



**Department of  
Cannabis Control**  
CALIFORNIA

**Gavin Newsom**  
Governor

**Nicole Elliott**  
Director

August 25, 2023

Honorable Board of Supervisors  
Attn: General Government Committee  
County of Mendocino  
501 Low Gap Road, Room 1010  
Ukiah, CA 95482

To the Honorable Board of Supervisors:

On behalf of the Department of Cannabis Control (DCC), I write to thank Mendocino County for its partnership as we work together to support the legal cannabis market. Together, the County and DCC have made significant progress in streamlining local permitting processes and revitalizing state-led environmental review. Thanks to our shared efforts, provisional cultivation licensees in Mendocino County now face clearer pathways into annual licensure. We are deeply grateful for the County's cooperation and hard work, which has helped make this progress possible, and we look forward to the County's continued cooperation and partnership.

I also write to explain our plans for environmental review under the California Environmental Quality Act (CEQA). Going forward, DCC intends to lead CEQA review in connection with annual state licensure of cannabis cultivation in Mendocino County. DCC and a consultant, Ascent Environmental, are working to prepare a programmatic environmental impact report (EIR) addressing state licensure of cannabis cultivation in Mendocino County. As CEQA requires, this process will include opportunities for public review and input. Once complete, this programmatic EIR will allow for streamlined CEQA review of license applicants' specific cultivation sites in Mendocino County, using site-specific addenda. This process may also result in the identification of specific sites that can satisfy CEQA using other documentation, such as negative declarations or mitigated negative declarations; if so, it may be possible to complete environmental review as to those specific sites without awaiting completion of the programmatic EIR. Meanwhile, and of significant note, while this CEQA review process is underway, DCC can continue to renew provisional cultivation licenses in Mendocino County that otherwise satisfy applicable renewal requirements through December 31, 2024.

For this process to succeed, we must work quickly. All provisional state cultivation licenses must be transitioned to annual licenses, or else expire, by January 1, 2025. The CEQA process described above is the best way to ensure that cultivators working in good faith towards annual licensure can, in fact, maintain provisional licensure and, ultimately, attain annual licensure in this limited time remaining. (See Bus. & Prof. Code, § 26050.2, subd. (e)(2).)



Likewise, for this process to succeed, we must all work together. As we collectively embrace this new CEQA pathway (rather than the prior Appendix G process), we urge the County to focus its own limited resources on the issuance of local permits (which are also required before the transition to annual state licensure), rather than continuing to expend those limited resources on Appendix G. We understand that the shift away from Appendix G may be frustrating for some: we understand that many cultivators have expended significant effort in connection with the preparation of Appendix G. We have no desire to see this effort go to waste: whenever possible, we intend to use existing Appendix-G-related work product as a foundation for the creation of new CEQA documents (i.e., a county-wide programmatic EIR and related site-specific documents) described above. Ultimately, however, we must focus our efforts on the new CEQA pathway described above, which will, again, allow us to issue annual licenses by January 1, 2025—and to continue renewing provisional licenses until then.

In addition to protecting cultivators who are working in good faith towards annual licensure, we also emphasize that this new CEQA pathway will further protect the environment. Specifically, we emphasize that DCC's new CEQA review process will only add to environmental safeguards that are already in place. The DCC-led CEQA review process described above applies to the issuance of individual cultivation licenses; it is separate from, and additional to, the CEQA review that was already required for the County to adopt its cannabis cultivation ordinance in the first place. The mitigated negative declaration prepared in connection with adoption of the County's ordinance—and the mitigation measures on which that declaration relied—will remain in place. Indeed, because DCC's CEQA review will consider the existence of relevant local ordinances and policies, the County's existing mitigation measures will help define the baseline conditions for that additional CEQA review.

And of course, as we move forward with the approach outlined above, we are committed to working closely with the County and we are grateful for the partnership the County has already demonstrated. This ongoing partnership will be essential as we collectively work to transition provisional state cultivation licenses into annual licensure, to combat illegal cannabis activity, and to otherwise support the legal cannabis market in Mendocino County.

Respectfully,

Nicole Elliott  
Director, Department of Cannabis Control