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Mendocino County Board of Supervisors
501 Low Gap Road, Room
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March 13, 2023

Re: Agenda Item 4g for 3/14/23

Dear Supervisors,

Thank you to Supervisor Mulheren and to the Staff that worked with her to bring this item forward. I appreciate that the logistics were not easy to wrangle and while it is unfortunate that the 2022 tax year cannot be included, I am grateful for the effort made to effectuate a substantial impact.

It is my understanding from being sent a copy of Supervisor Williams' social media post that he objects to waiving interest as part of this package. He attempts to rest the county's financial trouble on the inability to extract interest from farmers that were unable to pay minimum taxes. According to Supervisor Williams' post, it is interest waived vs. potholes filled. I reject that false and misleading narrative.

If Supervisor Williams' narrative is to be adopted, no other government inefficiency is at play to reduce funding for potholes. I find that hard to believe. Also, it appears that Supervisor Williams COUNTED on interest on late cultivation minimum taxes to fill the County's budget gaps. It is horrendous that interest on a delinquent minimum tax that is not imposed on any other industry does not account for crop loss, is imposed not on actual amount grown nor on gross receipts-- features that are draconian and almost ensure failure and delinquency-- would be the basis of the income the County seeks to fill its budget shortfalls with. That result is more absurd when looking at another agenda item: the mid-year budget report. It reveals that MCD is \$662,000 over budget for the first half of the year. This despite not being able to issue annual permits or process CEQA certifications. The budget overrun is also despite having failed to secure Round 4 Equity Grant funding for the County and according to the Senate testimony today of Director Neveval, a \$3.2 million reporting error to the State in the LJGAP reports it filed.

Supervisor Williams, perhaps looking to County efficiencies is a better way to find money to fill potholes than clinging onto the hope you can squeeze more blood from a rock. We are in danger of losing our entire cannabis industry. If that happens, there will be no future cannabis taxes to collect whatsoever. A shortsighted approach will cause unnecessarily contribute to an economic collapse that will have crater-like impacts to the entire county and there won't be enough asphalt or tar in the world that would be able to fill it.

Thank you for your consideration.

Hannah