a person can have. The flexibility provided by the CCLUO in the number of permits was designed to allow farmers to have different types of permits to diversify their source of income. This includes Community Propagation Centers, processing, distribution, manufacturing, and farm tours to name a few. Both the CMMLUO and CCLUO allow multiple permits on a parcel. Also, there are many sites with an original cultivation site and that have added one permit to receive additional permits through the Retirement, Remediation, and Relocation (RRR) program.

Identified Issues:

- i. This provision is unclear and can be interpreted in different ways. The reference to “permit for commercial cannabis cultivation” could include a renewal of a cannabis cultivation permit as that is a type of permit which means that during a renewal existing permit holders would only be allowed to renew one permit.
- ii. The second and third reference to active permit could include nursery, propagation, drying, and trimming. It is not clear if this is intended to be limited to cultivation permits or would extend to other types of permits as well. If other types of permits beyond cultivation are intended, then other activities that were written into the CCLUO to support farms and provide diversified sources of income could no longer be approved.
- iii. Sites that were approved for 10,000 square feet of cannabis cultivation and become receiving sites for RRR would become non-conforming and could not modify their operations.
- iv. The CCLUO specifically allowed larger cultivation sites to become permitted for other uses, because these operations are on a paved road with a centerline stripe. This would no longer be allowed. Larger cultivation sites would become non-conforming and could not modify facilities.
- v. This will affect many of the approved permits and make them non-conforming unable to even add additional water storage and depending upon interpretation would not allow conversion to farm sales, farm tours or other activities.

Coordination and Collaboration with Other Agencies.¹¹ This is based on Finding #9 which states “Coordination between the County and state wildlife and water quality agencies has been lacking.” This finding is not factual. The County coordinates with state agencies through the referrals process. This coordination is required by Humboldt County Code 312-6.1.3. The referrals process frequently results in additional studies or conditions of approval as recommended by SWRCB, CDFW, CalFire, or CalTrans. The Planning and Building Department routinely provides project scheduling data to CDFW to provide additional opportunity for input and

¹⁰ HCRI CC-P5 page 12.

¹¹ HCRI CC-P6 page 12.

comment. The County is also in regular contact with Department of Cannabis Control regarding state license and local permit verification and compliance.

Identified Issues:

- i. This is a false narrative and is damaging to the public trust relative to the actual energy the County puts into coordinating review in a public process.

Public Notice.¹² The initiative states: *“The County shall provide public notice of proposed commercial cannabis cultivation applications in a variety of forms so as to ensure that all persons who may be affected by proposed cultivation operations are reasonably likely to receive actual notice.”*

Identified Issues:

- i. The County does provide at least two types of notice for all discretionary projects. Notices are placed in the Times Standard of upcoming public hearings and notices are sent to property owners within the state law minimum and County ordinance requirement of 300 feet of the project parcel boundary. In actuality notice is often provided to property owners within 500 feet in order to make sure adequate notice is provided. If a project is likely to attract public attention, the department extends the area to which the mailing is sent.
- ii. Noticing is not provided for ministerial projects, because there is no discretion exercised in acting on those permits.
- iii. This infers notices are not provided for all discretionary projects and that is not true. This is a misleading premise for this policy in the initiative.

Discretionary Review.¹³ Cultivation above 3,000 square feet could no longer be approved with a ministerial permit (Zoning Clearance Certificate). Currently on parcels with a minimum area of 5 acres, 5,000 square feet of cultivation can be approved with a Zoning Clearance Certificate, and on parcels with a minimum area of 10 acres up to 10,000 square feet of cultivation can be approved with a Zoning Clearance Certificate. Of the 1027 active permits only 61 of these are 3,000 square feet or less and 349 of the permits have been approved through a Zoning Clearance Certificate. The initiative would require a discretionary permit for between 3,001 square feet and 10,000 square feet. This would also apply to a request for expansion of the cultivation activity.

Identified Issues:

- i. This would require a public hearing for even very small boutique family operated farms.
- ii. Cultivation sites between 3,001 and 10,000 square feet would require a discretionary permit to add drying facilities, processing facilities, and to add water storage improvements that currently are allowed with either a substantial conformance determination or modification to the Zoning Clearance Certificate.
- iii. The increase in hearing requirements would create a large burden on County staff, the Planning Commission, and potentially the Board of Supervisors.

¹² HCRI CC-P7 page 12.

¹³ HCRI CC-P8 page 12.

No Waiver of Public Hearings.¹⁴ The HCRI states: “*Notwithstanding any contrary provision of the Humboldt County Code or Zoning Regulations, public hearings on commercial cannabis cultivation permit applications shall not be waived.*” The HCRI does not provide background on the basis for this policy. As a practice, the County does not waive public hearing requirements for cannabis projects as discussed above under Finding 7.

Identified Issues:

- i. This policy gives a false impression that the County waives public hearing requirements.
- ii. As noted above, the County goes beyond the minimum public hearing requirements.

Instream Flows and Wells.¹⁵ The HCRI would prohibit the County from approving new or expanded commercial cannabis cultivation if wells used for cultivation will reduce instream flows or adversely affect either (a) any watercourse or spring, or (b) any existing well used by a person other than the applicant. The County already has very clear requirements for use of wells and the analysis to determine if they are connected to surface water, or whether they affect other wells, or springs. These studies include but are not limited to examination of well logs, the surrounding geology, screening intervals, depth to water and static water pressure, yield, and analysis of potential impacts for any nearby wells or surface water features. Further, groundwater well permits must comply with the Governor’s Executive Order N-7-22 requiring that groundwater well permits may only be issued if the agency determines the extraction of groundwater from the well is (1) not likely to interfere with production and functioning of existing nearby wells, and (2) not likely to cause subsidence that would adversely impact or damage nearby infrastructure. This proposed change appears to also be based on Finding #10. As noted above, analysis of wells is already occurring as part of the review of cannabis permit applications.

Identified Issues:

- i. It is unclear what this requirement is intended to accomplish. Given that the County already requires analysis of wells to ensure they are not a diversionary water source, the question must be asked if this is looking for something different.

Diversionary Water Sources and Forbearance Periods.¹⁶ This policy increases forbearance period for diversions to March 1 to November 15 from the current default forbearance period which is May 15 to October 31. The current county ordinance recognizes the state may require a greater or lesser period based upon water availability. Under current State Water Resources Control Board Cannabis Policy, the forbearance period for diversions is April 1 to October 31. The current system recognizes that rainfall and drought cycles can have a profound influence on the amount of surface water and allows the period of allowed diversion to be extended or reduced based on those circumstances. This proposed change appears based on Finding #10. The HCRI does not provide any analysis or data to explain why the forbearance period should be uniformly increased locally and diverge from standards acceptable to CDFW or the Water Board. The HCRI cites two studies one of which was not conducted for our region.

¹⁴ HCRI CC-P9 page 13.

¹⁵ HCRI CC-P10 page 13.

¹⁶ HCRI CC-P11 page 13.

Identified Issues:

- ii. The existing regulation acknowledges the State may modify the forbearance period, the HCRI provision would set a period regardless of water availability and may be inconsistent with the state requirements.
- iii. The extended forbearance period would give less time to withdraw water, regardless of availability, and require a higher rate of withdrawal.
- iv. The increased forbearance period would extend the time in which water has to be stored and thus require more storage. This would place additional costs to operators for a requirement that has no justification. This may also require permit modifications which could trigger the initiative limitations on cultivation size and type.

Generators.¹⁷ The HCRI includes a policy and a standard that would limit generator use to emergencies only and limit the number of generators to just one that may not exceed 50 horsepower. The HCRI makes this requirement retroactive and phases it in depending on the application and cultivation type. Permits issued for new cultivation would need to convert by June 30, 2024, and pre-existing cultivation would need to convert by September 30, 2025. The CMMLUO allows generators as a primary source of power. The CCLUO requires use of renewable power except in limited circumstances for pre-existing cultivation sites not in Timberland. In those situations, the maximum amount of power which may come from generators is 20%. Both the CMMLUO and CCLUO have performance standards for noise and require proper fuel storage. For some time, discretionary permits have included conditions requiring the phasing out of generators except for emergency use. This proposed change appears based on Finding #11. This finding provides no basis for suggesting that the local permitting program is increasing the risk of fuel spills, this is particularly true since the permitted farms using generators and storing fuel over 55 gallons require containment, and an emergency response plan. These sites are inspected. It should also be noted that many residences operating off grid use generators and are not subject to the same regulations and inspections afforded cannabis permit holders.

Identified Issues:

- i. This requirement does not address the current uncertainty associated with PG&E not being able to provide power.
- ii. While many cultivation permits have been approved with a similar requirement to convert to renewable energy, some have not. For those who have not been permitted as such, this may require significant modifications to existing approved sites two months after the initiative becomes effective. This could be a devastating financial impact to some farmers at a time of market uncertainty. Further, a modification could trigger other requirements of the initiative rendering the permit financially untenable.

Roads.¹⁸ The HCRI would require new or expanded cannabis cultivation sites to be located on a category 4 road (or same practical effect), this must be confirmed by a licensed engineer. The CMMLUO did not include any road standards. As a matter of practice, the County required that

¹⁷ HCRI CC-P12 page 13.

¹⁸ HCRI CC-P13 page 13.

an assessment be made of the road for functional capacity. If the road was the equivalent of a Category 4 road no additional review is required. If it is less than a category 4 road, an engineer must assess whether the road has the functional capacity to serve all existing traffic and the cultivation site. These provisions were formalized in the CCLUO. The primary difference in the CCLUO is when the road is less than a Category 4 road, a Special Permit is required which provides for discretion and a public process. This proposed change appears to be based on Finding #8. The HCRI provides no data or analysis to support this finding.

Identified Issues:

- i. Inconsistency between the HCRI proposed General Plan Policy CC-P13 and the HCRI proposed amendment to the Zoning Ordinance.¹⁹ The HCRI General Plan Policy says all roads must be a category 4 road (or same practical effect) while the HCRI text of the zoning ordinance has been modified only to require review by a licensed engineer. Since the Zoning Ordinance would need to be modified to be consistent with the General Plan, it is understood that the provision to allow roads of less than a category 4 standard would need to be removed.
- ii. This is a significant change that would dramatically affect existing cultivators who could otherwise modify their site, except they are not located on a Category 4 road.
- iii. Many applications that could still be pending at the time of initiative approval could then not be approved because they are not on a Category 4 road.
- iv. This provides no flexibility to consider context and volume of traffic on a road. The CCLUO was written to require discretion where a higher standard could not always be obtained. This provision would remove discretion and replace it with a rigid standard.
- v. This would increase costs for farmers to complete the analysis by paying for an engineer, and in the cost of upgrading the road to Category 4 which will probably not be feasible for 10,000 square feet of cultivation.
- vi. This is a direct contradiction of the small farmer provision of the CCLUO which waived the road requirements when the cultivation area was 3,000 square feet or less and the farmers lived on the property. Even these small farmers would then become nonconforming due to the road.

Inadequate Water Storage.²⁰ The initiative would give the County the authority to determine there is inadequate water storage on the site, and, in those situations, require that additional water storage be installed, or the Cultivation area reduced. While not specifically written in these words, the existing ordinances provide for the County to take such an action. Under existing regulations, if the applicant uses water from a source other than that identified in their permit, this is a violation of the permit. The County has required many permits where there is concern for water usage to meter their water use and report that on an annual basis. The existing cannabis program also already authorizes the County to direct farmers to reduce cultivation size if inadequate water is present.

¹⁹ HCRI Section 5(C) page 28.

²⁰ HCRI CC-S2 page 14.

Identified Issues:

- i. There is no definition of what constitutes an inadequate water supply. This is a vague requirement which will be hard to implement.
- ii. The County’s current regulations provide the authority to review for adequate water supply and enforce if the permit is being violated.
- iii. There is not a clear statement of what this is attempting to accomplish.

Inadequate Public Notice.²¹ The provisions of the initiative would require enhanced notification beyond what the County currently requires and beyond state law to include:

- Mail notices to property owners and occupants within a mile of the property
- Publish the notice in the paper at least twice
- Place public notices at a minimum of three locations in the vicinity of the property

The County in accordance with the requirements of the California Government Code section 65091 and the Humboldt County Code sends notices to property owners and occupants within 300 feet of the project site. This is expanded in situations where the project is expected to be controversial. A notice is currently placed in the newspaper 10 days prior to a hearing. The cost of the notice in the paper averages approximately \$600.00. The County does not post notices around sites. Sending a staff person out to post a site would add to the cost of a permit. The County would need to recover the cost of the time to drive to the site, post the notice and drive back, in addition to the costs of the materials to post the notice.

Identified Issues:

- i. This would add approximately \$1,000.00 to the cost of noticing a public hearing to even modify a permit.
- ii. There have not been instances where the public has not been noticed of a discretionary action and therefore adding this time and expense to new and expanded permits is not warranted.

C. Local Coastal Plan Amendments

Each of the Local Coastal Plans would need to be updated to incorporate all the policies and standards from the language amending the General Plan.

D. Zoning Ordinance Amendments

The Inland and Coastal Versions of the Zoning Ordinance would need to be amended to be consistent with the policies of the General Plan.

IV. CONCLUSION

As discussed in the comments and issues identified above the HCRI will have dire consequences to the cannabis industry in Humboldt County. Submittal of applications for new cultivation under the current market conditions has effectively ceased. This is not expected to change in the near

²¹ HCRI CC-S4 page 14.

future and so the impact on new applications is not a primary concern. The HCRI has been written to effectively discourage existing permit holders from modifying their permits in any way. This includes adding infrastructure intended for environmental protections or modification of activities or site configuration to adapt to the evolving industry. These restrictions affect the smallest of farms permitted in Humboldt County to the largest cultivation sites.

The provisions that will most restrict existing cultivators are as follows:

1. **Definition of Expanded** will result in the HCRI provisions being applied to existing permit holders anytime “*the number or size of any structures used in connection with cultivation*” changes. This will preclude modifications to the site even for environmental protection.
 2. **Capping cultivation area at 10,000 square feet** will result in all existing permits over that cultivation area becoming legal non-conforming, which means the site cannot be modified. Labeling anything over 10,000 square feet as a large-scale cannabis cultivation when other parts of the state are being approved for cultivation sizes over 100 acres is arbitrary.
 3. **Prohibition of Mixed Light and Indoor Cultivation** will make many existing permits legal non-conforming under the HCRI which means the site cannot be modified. This conflicts with industry trends where mixed light and indoor cultivation are in the highest market demand.
 4. **Permit Term and Renewal limitations** would greatly increase the regulatory cost of a permit, would add uncertainty to a renewal, and would not be an improvement over the existing inspection process. There is significant uncertainty about what the initiative envisions as part of a renewal application.
 5. **The Limitation on Multiple Permits** is unclear and can be interpreted in different ways. Interpreted in the most conservative perspective would not allow different types of permits on a parcel in contrast to the intent of the CCLUO which wanted to provide ancillary and supportive cannabis related uses on a cultivation site to improve income potential and allow local farmers to compete by managing their own production chain from seed to store.
 6. **Discretionary Review** will not really matter for new permits, because few are expected and if the HCRI becomes effective no new permits will be applied for. This really becomes a concern if it is the intent for renewals to go through the process required of a new permit. This would be expected if an application were to expire without a renewal application being submitted.
 7. **Public Notice** will not really matter for new permits, because few are expected, and, if the HCRI becomes effective, it is likely few to no new permits will be applied for where newly imposed caps have already been met. This really becomes a concern if it is the intent for renewals to go through the process required of a new permit. The expanded noticing requirements will add at least \$1,000.00 to processing a discretionary renewal.
 8. **Road** policies and standards are inconsistent between the HCRI General Plan Policy and HCRI changes to the Zoning Ordinance. The Zoning Ordinance would need to be modified to be consistent with the more stringent General Plan policy. This would make many approved farms nonconforming because they are not on Category 4 roads.
-

The HCRI has been presented to preclude new large scale grows, but it will actually prevent existing permit holders, regardless of size, from being able to modify their permits to adapt to the evolving cannabis market and make strides towards greater environmental sustainability. A significant number of applications have been received over the last two years to modify existing permits to allow them to become more efficient in the statewide cannabis market. The County just allocated over \$12 million for infrastructure improvements to existing approved sites. This infrastructure could not be implemented under the HCRI.

The HCRI will have the effect of restricting the cannabis industry in Humboldt County. The struggles in the cannabis industry over the last couple of years has had a profound effect on the overall Humboldt County economy. These impacts are most clearly seen in the empty retail spaces in southern Humboldt and Eureka and the growing number of properties that are for sale. People are attempting to sell their property and minimize their losses. If the HCRI passes, it can be expected this trend will worsen.

This initiative will do damage to the legal cannabis industry and the County as a whole. This is likely to place farmers struggling to survive in a place where they can no longer compete in the legal market and must either sell or abandon their farms or return to the illicit market. It is the illicit cannabis industry that has been predominantly responsible for environmental damage.

The process of writing regulations is complex, and often can lead to unintended consequences. An examination of the HCRI could lead to the conclusion that it is well intended but the author was unaware of the unintended consequences of the language as presented. This is particularly troublesome because the public will be informed by the well-intentioned ideals without being aware of the negative consequences.

Some action should be taken to either work with the sponsors of the HCRI to chart an alternative course that would allow withdrawal of the initiative in favor of other more proactive steps. Absent the ability to accomplish that another course to educate the public should be taken so that the electorate understands the significant impacts of the Humboldt Cannabis Reform Initiative.

V. RECOMMENDATIONS

- A. Form an Ad Hoc Committee to meet with the initiative sponsors. Some areas which could be offered to address concerns expressed by the HCRI include:
 1. Modify resolution 18-43 and reduce the permit caps and acres in the planning watersheds to the applications which are currently submitted and deemed complete. The Board can revisit this resolution without having to modify the CCLUO. Through public input, the Board could identify a methodology for establishing new caps or identifying additional impacted watersheds that are unsuitable for new cultivation.
 2. Codify current practice of phasing out generators reserving exclusively for emergency purposes. Discretionary projects receive standard conditions of approval phasing out

generators as a primary source of power requiring migration to renewable power. This practice could be codified.

3. Require forbearance for groundwater wells. There has been public discussion among the Board and significant public comment at permit hearings about the concerns and technical challenges of analyzing and approving groundwater wells as a cannabis irrigation source. The Board could consider whether requiring forbearance and water storage in association with wells can address those public concerns.
4. Revisit the language regarding self-certification of roads in 55.4.12.1.8.2.
5. Enhance language surrounding inspections and compliance. The Board could consider updates to the language regarding annual inspections that increases public confidence and transparency as well as maintaining due process for permit holders.
6. Continue to refine the hydrologic studies needed for wells. As discussed earlier in this report, current implementation of the cannabis program requires hydrologic studies for wells. The County is currently initiating a study regarding wells with the goal of streamlining that part of the cannabis permitting process.

Alternatives:

- A. Seek to inform the public of the initiative’s many impacts if adopted. This public education should include that the initiative would not protect the environment from large scale grows but would prevent Humboldt County cultivators from becoming more environmentally sustainable and competing in the legal market.
- B. Work through the Ad Hoc and a citizens advisory committee to develop a competing initiative for the March 2024 ballot.

MAR 04 2022

HUMBOLDT COUNTY
ELECTIONS

To the Honorable Registrar of Voters of the County of Humboldt: We, the undersigned, registered and qualified voters of the County of Humboldt, hereby propose an initiative measure to amend the Humboldt County General Plan, the Humboldt County Local Coastal Plans, and the Humboldt County Code. We petition you to submit this measure to the Board of Supervisors of the County of Humboldt for adoption without change, or for submission of the measure to the voters of the County of Humboldt at the earliest election for which it qualifies.

The measure provides as follows:

Humboldt Cannabis Reform Initiative

The people of the County of Humboldt do hereby ordain as follows:

SECTION 1: PURPOSE AND FINDINGS

A. Purpose

The purpose of this *Humboldt Cannabis Reform Initiative* (“Initiative”) is protect the County’s residents and natural environment from harm caused by large-scale cannabis cultivation. Specifically, the Initiative seeks to promote environmentally responsible cultivation practices and support watershed health for residents, property owners, and ecosystems affected by cannabis cultivation activities. This Initiative accomplishes its purpose by limiting the number, type and acreage of permits for commercial cannabis cultivation, ensuring greater public participation and official accountability in decision-making, improving permit enforcement and site inspections, reducing potential impacts to streams and watersheds, limiting generator size and usage, and facilitating active coordination with state and federal agencies.

B. Effect

This Initiative amends the County General Plan to: (1) adopt more restrictive caps on the total number of permits and acres under cannabis cultivation in each of the County’s planning watersheds and coastal planning areas, while allowing continued processing of complete permit applications pending as of March 4, 2022; (2) ensure that caps on permits and acres cannot be increased without a vote of the people; (3) limit new and expanded permits for commercial cannabis cultivation to outdoor and low-wattage mixed-light operations and nurseries no more than 10,000 square feet in size; (4) ensure that existing permits are not renewed unless cultivation sites are subject to on-site inspection, all violations are corrected, and public complaints are investigated; (5) expand public notice, public hearing, and discretionary review requirements for commercial cannabis cultivation permits; (6) protect water resources and habitat by extending the period during which diversion of surface waters is prohibited, ensuring adequate water storage, and requiring hydrologic studies to demonstrate that groundwater extraction will not reduce flows in streams, springs, or neighboring wells; and (7) reduce noise impacts and the risk of fuel spills by limiting generator usage in commercial cannabis cultivation operations to a single generator rated at 50-hp or less and used for emergency purposes only.

C. Findings

The people of the County of Humboldt find that this Initiative promotes the health, safety, welfare, and quality of life of County residents based upon the following findings:

1. **The Humboldt County General Plan guides growth in the County.** Humboldt County's General Plan serves as the County's land use "constitution" and functions to safeguard the County's unique and diverse resources. It balances the need for adequate infrastructure, housing, and economic vitality with protection of rural communities, agricultural areas, and scenic open spaces. The Plan reflects the County's commitment to the health, wellbeing, and vitality of the County's local communities, economies, and ecosystems. The Plan also recognizes the importance of cannabis cultivation to the local economy, while acknowledging that cannabis cultivation can result in environmental impacts and land use conflicts. The six Humboldt County Local Coastal Plans (the Eel River Area Plan, Humboldt Bay Area Plan, McKinleyville Area Plan, North Coast Area Plan, South Coast Area Plan, and Trinidad Area Plan) similarly govern land use within the County's Coastal Zone.
2. **Humboldt County's cannabis economy and reputation for high quality cannabis were shaped by small-scale operations.** Smaller-scale operations have been at the core of the County's cannabis cultivation economy since the crop's introduction into the County. These small-scale operations have shaped the County's culture for decades, and small-scale growers' innovation and attention to craft have made "Humboldt" synonymous with high quality cannabis. Smaller-scale operations also tend to create fewer environmental impacts due to their more limited footprint and resource usage.
3. **Humboldt County's cannabis ordinances allow large-scale operations that threaten to displace small-scale cultivators.** Over the years, the County's cannabis ordinances have allowed approval of numerous permits for larger-scale cultivation operations. Many residents believe that the ordinances' allowance of larger-scale grows has come at the expense of the smaller-scale cultivation that made Humboldt famous worldwide for the high quality of its cannabis products.
4. **The transition from small-scale to large-scale cannabis cultivation is adversely affecting the community and the natural environment.** Many residents believe larger-scale cannabis cultivation poses unacceptable risks to community and local ecosystem health, safety, and welfare. Concerns voiced by residents include: dust, noise, odor, glare, unsightly structures damaging scenic views, reductions in stream flows and water well production, adverse effects on wildlife, dangerous road conditions, and road deterioration.
5. **Continued growth in the number of commercial cannabis cultivation permits and the amount of acreage under cultivation threatens the community and the environment.** This Initiative reduces the caps on permits and acreage under cultivation previously adopted by the Board of Supervisors. For inland areas, County Board of Supervisors Resolution No. 18-43 (attached to this Initiative as Exhibit A) established caps on the total number of permits and acres for commercial cannabis cultivation in each

of the planning watersheds listed in the Resolution. Humboldt County Code section 313-55.4.6.8 established similar caps on permits and acres within each of the areas of the County's Coastal Zone covered by the County's six Local Coastal Plans. Many residents believe the County's current caps are far higher than they should be. In inland areas alone, the County's current caps could allow the total number of approved permits and acres under cultivation to *more than triple* compared to approved permit and acreage levels as of November 2021. This expansion could increase impacts to the community and the environment. This Initiative strikes a better balance between allowing commercial cannabis cultivation and protecting the community and the environment by setting caps on new permits at slightly above the current number of permits and total permitted acreage of cultivation, while still allowing the County to work through a backlog of pending, complete applications and to approve the renewal of existing permits where appropriate. This Initiative also ensures that the caps cannot be increased without voter approval.

6. **New commercial cannabis cultivation should be limited to smaller outdoor and lower-wattage mixed-light grows and nurseries.** Studies have shown that the use of artificial light in cannabis cultivation is extremely energy-intensive. Using less artificial light reduces both the demand on resources and the environmental impacts associated with electricity production. Larger grows also generally require more water, more fertilizers, and potentially more land disturbance. This Initiative limits new and expanded commercial cannabis cultivation permits to outdoor and lower-wattage mixed-light grows and nurseries with less than 10,000 square feet of cultivation area.
7. **Humboldt County residents should be notified of cannabis permit applications and should be given the power to engage meaningfully in the permit approval process.** The people of Humboldt County, whose quality of life is at stake, should have the information necessary to meaningfully discuss health, safety, and welfare concerns related to cannabis permitting with the Planning Department, Planning Commission, and elected officials. Too often, residents who may be affected by commercial cannabis cultivation operations are neither notified of proposed permit applications nor given a meaningful opportunity to participate in the County's review process. This Initiative strengthens notification requirements, expands the range of commercial cannabis cultivation applications that are subject to discretionary County review, and prevents the County from waiving public hearing requirements.
8. **Operators are not verifiably complying with applicable regulations and permit conditions.** Residents are concerned that the County's current ordinances do not do enough to ensure that regulatory standards are met before permits are issued and renewed. Current ordinances do not clearly require in-person, on-site inspections before permit renewal. Applicants also currently are allowed to self-certify whether private roads serving cannabis cultivation sites meet County standards without an engineer's evaluation. This Initiative requires on-site inspections before permits can be renewed and requires an engineer to confirm that private roads meet certain standards.
9. **Coordination between the County and state wildlife and water quality agencies has been lacking.** Numerous government agencies play critical roles in protecting Humboldt

County’s environment. This Initiative requires that the County actively coordinate with other agencies that play a role in mitigating environmental harm caused by commercial cannabis cultivation.

10. **Large-scale cannabis cultivation contributes to strains on water resources.** Although California’s North Coast historically has been blessed with abundant rain in the winter, summers have always been dry. In recent years, sustained periods of drought—which many scientists believe are exacerbated by climate change—have placed even more stress on rivers, streams, and the fish and wildlife that depend on clean and plentiful water. As of February 2022, the U.S. Drought Monitor identified most of Humboldt County as suffering from moderate to extreme drought. Another study published in February 2022 concluded that the 20-plus year “megadrought” currently affecting southwestern North America is one of the longest and driest periods in the last 1,200 years—and that climate change has played a substantial role in the drought’s severity. Residents have observed that perennial streams are drying up earlier every year and that even portions of major tributaries like the South Fork Eel River have gone dry. However, under the County’s current permitting scheme, the water needs of commercial cannabis cultivation are driven more by the cultivator’s desires than by a watershed’s or aquifer’s capacity to support cultivation without adverse impacts to other water users, water quality, habitat, and fish and wildlife. Cannabis cultivation often relies on diversions of water from streams or groundwater from wells, yet the County’s cannabis cultivation ordinances do not require adequate study of the resulting effects on fish, wildlife, habitat, or other water users. Given the seasonal scarcity of water in the region, ongoing drought conditions in California, and the sensitivity of aquatic species and habitats, this Initiative requires greater study of the impacts of water wells and extends the “forbearance period” during which diversions from surface water bodies are prohibited.
11. **Overreliance on generators causes noise pollution and threatens fuel spills.** Similar concerns apply to energy sources for cannabis cultivation. Many sites rely on generators for power, causing noise pollution and increasing the risk of spills related to transportation of fuels along narrow, winding roads. This Initiative phases in requirements for all commercial cannabis cultivation operations that limit the size of generators and allows their use for emergency purposes only.

SECTION 2: HUMBOLDT COUNTY GENERAL PLAN AMENDMENTS

This Initiative hereby amends the Humboldt County General Plan (“General Plan”), as amended through March 4, 2022, the date that the notice of intention to circulate this Initiative was submitted to the elections official of the County of Humboldt (“Submittal Date”). Except as specifically provided in this Initiative, the amendments in subsections A.1 and A.2 of this Section 2 may be changed only by a vote of the people.

A. General Plan Text Amendments

1. Section 4.9 Added to General Plan Land Use Element

A new Section 4.9 entitled “Cannabis Cultivation” is inserted into the General Plan, Part 2, Chapter 4, Land Use Element, at Page 4-56, following Section 4.8 (after Table 4-H):

4.9 Cannabis Cultivation

4.9.1 Purpose

This section 4.9 of the Land Use Element was adopted as part of the Humboldt Cannabis Reform Initiative. Except as specifically provided in the Humboldt Cannabis Reform Initiative, nothing in this section shall be repealed, altered, or amended without a vote of the people.

This section of the Land Use Element addresses cannabis cultivation in unincorporated Humboldt County outside of the Coastal Zone. The goals, policies, standards, and implementation measures set forth in this section are intended to apply in all unincorporated areas of the County outside of the Coastal Zone, including all Community Planning Areas, and under all General Plan land use designations unless otherwise specified. The Humboldt Cannabis Reform Initiative also amended the six Humboldt County Local Coastal Plans (the Eel River Area Plan, Humboldt Bay Area Plan, McKinleyville Area Plan, North Coast Area Plan, South Coast Area Plan, and Trinidad Area Plan) to include the same definitions, goals, policies, standards, and implementation measures for commercial cannabis cultivation in the Coastal Zone.

4.9.2 Background

Cannabis cultivation has been an important part of Humboldt County’s culture and economy for decades. Beginning in the 1960s, small-scale cannabis growers began to establish an important, although illegal, largely home-based industry in the County’s hills. Income from illicit cultivation and sales of cannabis supported the local economy as other industries contracted, sustaining countless small businesses and non-profit organizations through hard times. Humboldt growers’ innovations in hybridization and other cultivation techniques also created cannabis products that have become famous globally for their high quality. For many outside the local area, the term “Humboldt” is still synonymous with high-quality cannabis.

The illicit cannabis industry had—and still has—its downsides. Unregulated cannabis operations can put significant pressure on environmental resources. Illicit cultivation has been associated with unauthorized water diversions and reductions in stream flows, poorly maintained roads, pollution from pesticides and fertilizers, and accumulation of water lines, garbage, and other debris. The aggressive law enforcement response to illicit cultivation that culminated in the Campaign Against Marijuana Planting in the 1980s and 1990s also fostered community divisions and facilitated development of an “outlaw” culture with a deep distrust of regulation. Although prohibition kept cannabis prices high, it also deprived industry participants of recourse to legal means of distributing their products and settling disputes, resulting in thefts and occasional violence.

California began a long transition toward legalization of cannabis in 1996 with the passage of Proposition 215, which exempted patients using medical cannabis and their caregivers from

certain state criminal laws. For many years, local cannabis growers operated in the “gray area” created by the limited reach of Proposition 215. Finally, in 2016, California voters adopted Proposition 64, which legalized adult recreational use of cannabis and instituted comprehensive state licensing and regulation of the cannabis industry.

Proposition 64 also left significant regulatory power in the hands of local governments. Humboldt County enacted its first comprehensive cannabis land use ordinance, the Commercial Medical Marijuana Land Use Ordinance (often referred to as “Ordinance 1.0”) in September 2016. The County revised its cannabis land use ordinances again in 2018 with the Commercial Cannabis Land Use Ordinance (or “Ordinance 2.0”). Further amendments streamlining permitting for small new and pre-existing cannabis cultivation operations were adopted in 2020.

Together, these ordinances generally sought to transform the County’s illicit, unregulated cannabis farms into lawful, regulated operations. The ordinances included provisions requiring growers to obtain permits and comply with numerous operational standards.

Legalization, however, brought significant challenges. Wealthy individuals and businesses, seeking to capitalize on Humboldt County’s reputation for high-quality cannabis, began to buy up property in the County, often for the purpose of larger-scale, more “industrial” cannabis cultivation operations. As of 2022, the County’s cannabis cultivation ordinances had proven inadequate to prevent environmental damage and land use conflicts predominantly stemming from larger-scale cultivation operations. Experience has shown that watercourses and wells continue to be impacted by diversions and groundwater extraction, threatening both other water users and habitat for protected species like salmon and steelhead. Extended drought conditions in Humboldt County and throughout southwestern North America—conditions scientists believe are being exacerbated by anthropogenic climate change—are putting even more pressure on local water resources and natural habitat. Over-reliance on generators, particularly in rural residential areas, has exacerbated noise pollution and created a substantial risk of fuel spills.

In light of these environmental conditions, the voters chose to strengthen requirements governing water storage and diversions, generator usage, inspections of permitted sites prior to renewal, coordination with state wildlife and water quality agencies, and renewable energy. The voters also limited the types and size of new permits for commercial cannabis cultivation and improved public notice and permit review provisions essential to ensure informed community participation in the approval process. Finally, the voters imposed stricter limits on the number of permits for commercial cannabis cultivation the County can approve and the number of acres under cultivation, while allowing the County to continue working through a backlog of pending, complete permit applications.

Prior to adoption of the Humboldt Cannabis Reform Initiative, the County’s General Plan did not comprehensively address the role of cannabis cultivation in the County’s overall vision for development. By adopting the Humboldt Cannabis Reform Initiative, the County’s voters recognized the need for goals, policies, standards, and implementation measures to guide the County’s regulation of this industry toward a sustainable future while recognizing the small-scale, innovative practices that established Humboldt County’s reputation for high-quality, artisan cannabis.

4.9.3 Definitions

When used in this Section 4.9, the following words shall have the meanings ascribed to them below. The singular shall include the plural and the plural shall include the singular. Definitions below shall control over any definitions of the same or similar terms contained elsewhere in the Humboldt County Code.

- “Canopy” means the designated area(s) at a licensed premises that will contain mature plants at any point in time.
- “Commercial Cannabis Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis, including nurseries, that is intended to be processed, manufactured, distributed, dispensed, delivered, and sold. For purposes of this Section 4.9, “Commercial Cannabis Cultivation” shall not include either of the following: (a) cultivation, processing, or storage of cannabis for a single person or household’s exclusive use; or (b) cultivation, processing, or storage of medical marijuana or cannabis for a single qualified patient’s use..
- “Cultivation area” means the sum of the area(s) used for commercial cannabis cultivation, calculated in square feet and measured using clearly identifiable boundaries around the perimeter of all area(s) that will contain plants at any point in time, including all the space within the boundary as shown on the approved plot plan. Cultivation area shall include the maximum anticipated extent of all vegetative growth of cannabis plants to be grown to maturity on the premises.
- “Diversion” means the withdrawal of water from a water body. For purposes of this definition, “water body” means any significant accumulation of water, such as lakes, ponds, rivers, streams, creeks, springs, seeps, artesian wells, wetlands, canals, groundwater from a subterranean stream flowing through a known and definite channel, or similar features. “Water body” shall not include off-stream constructed reservoirs filled exclusively in a manner not involving the withdrawal of water from a water body, such as captured rainfall.
- “Diversionary water source” means a source of water that involves diversion.
- “Emergency Purposes” means providing electrical power during any of the following events and subject to the following conditions:
 - (1) the failure or loss of all or part of normal electrical power service:
 - (A) which is caused by any reason other than the enforcement of a contractual obligation the owner or operator has with a third party or any other party; and
 - (B) which is demonstrated by the owner or operator to the County's satisfaction to have been beyond the reasonable control of the owner or operator;
 - (2) the pumping of water or sewage to prevent or mitigate a flood or sewage overflow;
 - (3) the pumping of water for fire suppression or protection.
- “Expanded,” when used to describe commercial cannabis cultivation sites, uses, operations or activities or an application or permit therefor, shall mean an increase in the size, intensity, or

resource usage of commercial cannabis cultivation activities on a parcel or premises where such activities have previously been permitted, regardless of whether authorization for expanded uses is sought by way of an application for a new permit or zoning clearance or an application for a modification to an existing permit or zoning clearance. Examples of “expanded” uses include, but are not limited to, an increase in cultivation area, water usage, energy usage, or the number or size of any structures used in connection with cultivation.

- “Forbearance period” means the calendar days during which water may not be diverted from a water body.
- “Light deprivation” means the use of any technique to eliminate natural light in order to induce flowering.
- “Indoor Cultivation” means the cultivation of cannabis within a permanent structure using exclusively artificial light or within any type of structure using artificial light at a rate above twenty-five watts per square foot.
- “Mixed-Light Cultivation” means the cultivation of mature cannabis in a greenhouse, hoop-house, glasshouse, conservatory, hothouse, or other similar structure using a combination of:
 - (1) Natural light and light deprivation, and either of the models listed below:
 - (A) “Mixed-light Tier 1,” without the use of artificial light or the use of artificial light at a rate above zero, but no more than six watts per square foot;
 - (B) “Mixed-light Tier 2,” the use of artificial light at a rate above six and below or equal to twenty-five watts per square foot; or
 - (2) Natural light and either of the models listed below:
 - (A) “Mixed-light Tier 1,” the use of artificial light at a rate above zero, but no more than six watts per square foot;
 - (B) “Mixed-light Tier 2,” the use of artificial light at a rate above six and below or equal to twenty-five watts per square foot.
- “New,” when used to describe commercial cannabis cultivation sites, uses, operations or activities or an application or permit therefor, shall mean commercial cannabis cultivation activities on a parcel or premises where such activities have not previously been permitted.
- “Nursery” means a facility that produces only clones, immature plants, and seeds for wholesale to licensed cultivators to be used specifically for the planting, propagation, and cultivation of cannabis, or to licensed distributors.
- “Outdoor Cultivation” means the cultivation of mature cannabis without the use of artificial lighting or light deprivation in the canopy area at any point in time.
- “Person” means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit and includes the plural as well as the singular number. “Person” also includes the chief executive officer or a member of the board of directors of a business entity, or any individual participating in the direction, control, or management of the permit holder. “Person” does not include business entities with an aggregate ownership interest of less than

twenty percent (20%) in the individual or group holding the permit or less than five percent (5%) of the total shares of a publicly traded company holding a permit. Individuals, banks, or financial institutions whose only interest constitutes a loan, lien, or encumbrance, or whose interest occurs through a mutual fund, blind trust, or similar instrument shall not be considered a “person” for purposes of this section.

- “Premises” means a parcel, or a portion thereof, such as a leasehold interest in agricultural land for agricultural purposes of outdoor, mixed-light, or indoor cultivation or processing of cannabis, or a leased or owned space in an industrial or commercial building or parcel for purposes of indoor, mixed-light, or outdoor cultivation, processing, manufacture, distribution, testing or retail sale of cannabis.

The Board of Supervisors may amend the definitions set forth in this section 4.9.3 of the Land Use Element without a vote of the people to conform to future amendments to definitions of the same or similar terms in state statutes and regulations.

4.9.4 Goals and Policies

Goals

- CC-G1: **Support small-scale, high-quality cannabis cultivation.** Structure and implement cannabis cultivation ordinances and policies that encourage small-scale production while minimizing environmental and social impacts.
- CC-G2: **Prevent large-scale grows that damage the environment and harm the community.** Limit new and expanded commercial cannabis cultivation permits to Outdoor Cultivation, Mixed-light Tier 1 Cultivation, and Nurseries with a maximum cultivation area of 10,000 square feet.
- CC-G3: **Limit the number of permits and acreage under cannabis cultivation.** Cap the total number of permits and acreage under cultivation at levels just above those approved and existing as of March 4, 2022, while allowing continued processing of pending permit applications that the County determines were complete prior to that date. Require a vote of the people to increase caps in the future.
- CC-G4: **Reduce the impacts of cannabis cultivation on water availability and water quality.** Prohibit reliance on diversions from streams and rivers for commercial cannabis cultivation between March 1 and November 15 of each year. Require analysis of the effects of groundwater usage on instream flows and other water users. Prohibit applicant self-certification of compliance with private road standards.
- CC-G5: **Ensure greater public participation and official accountability in decision-making.** Require expanded public notice of cannabis cultivation applications. Expand the range of applications subject to discretionary review and public hearings.

CC-G6: **Ensure that existing operations are inspected and compliance verified prior to permit renewal.** Require in-person, on-site inspections, correction of violations, and investigation of complaints before permits can be renewed.

CC-G7: **Limit use of generators in cannabis cultivation operations.** Over time, phase in requirements that limit generator size and restrict usage to emergency purposes for all commercial cannabis cultivation.

Policies

Limitations on Permits

CC-P1: **Permit and Acreage Caps (Non-Coastal).** In areas of the County outside Coastal Planning Areas, caps on the total number of permits granted for commercial cannabis cultivation and on the total permitted acreage of cultivation shall be established and implemented as follows:

(a) In each of the planning watersheds listed in Section 2 of Humboldt County Board of Supervisors Resolution No. 18-43, the cap on the total number of permits for commercial cannabis cultivation granted shall be 1.05 times the total number of existing approved, unexpired permits for Open Air Cultivation (including Outdoor and Mixed-Light Cultivation, and Nurseries) and Indoor Cultivation within that planning watershed as of March 4, 2022, the date on which the notice of intention to circulate the Humboldt Cannabis Reform Initiative was submitted to the elections official of the County of Humboldt. In each watershed, the permit cap shall be rounded to the nearest whole number.

(b) In each of the planning watersheds listed in Section 2 of Humboldt County Board of Supervisors Resolution No. 18-43, the cap on the total permitted acreage of Cultivation Area shall be 1.05 times the total permitted acreage of cultivation area approved by the County under existing approved, unexpired permits for Open Air Cultivation (including Outdoor and Mixed-Light Cultivation, and Nurseries) and Indoor Cultivation within that planning watershed as of March 4, 2022, the date on which the notice of intention to circulate the Humboldt Cannabis Reform Initiative was submitted to the elections official of the County of Humboldt.

(c) If, at any time, in any of the planning watersheds listed in Section 2 of Humboldt County Board of Supervisors Resolution No. 18-43, either (i) the total number of permits granted for commercial cannabis cultivation or (ii) the total permitted acreage of cultivation area exceeds a cap for that planning watershed established pursuant to paragraphs (a) and (b) of this Policy CC-P1, any new applications for commercial cannabis cultivation activities within that watershed shall be placed in a queue and shall not be further considered or processed until such time as the total number of approved permits and the total acreage of

cultivation both fall below the applicable caps for that watershed. If and when the total number of approved permits and the total permitted acreage of cultivation area both fall below the applicable caps for a watershed, the Board of Supervisors may, by resolution and without a vote of the people, establish procedures for processing applications within the queue for that watershed.

(d) Notwithstanding paragraph (c) of this Policy CC-P1, the County may continue to process, and may approve, applications for permits for commercial cannabis cultivation that the County determines were complete on or before March 4, 2022, the date on which the notice of intention to circulate the Humboldt Cannabis Reform Initiative was submitted to the elections official of the County of Humboldt.

(e) Notwithstanding paragraphs (a), (b), and (c) of this Policy CC-P1, the County may renew a previously approved permit for commercial cannabis cultivation provided that all applicable state and local requirements for permit renewal are satisfied.

(f) The Board of Supervisors may, by resolution and without a vote of the people, reduce the caps on permits and acres established pursuant to paragraphs (a) and (b) of this Policy CC-P1. However, the limits on permits and acres established pursuant to paragraphs (a) and (b) of this Policy CC-P1 shall not be increased unless approved by a vote of the people.

(g) In order to facilitate participation in and compliance with the County's commercial cannabis cultivation permitting programs, the County shall publish and make available the caps on permits and acres established pursuant to paragraphs (a) and (b) of this Policy CC-P1.

CC-P2:

Limitations on Cultivation Types, Methods and Area for New and Expanded Permits. Except for pending applications that the County determines were complete on or before March 4, 2022, the following limitations shall apply to any application for a permit, permit modification, or zoning clearance for new or expanded commercial cannabis cultivation that is approved following the Effective Date of the Humboldt Cannabis Reform Initiative:

(a) The County shall not approve an application if the total cultivation area that would result from approval exceeds 10,000 square feet.

(b) The County shall not approve an application that proposes a type of cultivation other than Outdoor Cultivation, Mixed-light-Tier 1 Cultivation, or Nursery.

The limitations in this Policy CC-P2 shall not apply to an application for renewal of an existing permit or zoning clearance that does not propose or involve any expanded use.

CC-P3: **Permit Term and Renewal.** All County-issued permits allowing commercial cannabis cultivation shall have a term of no longer than one year following the date of issuance and shall expire automatically on the anniversary date unless renewed.

CC-P4: **Permit Renewal Conditions.** Permits shall not be renewed unless all of the following conditions are satisfied:

(a) The County has conducted at least one on-site, in-person inspection of the premises within one year prior to the permit expiration date. The County may provide up to 24 hours' advance notice of any such inspection, but advance notice is not required. On-site inspection by the permittee, or by any employee or agent of the permittee, shall not be sufficient to satisfy this requirement.

(b) The County determines that any and all violations of permit conditions or applicable laws have been corrected.

(c) The County has considered and investigated any and all comments or complaints received from members of the public concerning the commercial cannabis cultivation operation's compliance with permit conditions or applicable laws.

CC-P5: **Multiple Permits.** No approval of a permit for commercial cannabis cultivation shall result in either of the following: (a) any one person holding more than one active permit approved after the Effective Date of the Humboldt Cannabis Reform Initiative at the same time, or (b) more than one active permit approved after the Effective Date of the Humboldt Cannabis Reform Initiative on the same legal parcel at the same time.

CC-P6: **Coordination and Collaboration with Other Agencies.** The County shall carry out its commercial cannabis cultivation permitting responsibilities in coordination with agencies having jurisdiction over resources affected by commercial cannabis cultivation, including but not limited to the California Department of Fish and Wildlife, State Water Resources Control Board, and Regional Water Quality Control Board.

Public Notice and Application Review

CC-P7: **Public Notice.** The County shall provide public notice of proposed commercial cannabis cultivation applications in a variety of forms so as to ensure that all persons who may be affected by proposed cultivation operations are reasonably likely to receive actual notice.

CC-P8: **Discretionary Review.** An application for commercial cannabis cultivation with a total cultivation area of greater than 3,000 square feet shall not be approved by

way of a zoning clearance or other ministerial approval. Commercial cannabis cultivation with a total cultivation area of greater than 3,000 square feet shall require a conditional use permit, special permit, or equivalent discretionary permit, and a coastal development permit where applicable. The County may by ordinance require a conditional use permit, special permit, or equivalent discretionary permit for commercial cannabis cultivation with a total cultivation area of less than 3,000 square feet. This policy shall apply to all applications for new or expanded commercial cannabis cultivation activities regardless of the size, land use designation, or zoning classification of the parcel on which cultivation is proposed.

CC-P9: **No Waiver of Public Hearings.** Notwithstanding any contrary provision of the Humboldt County Code or Zoning Regulations, public hearings on commercial cannabis cultivation permit applications shall not be waived.

Environmental Protection

CC-P10: **Instream Flows and Wells.** The County shall not approve any permit for new or expanded commercial cannabis cultivation if any well or wells proposed for use as part of the cultivation operation will reduce instream flows or otherwise adversely affect either (a) any watercourse or spring, or (b) any existing well used by a person other than the applicant.

CC-P11: **Diversionsary Water Sources and Forbearance Periods.** The forbearance period applicable to diversionsary water sources shall begin March 1 and shall end November 15 of each calendar year, unless a greater period is established pursuant to state law.

CC-P12: **Generators.** To reduce noise pollution and the risk of fuel spills, the County shall, over time, phase in standards ensuring that commercial cannabis cultivation operations are limited to a single generator rated at 50-hp or less and used for emergency purposes only.

CC-P13: **Roads.** Where any parcel on which a permit for new or expanded commercial cannabis cultivation activities is proposed is served by a private road without a centerline stripe, a licensed engineer's report shall be required to support a conclusion that the road meets or exceeds the Category 4 standard (or same practical effect).

Standards

CC-S1: **Hydrologic Study Required.** Commercial cannabis cultivation permits shall not be granted unless a hydrologic study prepared by a qualified expert demonstrates that any well or wells proposed for use as part of the cultivation operation will not reduce instream flows or otherwise adversely affect either (a) any watercourse or spring, or (b) any existing well used by a person other than the applicant. The

hydrologic study shall include, but not be limited to, as applicable and for each well proposed for use, examination of any well log, the geology of the well and screening intervals, the depth to water and static water pressure, total drawdown of the well, anticipated yield, and analysis of topography relative to adjacent mapped surface water features.

CC-S2: **Inadequate Water Storage.** If the County determines that water storage associated with any proposed or permitted commercial cannabis cultivation operation is inadequate to support the area or methods of cultivation proposed or permitted, the County shall order the applicant or permittee either to increase the amount of water storage or to reduce the size of the cultivation area to the point where the existing associated water storage is adequate.

CC-S3: **Generators.** The use of generators in commercial cannabis cultivation activities shall be limited as follows:

(a) For new or expanded commercial cannabis cultivation sites permitted after the Effective Date of the Humboldt Cannabis Reform Initiative, only one generator rated at 50-hp or less shall be allowed, and that generator shall be used for emergency purposes only.

(b) After June 30, 2024, all commercial cannabis cultivation operations other than operations at lawfully permitted pre-existing sites established prior to January 1, 2016 shall be limited to one generator rated at 50-hp or less and used for emergency purposes only. The County shall verify compliance with this standard as part of the on-site inspection required for permit renewal.

(c) After September 30, 2025, commercial cannabis cultivation operations at lawfully permitted pre-existing cultivation sites established prior to January 1, 2016, shall be limited to one generator rated at 50-hp or less and used for emergency purposes only. The County shall verify compliance with this standard as part of the on-site inspection required for permit renewal.

CC-S4: **Public Notice.** Whenever a permit application for any commercial cannabis cultivation activity has been determined complete for processing, notice of the proposed project shall be provided as follows:

(a) Notice shall be mailed by first class mail (i) to all property owners and occupants at the address(es) shown on the latest assessment roll within one mile of the perimeter of the parcel on which a permit is being requested, and (ii) to all persons who have requested notice of commercial cannabis cultivation applications. The notice shall include the location of the project and a description of the size and type of activity proposed.

(b) Notice shall be published at least twice in a newspaper of general circulation that serves the area in which the commercial cannabis cultivation operation is to

be conducted.

(c) Notice shall be posted in at least three public locations where it is reasonably likely to be seen by persons who may be affected by the commercial cannabis cultivation activity, including persons who may rely on road systems or water sources affected by the commercial cannabis cultivation activity.

The notice required by this standard shall be sufficient to satisfy Policy CC-P7 but also is in addition to any other notice that may be required by law.

Implementation Measures

CC-IM1: Notice to Department of Cannabis Control. The County shall provide prompt notice of the adoption of the Humboldt Cannabis Reform Initiative to the California Department of Cannabis Control in accordance with Business and Professions Code section 26055(f)(2).

CC-IM2: Ordinance Consistency. The goals, policies, standards, and implementation measures set forth in Section 4.9 of the General Plan shall control over any conflicting provision of the Humboldt County Code or Zoning Regulations. As soon as possible, but no later than two years after the adoption of the Humboldt Cannabis Reform Initiative, the County shall revise the Humboldt County Code and Zoning Regulations to establish consistency with the Initiative, including all goals, policies, standards, and implementation measures set forth in Section 4.9 of the General Plan.

The Board of Supervisors is hereby authorized and directed to request California Coastal Commission certification of revisions to any portion of the Humboldt County Code and Zoning Regulations applicable in the Coastal Zone. In the event the California Coastal Commission requests or proposes modifications to any such revisions prior to or as part of certification of any Local Coastal Program amendments included therein, the Board of Supervisors is permitted to adopt such modifications without a vote of the people provided that the Board finds that the modifications further the purpose, intent, goals, policies, standards, and implementation measures set forth in the Humboldt Cannabis Reform Initiative. Revisions to any portion of the Humboldt County Code and Zoning Regulations applicable in the Coastal Zone adopted pursuant to this Implementation Measure CC-IM2 shall be effective upon the California Coastal Commission's certification.

2. Amendments to Implementation Action Plan (General Plan Appendix A)

The following five rows are added to the table in Appendix A to the General Plan entitled "2017 Humboldt County General Plan – Implementation Action Plan," at Page A-9, immediately preceding the subheading entitled "Chapter 5 Community Infrastructure and Services Element":

Chapter 4 Land Use Element – Cannabis Cultivation					
CC-IM1. Notice to Department of Cannabis Control	Core County Service	County Administration	Immediate	TBD	All Goals, Policies, and Standards in Land Use Element Section 4.9
CC-IM2. Ordinance Consistency	Zoning Regulations; Other Development Code Revisions	Long-Range Planning	2 Years	TBD	All Goals, Policies, and Standards in Land Use Element Section 4.9

Note (for informational purposes only; not part of the General Plan text adopted by this Initiative): The six column headings applicable to the above table, from left to right, are “Text of Measure,” “Method,” “Responsibility,” “Timing,” “Cost Range,” and “Policies Implemented.”

The amendments to the Implementation Action Plan adopted in this Section 2.A.2 of the Initiative may be further amended as appropriate without a vote of the people, during the course of further updates and revisions to the General Plan, in a manner consistent with the goals, policies, standards, and implementation measures of the General Plan adopted in Section 2.A.1 of the Initiative.

B. General Plan Conforming Amendments

The General Plan is further amended as set forth below in this Section 2.B in order to promote internal consistency among the various sections of the General Plan. Text to be inserted in the General Plan is indicated in **bold type**. Text to be deleted from the General Plan is indicated in ~~strikeout~~ type. Text in standard type currently appears in the General Plan and is not changed or readopted by this Initiative. The language adopted in the following amendments may be further amended as appropriate without a vote of the people, during the course of further updates and revisions to the General Plan, in a manner consistent with the purpose, intent, goals, policies, standards, and implementation measures of the General Plan set forth in Sections 1 and 2.A above.

1. On page 9-7 of the General Plan, Economic Development Element Section 9.3 Background, the following paragraphs are amended to read:

Cannabis

The production and sale of **recreational**, medicinal and illicit cannabis contribute significantly to Humboldt County’s economy. The impact is difficult to measure but its effects are unmistakable. For example, the size of the retail and restaurant sector is out of proportion to official income levels. While the production and sale of **recreational and medicinal** cannabis is legal and local jurisdictions are collecting data that can be used to measure the size of this industry, the size of the illegal industry cannot be measured

directly. Many assume **that at times it is has been** the largest single industry in Humboldt County.

While cash circulating is undisputedly good for the local economy, ~~the industry's use of residential, agricultural and timberlands~~ **cannabis cultivation and production** can result in environmental impacts **and** land use conflicts. The competition for labor can also be problematic, for example there is a strong appeal to local youth to enter the cannabis trade instead of preparing themselves for a legal career.

~~If~~ **Now that** statewide efforts to legalize cannabis ~~are~~ **have proven** successful, the County ~~may enjoy~~ **should work to support** a legal, ~~and~~ economically viable, **and environmentally responsible** industry based on the expertise, quality and market reputation that Humboldt County gained in the production of illicit cannabis. While there are practical and legal limitations on the County's ability to support illicit cultivation, support for legal cultivation **in accordance with Section 4.9 Cannabis Cultivation of the Land Use Element of this General Plan** should be a part of the County's overall economic policy.

2. In Appendix A to the General Plan, on page A-1, the following paragraph is amended to read:

For the most part, the implementation measures in the General Plan are programs, steps or processes intended to help achieve the outcomes defined by the goals and policies of each element. However, the County must take additional steps to implement each action. In this Implementation Plan, each action is organized to reflect the overarching goal and policy of a General Plan Element. In some instances, policies and standards are not directly associated with an implementation measure, such policies and standards are listed and the implementing actions are identified as though they are implementation measures. The General Plan contains a total of ~~224~~ **226** implementation measures. In addition, the General Plan contains 170 policies and 77 standards that are not directly associated with an implementation measure.

SECTION 3: AMENDMENTS TO HUMBOLDT COUNTY LOCAL COASTAL PLANS

This Initiative hereby amends each of the six Humboldt County Local Coastal Plans (the Eel River Area Plan, Humboldt Bay Area Plan, McKinleyville Area Plan, North Coast Area Plan, South Coast Area Plan, and Trinidad Area Plan) as those plans were amended through the Submittal Date, as set forth below. New text to be inserted in each plan is indicated in **bold** type.

The Board of Supervisors is hereby authorized and directed to request California Coastal Commission certification of the amendments in this Section 3 and any other amendments to the Local Coastal Plans necessary to implement this Initiative. In the event the California Coastal Commission requests or proposes modifications to any Local Coastal Plan amendment found in Section 3 of the Initiative prior to or as part of certification, the Board of Supervisors is permitted to amend only the affected Local Coastal Plan, and not any other part of this Initiative, as necessary to incorporate such modifications without a vote of the People, provided that the

Board finds that the modifications further the purpose and intent of the Initiative as set forth in Section 1 and are consistent with the goals, policies, standards, and implementation measures set forth in Section 2. The amendments in this Section 3 shall be effective upon the California Coastal Commission’s certification.

Except as specifically provided above, the amendments in this Section 3 may be changed only by a vote of the people.

A. Eel River Area Plan

1. At Chapter 3 – Page 3 of the Eel River Area Plan (Rev. December 2014), Section 3.21 URBAN LIMITS, Subsection B. General Development Policies Within the Urban Limit, the following text is inserted after Policy 5. Nonconforming Uses and Structures:

6. **Commercial Cannabis Cultivation.**

In 2022, the voters of Humboldt County adopted the Humboldt Cannabis Reform Initiative (“Initiative”), which amended the Humboldt County General Plan to protect the County’s residents and natural environment from harm caused by large-scale commercial cannabis cultivation. To advance the Initiative’s purposes, commercial cannabis cultivation within the Eel River Planning Area shall be subject to the definitions, goals, policies, standards, and implementation measures in the Humboldt County General Plan, Land Use Element Section 4.9 Cannabis Cultivation.

2. At Chapter 3 – Page 18 of the Eel River Area Plan (Rev. December 2014), Section 3.31 RURAL DEVELOPMENT, the following text is inserted after Subsection C. NONCONFORMING USES AND STRUCTURES:

D. COMMERCIAL CANNABIS CULTIVATION

In 2022, the voters of Humboldt County adopted the Humboldt Cannabis Reform Initiative (“Initiative”), which amended the Humboldt County General Plan to protect the County’s residents and natural environment from harm caused by large-scale commercial cannabis cultivation. To advance the Initiative’s purposes, commercial cannabis cultivation within the Eel River Planning Area shall be subject to the definitions, goals, policies, standards, and implementation measures in the Humboldt County General Plan, Land Use Element Section 4.9 Cannabis Cultivation.

B. Humboldt Bay Area Plan

1. At Chapter 3 – Page 7 of the Humboldt Bay Area Plan (Rev. December 2014), Section 3.11 URBAN LIMIT, Subsection B. DEVELOPMENT POLICIES, Subsection 2. General Development Policies Within The Urban Limit, the following text is inserted after Policy d.:
 - e. **In 2022, the voters of Humboldt County adopted the Humboldt Cannabis Reform Initiative (“Initiative”), which amended the Humboldt County General Plan to protect the County’s residents and natural environment from harm caused by large-scale commercial cannabis cultivation. To advance the Initiative’s purposes, commercial cannabis cultivation within the Humboldt Bay Planning Area shall be subject to the definitions, goals, policies, standards, and implementation measures in the Humboldt County General Plan, Land Use Element Section 4.9 Cannabis Cultivation.**
2. At Chapter 3 – Page 27 of the Humboldt Bay Area Plan (Rev. December 2014), Section 3.20 RURAL DEVELOPMENT, the following text is inserted after Policy B. NONCONFORMING USES AND STRUCTURES:

C. COMMERCIAL CANNABIS CULTIVATION

In 2022, the voters of Humboldt County adopted the Humboldt Cannabis Reform Initiative (“Initiative”), which amended the Humboldt County General Plan to protect the County’s residents and natural environment from harm caused by large-scale commercial cannabis cultivation. To advance the Initiative’s purposes, commercial cannabis cultivation within the Humboldt Bay Planning Area shall be subject to the definitions, goals, policies, standards, and implementation measures in the Humboldt County General Plan, Land Use Element Section 4.9 Cannabis Cultivation.

C. McKinleyville Area Plan

1. At Chapter 3 – Page 3 of the McKinleyville Area Plan (Rev. December 2014), Section 3.21 URBAN LIMITS, Subsection B. GENERAL DEVELOPMENT POLICIES WITH THE URBAN LIMIT the following text is inserted after Policy 5. NONCONFORMING USES AND STRUCTURES:

6. COMMERCIAL CANNABIS CULTIVATION

In 2022, the voters of Humboldt County adopted the Humboldt Cannabis Reform Initiative (“Initiative”), which amended the Humboldt County General Plan to protect the County’s residents and natural environment from harm caused by large-scale commercial cannabis cultivation. To advance the Initiative’s purposes, commercial cannabis cultivation within the McKinleyville Planning Area shall be subject to the definitions, goals, policies, standards, and

**implementation measures in the Humboldt County General Plan,
Land Use Element Section 4.9 Cannabis Cultivation.**

2. At Chapter 3 – Page 14 of the McKinleyville Area Plan (Rev. December 2014), Section 3.31 RURAL DEVELOPMENT, the following text is inserted after Policy C. NONCONFORMING USES AND STRUCTURES:

D. COMMERCIAL CANNABIS CULTIVATION

In 2022, the voters of Humboldt County adopted the Humboldt Cannabis Reform Initiative (“Initiative”), which amended the Humboldt County General Plan to protect the County’s residents and natural environment from harm caused by large-scale commercial cannabis cultivation. To advance the Initiative’s purposes, commercial cannabis cultivation within the McKinleyville Planning Area shall be subject to the definitions, goals, policies, standards, and implementation measures in the Humboldt County General Plan, Land Use Element Section 4.9 Cannabis Cultivation.

D. North Coast Area Plan

1. At Chapter 3 – Page 3 of the North Coast Area Plan (Rev. December 2014), Section 3.21 URBAN LIMITS, Subsection B. GENERAL DEVELOPMENT POLICIES WITHIN THE URBAN LIMIT, the following text is inserted after Policy 5. Non-conforming uses and structures:

6. **Commercial Cannabis Cultivation: In 2022, the voters of Humboldt County adopted the Humboldt Cannabis Reform Initiative (“Initiative”), which amended the Humboldt County General Plan to protect the County’s residents and natural environment from harm caused by large-scale commercial cannabis cultivation. To advance the Initiative’s purposes, commercial cannabis cultivation within the North Coast Planning Area shall be subject to the definitions, goals, policies, standards, and implementation measures in the Humboldt County General Plan, Land Use Element Section 4.9 Cannabis Cultivation.**

2. At Chapter 3 – Page 10 of the North Coast Area Plan (Rev. December 2014), Section 3.31 RURAL DEVELOPMENT, the following text is inserted after Policy C. NON-CONFORMING USES AND STRUCTURES:

D. COMMERCIAL CANNABIS CULTIVATION

In 2022, the voters of Humboldt County adopted the Humboldt Cannabis Reform Initiative (“Initiative”), which amended the Humboldt County General Plan to protect the County’s residents and natural environment

from harm caused by large-scale commercial cannabis cultivation. To advance the Initiative’s purposes, commercial cannabis cultivation within the North Coast Planning Area shall be subject to the definitions, goals, policies, standards, and implementation measures in the Humboldt County General Plan, Land Use Element Section 4.9 Cannabis Cultivation.

E. South Coast Area Plan

1. At Chapter 3 – Page 2 of the South Coast Area Plan (Rev. December 2014), Section 3.21 URBAN LIMITS, Subsection B. GENERAL DEVELOPMENT POLICIES WITHIN THE URBAN LIMIT, the following text is inserted after Policy 5. Non-conforming uses and structures:

6. Commercial Cannabis Cultivation: In 2022, the voters of Humboldt County adopted the Humboldt Cannabis Reform Initiative (“Initiative”), which amended the Humboldt County General Plan to protect the County’s residents and natural environment from harm caused by large-scale commercial cannabis cultivation. To advance the Initiative’s purposes, commercial cannabis cultivation within the South Coast Planning Area shall be subject to the definitions, goals, policies, standards, and implementation measures in the Humboldt County General Plan, Land Use Element Section 4.9 Cannabis Cultivation.

2. At Chapter 3 – Page 13 of the South Coast Area Plan (Rev. December 2014), Section 3.31 RURAL DEVELOPMENT, the following text is inserted after Policy C. NON-CONFORMING USES AND STRUCTURES:

D. COMMERCIAL CANNABIS CULTIVATION

In 2022, the voters of Humboldt County adopted the Humboldt Cannabis Reform Initiative (“Initiative”), which amended the Humboldt County General Plan to protect the County’s residents and natural environment from harm caused by large-scale commercial cannabis cultivation. To advance the Initiative’s purposes, commercial cannabis cultivation within the South Coast Planning Area shall be subject to the definitions, goals, policies, standards, and implementation measures in the Humboldt County General Plan, Land Use Element Section 4.9 Cannabis Cultivation.

F. Trinidad Area Plan

1. At page “Chapter 3-5” of the Trinidad Area Plan (Rev. December 2014), Section 3.11 URBAN LIMIT, Subsection B. DEVELOPMENT POLICIES, Subsection 2. General Development Policies Within the Urban Limit, the following text is inserted after policy d. Nonconforming uses and structures:

e. **Commercial Cannabis Cultivation.**

In 2022, the voters of Humboldt County adopted the Humboldt Cannabis Reform Initiative (“Initiative”), which amended the Humboldt County General Plan to protect the County’s residents and natural environment from harm caused by large-scale commercial cannabis cultivation. To advance the Initiative’s purposes, commercial cannabis cultivation within the Trinidad Planning Area shall be subject to the definitions, goals, policies, standards, and implementation measures in the Humboldt County General Plan, Land Use Element Section 4.9 Cannabis Cultivation.

2. At page “Chapter 3-12” of the Trinidad Area Plan (Rev. December 2014), Section 3.20 RURAL DEVELOPMENT, the following text is inserted after Policy A. EXISTING USES:

B. COMMERCIAL CANNABIS CULTIVATION

In 2022, the voters of Humboldt County adopted the Humboldt Cannabis Reform Initiative (“Initiative”), which amended the Humboldt County General Plan to protect the County’s residents and natural environment from harm caused by large-scale commercial cannabis cultivation. To advance the Initiative’s purposes, commercial cannabis cultivation within the Trinidad Planning Area shall be subject to the definitions, goals, policies, standards, and implementation measures in the Humboldt County General Plan, Land Use Element Section 4.9 Cannabis Cultivation.

SECTION 4: AMENDMENTS TO SECTION 313-55.4 OF THE HUMBOLDT COUNTY CODE

A. Text Amendments

This section of the Initiative hereby amends Section 313-55.4 et seq. of Title III, Division 1, Chapter 3, Section B, Part 1 (Coastal Zoning Regulations) of the Humboldt County Code, as amended through the Submittal Date. New text to be inserted in the Humboldt County Code is indicated in **bold** type. Text to be deleted from the Humboldt County Code is indicated in ~~strikeout~~ type. Text in standard type currently appears in the Humboldt County Code and is not readopted by this Initiative. The text inserted or deleted by the following amendments may only be amended by a vote of the people.

1. Title III – LAND USE AND DEVELOPMENT, Section 313-55.4.5.6 TERM OF COMMERCIAL CANNABIS ACTIVITY CLEARANCE OR PERMIT is amended as follows:

55.4.5.6 Term of Commercial Cannabis Activity Clearance or Permit.
Authorization for any commercial cannabis activity zoning clearance certificate,

special permit, coastal development permit or use permit issued pursuant to this section shall terminate after one (1) year after date of issuance, and on the anniversary date of such issuance each year thereafter, unless an **on-site, in-person** annual compliance inspection has been conducted and the permitted site has been found to comply with all conditions of approval, applicable eligibility and siting criteria, and performance standards.

2. Title III – LAND USE AND DEVELOPMENT, Section 313-55.4.5 – GENERAL PROVISIONS APPLICABLE TO COMMERCIAL CANNABIS ACTIVITY LAND USE PERMITS is amended to add:

55.4.5.11. No waiver of public hearings. Notwithstanding any contrary provision of the Humboldt County Code, including but not limited to Section 312-9.2, a public hearing on an application for a special permit, use permit, or coastal development permit for commercial cannabis cultivation shall not be waived.

3. Title III – LAND USE AND DEVELOPMENT, Section 313-55.4.6.8 CAP ON PERMITS is amended as follows:

55.4.6.8 Cap on Permits. Within each of the County’s Coastal Planning Areas (areas within the planning boundaries of the North Coast Area Plan, Trinidad Area Plan, McKinleyville Area Plan, Humboldt Bay Area Plan, Eel River Area Plan, and South Coast Area Plan), caps on the total number of permits granted for commercial cannabis cultivation and on the total permitted acreage of cultivation shall be established and implemented as follows:

55.4.6.8.1. In each Coastal Planning Area, the cap on the total number of permits granted for commercial cannabis cultivation shall be 1.05 times the total number of existing approved, unexpired permits for Open Air Cultivation (including Outdoor and Mixed-Light Cultivation, and Nurseries) and Indoor Cultivation within that Coastal Planning Area as of March 4, 2022, the date on which the notice of intention to circulate the Humboldt Cannabis Reform Initiative was submitted to the elections official of the County of Humboldt. In each Coastal Planning Area, the permit cap shall be rounded to the nearest whole number.

55.4.6.8.2. In each Coastal Planning Area, the cap on the total permitted acreage of cultivation area shall be 1.05 times the total permitted acreage of cultivation area approved by the County under existing approved, unexpired permits for Open Air Cultivation (including Outdoor and Mixed-Light Cultivation, and Nurseries) and Indoor Cultivation within that Coastal Planning Area as of March 4, 2022, the date on which the notice of intention to circulate the Humboldt Cannabis Reform Initiative was submitted to the elections official of the County of Humboldt.

55.4.6.8.3. If, at any time, in any Coastal Planning Area, either (i) the total number of permits granted for commercial cannabis cultivation or (ii) the total permitted acreage of cultivation area exceeds a cap for that Coastal Planning Area established pursuant to Sections 313-55.4.6.8.1 and 313-55.4.6.8.2, any new applications for commercial cannabis cultivation activities within that Coastal Planning Area shall be placed in a queue and shall not be further considered or processed until such time as the total number as the total number of approved permits and the total acreage of cultivation both fall below the applicable caps for that Coastal Planning Area. If and when the total number of approved permits and the total permitted acreage of cultivation area both fall below the applicable caps for a watershed, the Board of Supervisors may, by resolution and without a vote of the people, establish procedures for processing applications within the queue for that watershed.

55.4.6.8.4. Notwithstanding Section 313-55.4.6.8.3, the County may continue to process, and may approve, applications for permits for commercial cannabis cultivation that the County determines were complete on or before March 4, 2022, the date on which the notice of intention to circulate the Humboldt Cannabis Reform Initiative was submitted to the elections official of the County of Humboldt.

55.4.6.8.5. Notwithstanding Sections 313-55.4.6.8.1, 313-55.4.6.8.2, and 313-55.4.6.8.3, the County may renew a previously approved permit for commercial cannabis cultivation, provided that all applicable state and local requirements for permit renewal are satisfied.

55.4.6.8.6. This Section 313-55.4.6.8 was adopted as part of the Humboldt Cannabis Reform Initiative. The Board of Supervisors may, by resolution and without a vote of the people, reduce the caps on permits and acres established pursuant to Sections 313-55.4.6.8.1 and 313-55.4.6.8.2. This Section 313-55.4.6.8 may not otherwise be amended unless approved by a vote of the people.

55.4.6.8.7. In order to facilitate participation in and compliance with the County's commercial cannabis cultivation permitting programs, the County shall publish and make available the caps on permits and acres established pursuant to Sections 313-55.4.6.8.1 and 313-55.4.6.8.2.

~~The total number of permits issued for commercial cultivation activities (including outdoor, indoor, and mixed light cultivation and nurseries) in each of the six local coastal plan areas shall be as follows:~~

Coastal Planning Area	Permits	Acrees
North Coast Area Plan	4	2
Trinidad Area Plan	0	0
McKinleyville Area Plan	4	2
Humboldt Bay Area Plan*	38	13
Eel River Area Plan	112	39
South Coast Area Plan	13	5
Total	171	61

*Cannabis cultivation sites on properties zoned MG— industrial general or CG— commercial general with public water from the Humboldt Bay Municipal Water District may be exempt from the cap with a will serve letter from the district providing public water service to the site.

Once the permit cap for a given local coastal plan has been reached, no additional permit applications for open air and indoor cultivation activities will be processed until the Planning Commission and Board of Supervisors consider a review of the limits and prescribed distribution of permitting and acreage allowances found in the above table and approve an increase in the cap by amendment of this section of the Humboldt County Code certified by the California Coastal Commission. Review shall occur at a noticed public hearing held during a meeting of the Board of Supervisors, during which the Board shall receive and consider a report providing an update on local permitting efforts. The report shall provide information detailing the number and status of all applications received, permits approved, compliance agreements that have been executed, and code enforcement actions undertaken by the Department. Law enforcement and other relevant officials from local and State agencies shall be contacted and invited to provide and present input to be considered by the Board during annual review. After holding a public hearing and considering all public testimony received, the Board

~~may choose to establish new caps on acreage and permits as well as change their distribution within watersheds.~~

4. Title III – LAND USE AND DEVELOPMENT, Section 313-55.4.12.1.8.2 – PERFORMANCE STANDARD – ROAD SYSTEMS: STANDARD 2 – FUNCTIONAL CAPACITY is amended as follows:

55.4.12.1.8.2 Standard 2 – Functional Capacity. Unless otherwise specified, roads providing access to the parcel(s) or premises must meet or exceed the Category 4 road standard (or same practical effect). The application package must demonstrate compliance with this requirement in one (1) of the following ways:

55.4.12.1.8.2.1 Parcel(s) served exclusively by roads which are paved publicly maintained or private roads where all portions of the paved road system feature a centerline stripe and two (2) ten (10) foot wide travel lanes require no further analysis, only a notation on the plans that the access to the site meets this requirement; or

55.4.12.1.8.2.2 Parcel(s) served by roads without a centerline stripe must submit a written assessment of the functional capacity of these road segments. If the assessment ~~reveals~~ **concludes** that all road systems meet or exceed the Category 4 standard (or same practical effect), ~~then no additional review is necessary, that conclusion must be verified by a report prepared by a licensed engineer. Documentation of self-certification shall be produced to the satisfaction of the County; including use of appropriate forms where provided.~~ The County reserves the right to independently verify ~~general~~ compliance with this standard.

55.4.12.1.8.2.3 Where access to a site is provided by roads not meeting the Category 4 standard, the application shall require a special permit and include a report prepared by a licensed engineer evaluating whether the design, condition, and performance of all necessary road segments are currently capable of supporting increases in traffic volume created by the project, in addition to the existing traffic using the road(s). In the event that the roads cannot accommodate the traffic volume anticipated the engineer shall recommend improvements to bring the road up to an adequate functional capacity.

55.4.12.1.8.2.4 Where accessed via a driveway or private road intersecting a State highway, applications shall provide an evaluation of the performance and design of the road or driveway encroachment. The evaluation will identify the required improvements necessary to ensure proper function of the access based on anticipated traffic volumes. Improvements may include paving or widening of the throat of the driveway or private road, provision of adequate sight distances, and other improvements determined necessary to comply with Caltrans standards. A copy of an approved State encroachment permit (if required) will be provided to the County. All required improvements shall be completed prior to the initiation of any new commercial cannabis use(s). (FEIR mitigation measure 3.12-2)

B. Implementation

The Board of Supervisors is hereby authorized and directed to request California Coastal Commission certification of the amendments to the Humboldt County Code and Zoning Regulations in this Section 4 of the Initiative. In the event the California Coastal Commission requests or proposes modifications to the provisions found in Section 4 of the Initiative prior to or as part of certification of any Local Coastal Program amendments included therein, the Board of Supervisors is permitted to adopt such modifications without a vote of the people provided that the Board finds that the modifications further the purpose and intent of the Initiative as set forth in Section 1 and are consistent with the goals, policies, standards, and implementation measures set forth in Section 2. The amendments in this Section 4 shall be effective upon the California Coastal Commission's certification.

SECTION 5: AMENDMENTS TO SECTION 314-55.4 OF THE HUMBOLDT COUNTY CODE

This section of the Initiative hereby amends Section 314-55.4 et seq. of Title III, Division 1, Chapter 4, Section B, Part I (Inland Zoning Regulations) of the Humboldt County Code, as amended through the Submittal Date. New text to be inserted in the Humboldt County Code is indicated in **bold** type. Text to be deleted from the Humboldt County Code is indicated in ~~strikeout~~ type. Text in standard type currently appears in the Humboldt County Code and is not readopted by this Initiative. The text inserted or deleted by the following amendments may only be amended by a vote of the people.

- A. Title III – LAND USE AND DEVELOPMENT, Section 314-55.4.5.6 TERM OF COMMERCIAL CANNABIS ACTIVITY CLEARANCE OR PERMIT is amended as follows:

55.4.5.6 Term of Commercial Cannabis Activity Clearance or Permit. Any commercial cannabis activity zoning clearance certificate, special permit, or use permit issued pursuant to this section shall expire after one (1) year after date of issuance, and on the anniversary date of such issuance each year thereafter, unless an **on-site, in-person** annual compliance inspection has been conducted and the permitted site has been found to comply with all conditions of approval, applicable eligibility and siting criteria, and performance standards.

- B. Title III – LAND USE AND DEVELOPMENT, Section 314-55.4.5 – GENERAL PROVISIONS APPLICABLE TO COMMERCIAL CANNABIS ACTIVITY LAND USE PERMITS is amended to add:

55.4.5.11. No waiver of public hearings. Notwithstanding any contrary provision of the Humboldt County Code, including but not limited to Section 312-9.2, a public

hearing on an application for a special permit or use permit for commercial cannabis cultivation shall not be waived.

- C. Title III – LAND USE AND DEVELOPMENT, Section 314-55.4.12.1.8.2 – PERFORMANCE STANDARD – ROAD SYSTEMS: STANDARD 2 – FUNCTIONAL CAPACITY is amended as follows:

55.4.12.1.8.2 Standard 2 – Functional Capacity. Unless otherwise specified, roads providing access to the parcel(s) or premises must meet or exceed the Category 4 road standard (or same practical effect). The application package must demonstrate compliance with this requirement in one (1) of the following ways:

55.4.12.1.8.2.1 Parcel(s) served exclusively by roads which are paved publicly maintained or private roads where all portions of the paved road system feature a center-line stripe and two (2) ten (10) foot wide travel lanes require no further analysis, only a notation on the plans that the access to the site meets this requirement; or

55.4.12.1.8.2.2 Parcel(s) served by roads without a centerline stripe must submit a written assessment of the functional capacity of the road segments. If the assessment ~~reveals~~ **concludes** that all road systems meet or exceed the Category 4 standard (or same practical effect), ~~then no additional review is necessary, that conclusion must be verified by a report prepared by a licensed engineer. Documentation of self-certification shall be produced to the satisfaction of the County, including use of appropriate forms where provided.~~ The County reserves the right to independently verify ~~general~~ compliance with this standard.

55.4.12.1.8.2.3 Where access to a site is provided by roads not meeting the Category 4 standard, the application shall require a special permit and include a report prepared by a licensed engineer evaluating whether the design, condition, and performance of all necessary road segments are currently capable of supporting increases in traffic volume created by the project, in addition to the existing traffic using the road(s). In the event that the roads cannot accommodate the traffic volume anticipated the engineer shall recommend improvements to bring the road up to an adequate functional capacity.

55.4.12.1.8.2.4 Where accessed via a driveway or private road intersecting a State highway, applications shall provide an evaluation of the performance and design of the road or driveway encroachment. The evaluation will identify the required improvements necessary to ensure proper function of the access based on anticipated traffic volumes. Improvements may include paving or widening of the throat of the driveway or private road, provision of adequate sight distances, and other improvements determined necessary to comply with Caltrans standards. A copy of an approved State encroachment permit (if required) will be provided to the County. All required improvements shall be completed prior to the initiation of any new commercial cannabis use(s).

- D. Title III – LAND USE AND DEVELOPMENT, Section 314-55.4.12.7.2 – FORBEARANCE PERIOD AND STORAGE REQUIREMENTS is amended as follows:

55.4.12.7.2 Forbearance Period and Storage Requirements.

55.4.12.7.2.1 Operators of cannabis cultivation site(s) shall forbear from diversions of surface water for irrigation **between March 1 and November 15, and** during periods of low or reduced stream flows, in accordance with requirements of the State Water Resources Control Board.

55.4.12.7.2.2 The County may require the submittal of a water management plan prepared by a qualified person such as a licensed engineer, hydrologist, or similar licensed professional, establishing a ~~smaller or larger~~ water storage and forbearance period, if required, based upon local site conditions.

55.4.12.7.2.3 Where subject to forbearance, the applicant shall provide a plan for developing adequate on-site water storage to provide for irrigation, based on the size of the area to be cultivated.

SECTION 6: EXEMPTIONS

- A. Nothing in this Initiative shall apply to prohibit any person or entity from exercising a vested right obtained pursuant to local or State law as of the Effective Date of this Initiative.
- B. The provisions of this Initiative shall not apply to the extent, but only to the extent, that they would violate the constitution or laws of the United States or the State of California.
- C. Takings:
1. If a property owner contends that any provision of this Initiative effects an unconstitutional taking of that owner's property, the County shall grant an exception to the application of that provision if the County finds, based on substantial evidence, that (1) application of that provision could constitute an unconstitutional taking of that owner's property, and (2) that any exception granted will allow additional land uses only to the minimum extent necessary to avoid such a taking.
 2. This takings subsection is intended to prevent this Initiative from unconstitutionally interfering with property rights and to avoid the potential fiscal impacts to the County of meritorious claims for just compensation based on allegations of such interference. This subsection is therefore intended to avoid a taking of property, not to provide a remedy for such a taking.

SECTION 7: IMPLEMENTATION

- A. **Effective Date:** “Effective Date” means the date that the Initiative became effective pursuant to State law.
- B. **Humboldt County General Plan:** Upon the Effective Date of this Initiative, the provisions of Section 2 of the Initiative are hereby inserted into the County General Plan (“General Plan”), as an amendment thereof; except that if the four amendments of the mandatory elements of the General Plan permitted by State law for any given calendar year have already been utilized in the year in which the Initiative becomes effective, this General Plan amendment shall be the first amendment inserted into the County of Humboldt City General Plan on January 1 of the following year. Upon the Effective Date of this Initiative, any provisions of the Humboldt County Code, Zoning Regulations, or of any other County of Humboldt ordinance or resolution that are inconsistent with the General Plan amendments adopted by this Initiative shall not be applied or enforced in a manner inconsistent with this Initiative.

Provisions of Sections 3 and 4 of the Initiative that must be submitted to the California Coastal Commission as amendments to the County of Humboldt Local Coastal Program shall be effective upon the California Coastal Commission’s certification of those amendments. Upon the California Coastal Commission’s certification of those amendments, any provisions of the Humboldt County Code, Zoning Regulations, or of any other County of Humboldt ordinance or resolution that are inconsistent with the Local Coastal Plan amendments adopted by this Initiative shall not be applied or enforced in a manner inconsistent with this Initiative.

- C. **Interim Amendments:** The Humboldt County General Plan (including the six Humboldt County Local Coastal Plans) in effect on the Submittal Date as amended by this Initiative comprises an integrated, internally consistent, and compatible statement of policies for the County of Humboldt. In order to ensure that nothing in this Initiative measure would prevent the General Plan from being an integrated, internally consistent, and compatible statement of the policies of the County, as required by State law, and to ensure that the actions of the voters in enacting this Initiative are given effect, any amendment or update to the General Plan that is adopted between the Submittal Date and the date that the General Plan is amended by this Initiative measure shall, to the extent that such interim-enacted provision is inconsistent with the General Plan provisions adopted by this Initiative, be amended as soon as possible to ensure consistency between the provisions adopted by this Initiative and other provisions of the General Plan.
- D. **Other County Plans, Ordinances, and Policies:** The County of Humboldt is hereby authorized and directed to amend the General Plan, Community Plans, and other plans, ordinances and policies affected by this Initiative as soon as possible and periodically thereafter as necessary to ensure consistency between the provisions adopted in this Initiative and other sections of the General Plan and other County plans, ordinances, and policies.
- E. **Reorganization:** The General Plan, Local Coastal Plans, and Humboldt County Code may be reorganized or updated, or readopted in different format, and individual

provisions may be renumbered or reordered, in the course of ongoing updates of the General Plan in accordance with the requirements of State law, provided that the provisions of Section 2.A.1 and 2.A.2 of this Initiative shall remain in the General Plan, the provisions of Section 3 of this Initiative shall remain in the Local Coastal Plans, and the amendments made in Sections 4 and 5 of this Initiative shall remain in the Humboldt County Code, unless repealed or amended by vote of the people of the County of Humboldt.

- F. **Implementing Ordinances:** The Board of Supervisors is authorized, after a duly noticed public hearing, to adopt implementing ordinances, guidelines, rules, and/or regulations, as necessary, to further the purposes of this Initiative.
- G. **Enforcement and Defense of Initiative:** The Board of Supervisors shall take all steps reasonably necessary to enforce this Initiative and to defend it against any challenge to its validity.
- H. **Project Approvals:** Upon the effective date of this Initiative, the County and its departments, boards, commissions, officers, and employees shall not grant, or by inaction allow to be approved by operation of law, any general plan or local coastal plan amendment, rezoning, specific plan, subdivision map, use permit, development plan, building permit, development agreement, or any other entitlement which is inconsistent with this Initiative.

SECTION 8: EFFECT OF COMPETING OR ALTERNATIVE MEASURE ON THE BALLOT

This Initiative adopts a comprehensive scheme of goals, policies, standards, and implementation measures governing commercial cannabis cultivation within the County's unincorporated areas. By voting for this Initiative, the voters expressly declare their intent that any other measure which appears on the same ballot as this Initiative and addresses commercial cannabis cultivation within the County's unincorporated areas, or conflicts with any provision of this Initiative, shall be deemed to conflict with this Initiative. Because of this conflict, if this Initiative and any such other Humboldt County measure receive a majority of votes by the voters voting thereon at the same election, then the measure receiving the most votes in favor shall prevail and no provision of the other measure shall take effect. For the purposes of this Section 8, any other measure that appears on the same ballot as this Initiative and purports to amend any provision of this Initiative shall be deemed to directly conflict with this entire Initiative.

SECTION 9: SEVERABILITY AND INTERPRETATION

This Initiative shall be broadly construed in order to achieve its purpose. For purposes of determining whether any resolution, ordinance, or specific project is consistent with this General Plan, it is the intent of the voters that the goals, policies, plans, and implementation measures added by the Initiative be interpreted as fundamental, mandatory, and clear.

This Initiative shall be interpreted so as to be consistent with all applicable Federal and State laws, rules, and regulations. If any section, subsection, paragraph, subparagraph, sentence,

clause, phrase, part, or portion of this Initiative is held to be invalid or unconstitutional by a final judgment of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Initiative. The voters hereby declare that this Initiative, and each section, subsection, paragraph, subparagraph, sentence, clause, phrase, part, or portion thereof would have been adopted or passed even if one or more sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, parts, or portions were declared invalid or unconstitutional. If any provision of this Initiative is held invalid as applied to any person or circumstance, such invalidity shall not affect any application of this Initiative that can be given effect without the invalid application.

Any singular term shall include the plural and any plural term shall include the singular. The title and captions of the various sections in this Initiative are for convenience and organization only, and are not intended to be referred to in construing the provisions of this Initiative.

SECTION 10: AMENDMENT OR REPEAL

Except as otherwise provided herein, this Initiative may be amended or repealed only by the voters of Humboldt County.

The following exhibit is attached for reference purposes only and is not adopted by the initiative:

Exhibit A: Humboldt County Board of Supervisors Resolution No. 18-43

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings; meeting on May 8, 2018

RESOLUTION NO. 18-43

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF HUMBOLDT ESTABLISHING A LIMIT (CAP) ON THE NUMBER OF PERMITS AND ACRES WHICH MAY BE APPROVED FOR COMMERCIAL CANNABIS CULTIVATION WITHIN UNINCORPORATED AREAS OF THE COUNTY OF HUMBOLDT.

WHEREAS, California Government Code Section 65850, et seq. authorizes counties to regulate land use, and to adopt and amend zoning ordinances for such purposes, and sets forth procedures governing the adoption and amendment of such ordinances; and

WHEREAS, the Board of Supervisors has adopted a series of comprehensive amendments to the Humboldt County Zoning Regulations, governing commercial activities involving the Cultivation, Processing, Manufacturing, and Distribution of Cannabis within the unincorporated areas of the County of Humboldt, known as the Commercial Cannabis Land Use Ordinance (CCLUO); and

WHEREAS, pursuant to the California Environmental Quality Act, a Programmatic Environmental Impact Report was prepared for the Commercial Cannabis Land Use Ordinance, which evaluated, mitigated, and disclosed potentially significant environmental impacts from the proposed ordinance amendments (CCLUO); and

WHEREAS, during adoption of the Commercial Cannabis Land Use Ordinance the Board of Supervisors certified that the Final Environmental Impact Report (FEIR) prepared for the CCLUO had been completed in compliance with CEQA, making the findings required by Public Resources Code Section 21081(a) and CEQA Guidelines Sections 15091 and 15092, including adoption of a Statement of Overriding Considerations pursuant to Public Resources Code Section 21081 (b) and CEQA Guidelines Section 15093; and

WHEREAS, the Commercial Cannabis Land Use Ordinance includes provisions for the Board of Supervisors to establish by separate resolution a limit (cap) on the number of permits and acres which may be approved for Open Air Cultivation Activities (including Outdoor and Mixed-Light Cultivation, and Nurseries) and Indoor Cultivation within each of the twelve (12) discrete planning watersheds of Humboldt County; and

WHEREAS, by approving this Resolution, the Board of Supervisors establishes a limit on the number of permits and acres permits which may be approved for Open Air Cultivation Activities (including Outdoor and Mixed-Light Cultivation, and Nurseries) and Indoor Cultivation to ensure that further permitting beyond that limit will not proceed until the County has performed further analysis of the condition of these planning watersheds, including review of water flow data and applicable studies or information prepared by the following state and local agencies: California Department of Fish & Wildlife, North Coast Regional Water Quality Control Board, State Water Resources Control Board, and the Department of Forestry and Fire Protection.

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings; meeting on May 8, 2018

NOW, THEREFORE, be it resolved, determined, and ordered by the Humboldt County Board of Supervisors, that the Board finds as follows based on the administrative record:

1. An Environmental Impact Report (EIR) (SCH# 2017042022) was prepared and certified for the Commercial Cannabis Land Use Ordinance, which evaluated and addressed the potential environmental impacts from the ongoing regulation of commercial cannabis activities, including a limit on the number of permits and acres of cultivation. No additional review is required under section 15162 of the CEQA Guidelines because establishing a limit on the number of permits and acres of cultivation consistent with the EIR will not cause new significant environmental effects or a substantial increase in the severity of previously identified significant effects. No substantial changes in the circumstances under which the resolution is being adopted will require any revisions of the certified Environmental Impact Report (EIR). There is no substantial new information which was not known and could not have been known with the exercise of reasonable diligence at the time that the EIR was certified that shows this resolution setting a limit on the number of permits and acres of cultivation consistent with the EIR will have any significant effects not discussed in the EIR, or that the significant effects examined in the EIR will be substantially more severe.
2. It is appropriate to limit the total number of Open Air Cultivation (including Outdoor and Mixed-Light Cultivation, and Nurseries) and Indoor Cultivation permits granted as well as the total permitted acreage of cultivation as shown in the following table.

Cap Distribution		
Watershed	Permits	Acres
Cape Mendocino	650	223
Eureka Plain	89	31
Lower Eel	336	116
Lower Klamath	161	56
Lower Trinity	169	58
Mad River	334	115
Middle Main Eel	360	125
Redwood Creek	141	49
South Fork Eel	730	251
South Fork Trinity	86	29
Trinidad	19	6
Van Duzen	425	146
TOTAL	3,500	1,205

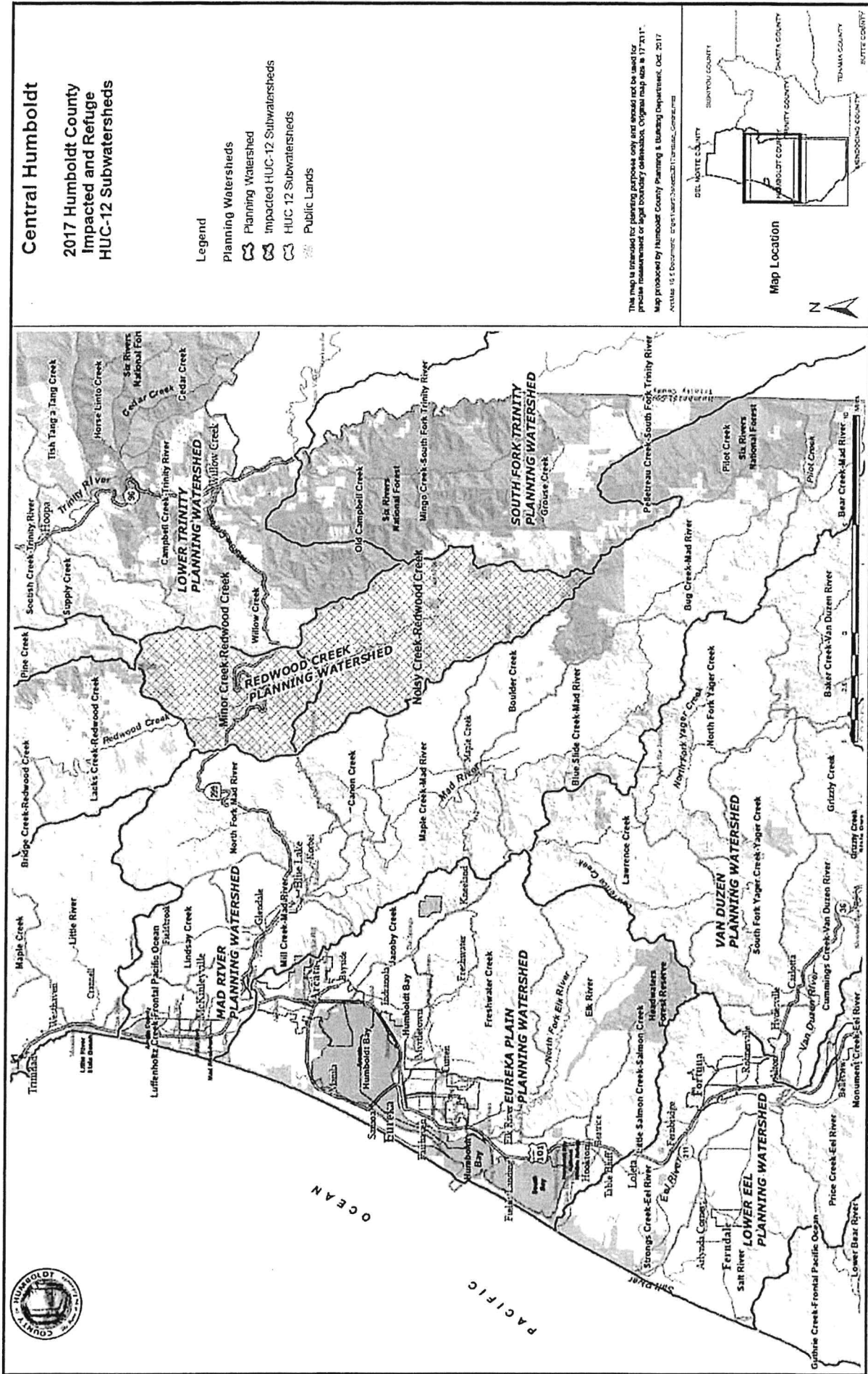
BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings; meeting on May 8, 2018

3. Certain subwatersheds are hereby declared to be impacted by low streamflows due to high concentrations of current cannabis cultivation activities. Additionally, certain other subwatersheds are hereby declared to be refuges critical to the recovery strategy for key populations of California Coho Salmon, as well as a number of other aquatic species currently listed pursuant to the federal Endangered Species Act. These subwatersheds are identified by their USGS HUC-12 (Hydrological Unit Code) names and grouped by planning watershed in the following table and mapping. Permits for new Open Air Cultivation Activities (including Outdoor and Mixed-Light Cultivation, and Nurseries) and Indoor Cultivation Activities or expansion of lawful pre-existing sites shall be temporarily prohibited within these subwatersheds, until all known pre-existing cultivation sites (established or in operation prior to January 1, 2016) have either been suspended, permitted, or are under a compliance agreement to remediate pursuant to the Retirement, Remediation, and Relocation provisions of the Commercial Cannabis Land Use Ordinance, found in section 314-55.4 of Division 1, Title III of Humboldt County Code.

Impacted & Refuge HUC-12 Subwatersheds by Planning Watershed
PLANNING WATERSHED #1 CAPE MENDOCINO
<i>* Headwaters Mattole River</i>
Middle Mattole River
Upper Mattole River
PLANNING WATERSHED #8 REDWOOD CREEK
Noisy Creek-Redwood Creek
Minor Creek-Redwood Creek
PLANNING WATERSHED #9 SOUTH FORK EEL RIVER
Redwood Creek
Salmon Creek
<i>* Sprowel Creek</i>
PLANNING WATERSHED #12 VAN DUZEN RIVER
Hoagland Creek-Van Duzen River
Butte Creek
Little Van Duzen River
<i>* Refuge watersheds</i>

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA
 Certified copy of portion of proceedings; meeting on May 8, 2018



PACIFIC OCEAN

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

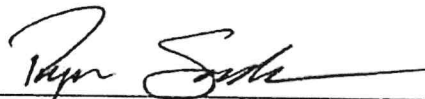
Certified copy of portion of proceedings; meeting on May 8, 2018

4. Following the establishment of a countywide cap on the total number of permits and acreage of cultivation that may be approved, beginning in May of 2019, the Board of Supervisors agrees to conduct an annual review of the limits and prescribed distribution of permitting and acreage allowances found in the above table. Review shall occur at a noticed public hearing held during a meeting of the Board of Supervisors, during which the Board shall receive and consider a report providing an update on local permitting efforts. The report shall provide information detailing the number and status of all applications received, permits approved, compliance agreements that have been executed, and code enforcement actions undertaken by the Department. Law enforcement and other relevant officials from local and state agencies shall be contacted and invited to provide and present input and information to be considered by the Board during annual review. After holding a public hearing and considering all information and testimony received, the Board may choose to establish new caps on acreage and permits as well as change their distribution within watersheds.

Adopted May 8, 2018

Adopted on motion by Supervisor Fennell, seconded by Supervisor Bass, and the following vote:

AYES: Supervisors: Bass, Fennell, Sundberg, Bohn
NAYS: Supervisors: Wilson
ABSENT: Supervisors: --
ABSTAIN: Supervisors: --



RYAN SUNDBERG, CHAIRMAN,
HUMBOLDT COUNTY BOARD OF SUPERVISORS

(SEAL)

ATTEST:

Kathy Hayes, Clerk of the Board of Supervisors
of the County of Humboldt, State of California

By:



Ryan Sharp, Deputy Clerk

Date: May 8, 2018