

MINUTES

1. CALL TO ORDER

Chair Matthews called the meeting to order at 7:00 p.m. Members present: Diana Stewart, Dan Frasier, Mike McHugh, Graham Matthews and John Brower. Staff present: Director Richard Tippett, Interim Planner John Jelichich and Clerk Ruth Hanover.

2. PUBLIC COMMENT

Members of the public may address the Planning Commission concerning matters within their jurisdiction, which are not listed on the agenda and to request that a matter be agendized for a future meeting. No action may be taken on these matters at this meeting.

Comments received from Kevin Menassy and Terry Mines.

3. MINUTES

Upon motion of Commissioner Frasier, second by Commissioner Brower and carried, approved the Minutes of November 17, 2016 as submitted.

OLD BUSINESS

4. RE COMMERCIAL CANNABIS IN AG-FOREST ZONING DISTRICT

Discuss and/or take action regarding requests to allow growing and harvesting of commercial cannabis in the AgForest Zoning District.

Interim Planner Jelichich presented the staff report. He said he understands this item has been discussed before and we have certainly had a lot of comments at the counter in the Planning Department regarding this issue. The AgForest (AF) zoning district does not currently allow any use, other than forestry uses. He said we have for at least thirty years allowed a single-family dwelling to be placed for purposes of assisting the owner with management of the land, but no other uses are allowed. Jelichich said regarding commercial cannabis in AF, he had a very interesting conversation with a man at the counter a couple of weeks ago, he said it was a very good conversation, both of them were very open to each other in our ideas in terms of what the ordinance currently allows and how cannabis can be effectively managed. He said the conclusion that the gentleman had come to in talking to us is, isn't it possible to manage the timber resources of this land and also have a limited area for cannabis. Jelichich said there is a limitation now of 10,000-sq. ft. for cannabis plus 150% additional amount of land area. It seemed to the gentleman anyway that would be a very small portion of his property. It may not fit in every situation, but we did check his particular property with aerial photographs and there is an area of sufficient size, without trees, that could be used for cannabis growing and meet the requirements of the cannabis urgency ordinance, and possibly not interfere with the resource management of the rest of the land. So, if the Commission is so inclined, to adding words such as "commercial cannabis cultivation, 10,000-sq. ft. or less canopy area" to the AF zoning district as an allowable use, with or without a use permit requirement, depending on how the Commission proceeds with the public hearing tonight.

Jelichich said as a side note, when we were doing this report we also looked at TPZ (Timberland Production Zone) and the reason interestingly enough the TPZ zoning district allows grazing and other agriculture uses without a use permit, and it seems to conflict with our AF zoning district but something

should be done with that. It may be that we need to take that phrase out of TPZ, but it's something to discuss, something you should be aware of. He said under State law TPZ restricts the use to growing and harvesting timber and compatible uses, so the issue is compatible uses; in another section, it says the presumption that timber operations, not other agricultural uses; and then it says the county may bring action in court necessary to prohibit uses not permitted with respect to land zoned TPZ, including an action to enforce the zoning action.

Jelicich stated what is significant here, is we have at least ten inquiries at the counter from people who own TPZ property and are now looking at the process for removing that land from TPZ, so it is something the Commission should at least know about. He said if that is going to be changed, if we are going to consider allowing cannabis in TPZ, which the urgency ordinance does not allow at this time, we definitely need to work with the Board of Forestry on that before it can be adopted. He said another suggestion that came up during the fairly lengthy review of this, was couldn't the urgency ordinance simply allow commercial cannabis grows in AF zoning district rather than going through the whole ordinance amendment process. He said the way the urgency ordinance is constructed it doesn't say what is allowed, instead it says where cannabis is not allowed. He said remember the residential properties, R1, R2, R3 and TPZ, it specifically says they are not allowed there. Jelicich stated we did receive one letter from Liz McIntosh prior to publishing the staff report and she made a number of comments. One of them had to do with the Commission's authority to determine similar uses. He said it is staff's opinion that there are no uses listed in the AF, remember it's strictly forestry, where the commission could find where cannabis uses are similar in nature, so as staff we don't see that as an appropriate way to go, at least on this agenda item. Jelicich stated since the time the staff reports were mailed out, we did receive a couple of other letters, one was from Adrian Keyes, he supports allowing 10,000-sq. ft. cannabis growing in AF; another from Debra and Erik Lono, indicating that they are opposed to changing the AF, except for existing grows to make sure they comply with the ordinance requirements, and they suggest it not be allowed in TPZ. He said staff has given several options available to the Commission, leave AF Zoning District as currently is; recommend the Board direct staff to initiate an amendment to AF to add "commercial cannabis cultivation, 10,000 sq. ft. or less canopy area" to the list of uses, subject to a Planning Commission issued use permit; or recommend the Board direct staff to initiate and amendment to AF to add "commercial cannabis cultivation, 10,000 sq. ft. or less canopy area" to the list of uses permitted without a permit.

Commissioner Brower stated it seems to him there are a lot of similarities in use in AF for commercial cannabis. He said it could easily fit it without generating more traffic, parking or dust, etc. He said some of the permitted uses are sawmill, plywood mill, permanent timber processing facilities. Director Tippet responded we have consulted County Counsel the ad hoc committee on this, and it is the consensus of all that AF is written specifically for the timber "wood" industry and that there is no cross over. Jelicich stated it's much more involved, that Section 30 that talks about ambiguity and similar uses, it doesn't mean the commission can do whatever it wants. You have to start with the uses listed in the zoning district and go from there. Commissioner Brower said but a timber nursery is very similar, tree farm, nursery on AF, it's very very similar.

Chair Matthews asked County Counsel if it is appropriate for us to discuss the TPZ side, it's in the staffs' notes but it's not the topic of the item. Counsel Long responded it is appropriate to talk about it, we are not asking for action on that, it is global conversation and can include discussion on that.

Chair Matthews opened the matter to public comment.

Comments received from Alex Antonio, Adrian Keys, Been Reed, Terry Mines, Robert Teeter, Liz McIntosh and Everett Harvey.

No further comments being received, Chair closes matter to public comment.

Chair Matthews asked staff, to develop a single-family residence in AF you would have to get a 3-acre conversion permit? Interim Planner Jelcich responded since at least 1979 when somebody applies for a building permit in AF we sign it off as a ministerial item, there is no use permit required. He said the idea was to allow someone to live on the property and manage it at the same time. If you are saying it should have been amended, yes it probably should have been, but it's just common practice that change wasn't made. Commissioner Stewart asked so it's just handled differently than TPZ where in order to build you have to do a 3-acre conversion, is that correct? Jelcich responded he didn't know if you necessarily had to do a 3-acre conversion, but you do have to check with CDF first.

Commissioner McHugh asked if staff could remind the Commission of the process to rezone something out of AF. Jelcich responded the process would be the same as any other rezone. Someone submits an application to us indicating they want to rezone from AF to A, for example, and then we would have to do an environmental document, it would come to you and then go to the Board of Supervisors, the process takes approximately four months to go through the process with the Board.

Commissioner McHugh asked Jelcich to tell him about the condition in Section 14(N) about the five-year minimum time. Jelcich responded he mentioned in the staff report earlier that AF was a precursor to TPZ and this is what the County used before TPZ existed, so all of the language in AF was there before 1974 when TPZ first came into effect, and we have never used that section. McHugh responded, so it looks like we are ignoring it.

Commissioner Brower asked about ministerial sign off to put a house on AF or TPZ, last meeting Rick said it's been allowed for management of the land. Jelcich advised maybe in AF, but TPZ requires a use permit, and one of the reasons, other than the tax benefit, is we have had issues in the past where sometimes people want to build on a log landing, so the questions is especially on steeper terrain, are you still going to be able to go in there and log, or have you by virtue of putting the house on this log landing precluded management of that land in the future.

Commissioner Brower said back to AF, if there was a house on it that didn't require a permit, then its more residential structures that might not have permits. Jelcich responded it has a building permit, but not a use permit. Director Tippet stated any structure requires a building permit. He said the thing is there has been a process allowed in AF for many years that if you build a house now it makes it a permitted house with a non-compliant use. As a matter of fact, we have been discussing this, general direction is this is one of the things we have to fix, but it is outside cannabis. It is an everyday planning issue that we need to go back and modify the AF zoning district to allow for a single-family residence in there. Whether or not it will require a use permit is to be determined. Past practice being what we have, so that is why there are houses on parcels of AF, even though it is not allowed. Jelcich said if the Commission were to proceed to allow cannabis in AF, that would be an ideal time to make that correction as well.

Commissioner Stewart moved to recommend that the Board direct staff to initiate an amendment to the Agricultural Forest Zoning District to add "commercial cannabis cultivation, 10,000 sq. ft. or less canopy area" to the list of uses permitted without a use permit. Seconded by Commissioner Brower.

Commissioner McHugh said he thinks if we follow the spirit of AF which led into TPZ, but it's all about forest, about trees, he would be more supportive of allowing it if AF with a use permit.

Commissioner McHugh moved to direct staff prepare a resolution recommending the Board initiate an amendment to the Agricultural Forest Zoning District to add "commercial cannabis cultivation, 10,000

sq. ft. or less canopy area” to the list of uses permitted with a Planning Commission use permit. Seconded by Commissioner Brower.

Commissioner Brower asked if there is a renewal interval with these use permits. Jelichich responded the use permit runs with the land, it’s a one-time permit.

Commissioner McHugh asked Jelichich if he imagined removing that section about the five years. Jelichich responded we can include that in the requested amendment to AgForest. McHugh asked if CEQA would have to address this because you are removing the five-year restriction from the ordinance.

Chair Matthews asked if there is any issue with doing CEQA on individual use permit applications, if you allow some number of them to come in, are there cumulative impacts, are we exposing ourselves to any litigation or something about that by essentially bypassing the cumulative impacts portion of CEQA. Jelichich responded if you look at it as a whole, the County isn’t bypassing that issue because we are involved with a consultant that will be looking at that sort of issue. He said in terms of just the AgForest part of it, that is a small portion of the overall picture of the effects that commercial cannabis growing has in the county.

Commissioner McHugh asked if staff needed action from the Commission to deal with the dwelling. Jelichich advised we can’t do that now because one, it’s not on the agenda and second if we are going to be coming before you with a change to the AgForest zoning district we might as well include that at the same time.

Chair calls for a vote on Commissioner McHugh’s competing motion to require a use permit; directing staff to prepare, and return to the Commission, a resolution recommending the Board initiate an amendment to the Agricultural Forest Zoning District to add “commercial cannabis cultivation, 10,000 sq. ft. or less canopy area” to the list of uses permitted with a Planning Commission issued use permit. Vote polled: 3-2 (Commissioners McHugh, Frasier and Matthews-Yes; Commissioners Stewart and Brower-No).

Commissioner Stewart said she almost went with that. Commissioner Frazier stated the biggest reason he would ask for a use permit on AF is the same reason as in TPZ, where we don’t want to take away the “forest” part of the property

Commissioner Brower asked if there is any way to fast track the commercial cannabis applications that have the pre-existing water board numbers. Planner Jelichich responded a process is a process, one of the reasons it takes a while to get through the CEQA. portion of it because we have to consult with other agencies, they need to have time to review it and get feedback to us, there is also the due process portion of it where we send out notices to the newspaper and adjacent property owners advising them of the meeting. He said it seems like a long time, but it’s really pretty fast, and then you need time to do the report. Director Tippett stated he would like to also add, what the action was, was to allow agriculture uses in AgForest area under a use permit, it’s not vetted to necessarily to a specific item, it’s very general agriculture, so you can get it to grow cotton or you can get it to grow cannabis. Commissioner Brower said actually he thinks we just agreed to something else. Commissioner McHugh stated our motion was for cannabis.

5. RE INDUSTRIAL ZONING DISTRICT CANNABIS NURSERY

Discuss and/or take action regarding proposal to allow cannabis nursery in the Industrial Zoning District.

Counsel Long stated on behalf of the Board, they are aware that we are going to have to make some changes to different ordinances in regard to allowing nurseries, but they wanted the Planning Commission to start talking about whether it is something we are interested in pursuing. She said we understand there is going to be a lot of different changes, we are going to have to do some cross referencing to make sure everything applies, more it's a global discussion as to whether the Planning Commission thinks this is something we should go for or whether it's something that at this time is not needed for the county. That's what we're looking for. Planner Jelichich stated they want feedback.

Chair Matthews said we will go ahead with staff's presentation and then open it up to public comment.

Planner Jelichich presented the staff report. He said this item pertains to whether or not a cannabis nursery should be allowed in an Industrial zoning district. The term that has been used all along is just nursery and he added cannabis in order to distinguish the difference between what most people think of a nursery that sells other types of plants, and the reason for that is the State has a very narrow definition of what a nursery is in relation to cannabis cultivation. He said as Director Tippett had mentioned the Board is primarily interested in receiving feedback from the Commission in order to use that for future action and direction, so it will likely be coming back to the Commission sometime in the future. The Business and Professions Code regarding Medical Marijuana Regulation and Safety Act defines a nursery as "a licensee that produces only clones, immature plants, seed, and other agricultural products used specifically for the planting, propagation, and cultivation of medical cannabis." A Type 4 license from the state would be required. He said with the Type 4 license, the licensee, that is the nursery owner, would be allowed to transport live plants. The County ordinance, when we get further into this, probably should be updated as well for both regular nurseries and cannabis nurseries. Our definition of nurseries pertains to gardening, yards, and then wholesale nurseries which pretty much says anything that is not a retail nursery. He said in terms of application of the ordinance, interestingly the AgPreserve zoning district is the only one that lists nursery; and then Retail Nurseries involving crops, plants which are not grown on the site or associated sales, but we have allowed a few nurseries in the General Commercial (C2) zoning district with a use permit, under the provisions of outdoor storage and sales associated with uses listed in Section B, which are like retail uses. So, that would be retail uses in a building, but if it's outside then you have to get a use permit. The Industrial zoning district makes no references to nurseries at all. Jelichich said the State at this point is limiting a nursery to one acre in size, they haven't developed any regulations for those yet and that is one of the reasons he thinks the Board is interested in not really making a decision yet, we will see what the State comes up with. He said in researching this it also became apparent to him that there are some businesses that advertise themselves as nurseries, but are actually also dispensaries, which would be in conflict with our existing urgency ordinance. He said County Counsel had mentioned this needs to be reviewed further. Jelichich said some of the issues associated with this would be wastewater collection and disposal, whether or not the operation would be fully enclosed, security fencing, lighting, alarms, whether it be retail only, or also wholesale, what the water source would be, and then the transporting of cannabis seedlings. It doesn't really affect how the county behaves but it could end up having an effect on people who buy those plants and transport them. Those are issues that the State has to look at more than us. He said it is not expected for the State to begin issuing licenses for this type of use until at least 2018. There are several options that he listed in the staff report and even though we are looking specifically for feedback you should know those options are technically available to the Commission; that they not be allowed, that they be allowed with a use permit, or without a use permit, and then of course the recommended recommendation to provide the Board of Supervisors with your ideas or concerns regarding allowing cannabis nurseries in Trinity County and recommend that no action be taken at this time, since the use cannot begin until State licensing provisions have been established in 2018, providing an opportunity for further discussion or action in the future.

Chair Matthews asked aren't we talking about cannabis nurseries in any zoning district, it's not just Industrial. Jelich responded the direction for tonight was to look at cannabis nurseries in Industrial. Chair Matthews said but for a broader topic for the permanent ordinance. Jelich responded he was sure the Board would be interested in their comments in general. Counsel Long stated that is correct, the Board is not looking at specifically Industrial, she believes that is an issue that has come up, originally what they wanted was global discussion.

Commissioner Stewart asked if what she is hearing is that if somebody already has a regular garden nursery they would need a separate operation to sell cannabis, they would not be allowed to incorporate that within their existing nursery. Planner Jelich responded it is his understanding that is absolutely correct, they would need to have a license from the State and then whatever the County decides to come up with. If they already had a use permit for a regular nursery, they would have to get another use permit for a cannabis nursery, if that is the way the County is heading. Commissioner Stewart said but they wouldn't necessarily have to have two separate nurseries on their property. Jelich responded that he doesn't know how it will be set up but wouldn't be surprised if there was more of a separation. Director Tippett stated he thinks there is an issue, and he's not 100% sure, but he recalls reading some separation to keep minors out of that area.

Commissioner Brower stated he spent that last couple of days in Sacramento with Lori Ajax and the Bureau and staff has it a little bit wrong on this. The State will begin issuing licenses by January 1, 2018 and they won't accept any applications for state licenses without prior County permit, and there is a good chance the State will be issuing licenses before January 2018. He said he would like to see Industrial zoning opened up to all license types, and the sooner the better. Chair Matthews stated that is more of an opinion as opposed to a question for staff.

Commissioner McHugh said regarding the definition retail vs. wholesale: Retail seems to mean not growing, so he takes it as retail does not sell clones and associated products to support cultivation, but are not grown there, and asked if that was right. Jelich responded the comments we have gotten at the counter is people want to be able to plant seeds and grow and sell seedlings along with related products. McHugh asked seedlings grown at that site. Jelich responded in the affirmative. McHugh asked who is the customer for wholesale products. Jelich said he imagined retail nurseries it could be.

Commissioner Stewart said so the retail nursery would have the option of making their own clones, growing from seed and not necessarily buying from the wholesale nursery, because generally if you are a retail nursery you buy your stuff from a wholesaler. Jelich responded that is the way it could be. Stewart said so you're not giving us a definition of retail or wholesale, we have to come up with that. Jelich responded that will be for a future meeting.

Chair Matthews opened the matter to public comment.

Comments received from Terry Mines, Liz McIntosh, Olivia from Hayfork, and Duncan McIntosh.

No further comments being received, Chair closes the matter to public comment.

Commissioner McHugh pointed out the staff report says the County amended the Zoning Ordinance to allow "retail nurseries involving crops/plants which are not grown on the site, and associated sales" in the Agriculture Zoning District. Jelich said the Planning Commission recommended approval, but when it went to the Board, the Supervisors said they wanted this wording and so this is how it got approved, "Agriculture - retail nurseries involving crops/plants which are not grown on the site, and associated sales", it says nothing about cannabis at all. McHugh responded he understands but it is

defining retail. Jelich agreed stating in Agriculture it is. McHugh said one could imagine, given the precedence is there, that you could have nursery retail outlets in Commercial districts that are selling plants that aren't started there, along with the other material like the nursery on Main Street, and plants are brought in from a larger scale wholesaler, or maybe even cultivators, that have excess stock that sell back to retail outlets and we could make such a distinction in that case, if it allows the retailer into more zones than where we want large growing nurseries. He said he can see that distinction being useful. Chair Matthews stated on the other hand, the State is going to define nursery as up to one acre, so he doesn't think it's a very large operation. Commissioner Brower said he would like to see a whole bunch of small ones in different neighborhoods, but doesn't know if we want to open up any of these permits to full acres in Trinity County just yet. There's a lot of good reasons to do this incrementally, and he thinks someone should have to prove themselves at a smaller grower level, say 5,000 or 10,000 sq. ft. before we open it up. Commissioner McHugh said so presumably we are talking about indoor growing, these nurseries are producing indoor. Commissioner Brower responded artificial lighting is a big part of it. He said that's another reason that Industrial zones are probably very appropriate.

Commissioner Brower said his concern with allowing a retail nursery in Industrial zoning, at that point we are allowing retail into Industrial zoning. He said he would be more likely to allow a wholesale nursery in Industrial zoning so we are not opening the door to allow retail in Industrial zoning, because we don't have that much Industrial zoning in this county. Chair Matthews said there must be examples of retail use in Industrial zoning. Commissioner Frasier responded it is not an allowable use. Commissioner Stewart said she thinks wholesale is perfect for Industrial; she is thinking about the mill on Highway 3 in Hayfork that has all those buildings that could definitely be converted to growing plants for wholesale. Commissioner Brower said he thinks Industrial zoning would be a good spot to locate lots of these licenses that are coming, manufacturing, distribution, warehousing, etc.; he thinks a lot of these former mill sites spread out all over the County make great locations to become clusters of these license types; you've already got roads there, you've got water, sewage in some cases, electrical, all the infrastructure, you've got a little town nearby for employees to live in; it seems like a good re-use of the property. Commissioner McHugh stated he didn't know if they were all Industrial, the mill here in town he believes is zoned Open Space. He asked Director Tippet if he knew if we have much Industrial in the County outside the Industrial Park, that's General Plan Industrial it's not even zoned Industrial. Planner Jelich responded the mill here in town is zoned Industrial, in Lewiston there is a small area that is Industrial, and there is quite a large area in Hayfork, the old, old mill site and then Murrison's property is Industrial as well. Jelich said in response to comment by Commissioner Frasier's comment regarding the attachment (Ordinance 315-557), on the second page it says "Limited retail uses in conjunction with manufacturing or industrial uses, when no more than 25 percent of the building's gross square footage is utilized for such purposes"; he said for example, if someone has a plumbing shop, often times a portion of that shop is used for selling hose bibs, pipes faucet connections, that sort of thing. Commissioner Brower said he feels nurseries are a gift here in Trinity County, the need for nurseries is obvious, and part of what makes Trinity a very special place for many in this industry is our local genetics and it's another means of marketing and benefiting from, and protecting what we already have here. He said there is already an awful lot of expertise in this county and he thinks the adding of a nursery permit to our emergency ordinance or including it in the permanent ordinance is obvious, and he thinks we need to start talking about other license types too and right away.

Commissioner Stewart said the other thing in terms of nurseries in general, is we don't want people in Trinity County going to Humboldt, Mendocino, or any other county and spending their money there. We want the sales tax here, we don't want it someplace else. Commissioner Brower stated and it can help protect us from future pest or pathogen issue that might come from outside the county.

Consensus was reached that nurseries should be allowed in Trinity County. (5-0)

Commissioner Stewart stated we already have precedence for retail nurseries in Ag. In her opinion Industrial is a good place for wholesale nurseries in particular. Chair Matthews said up to 25% of their space could be retail according to the existing ordinance. Commissioner Stewart agreed.

Commissioner Frasier stated it is hard to just jump in and make a recommendation when we don't know what sizes we are dealing with, but the State guidelines are looking like an acre maximum, we probably wouldn't want to allow a one acre nursery in a Rural Residential. Commissioner Brower agreed he wouldn't like to see one acre nurseries anywhere in the County, at least not for several, maybe many years. He said what about if you have a cottage County permit, or a 5,000-square footer or a 10,000-square footer, maybe you can also apply for a nursery rider or a nursery provision that gets added to that license type within the County and between now and 2018, or whenever the Bureau actually starts granting licenses, perhaps a Trinity County permitted 10,000 sq. ft. grow that also has the nursery rider, it could help make that person eligible for a State license during the first wave of State licenses, for either cultivation or nursery, and maybe they decide at that point whether they want it to be for production or nursery; but it has already been sorted out and approved by the County that you are good for 5,000 sq. ft., you're good for 10,000 sq. ft., whether you choose flower production or a vegetable space in a nursery, it is up to you when you apply for your actual State license. Commissioner Stewart said she thinks that's getting a little complex for what we are trying to do here. Commissioner Frasier stated his thought is if you are growing starts for a nursery, it's cultivation; the urgency ordinance allows one permit per person or per parcel, so you can't have a cultivation permit and a nursery. To him it would be allowed where cultivation is allowed and you have to go through the same stuff. He said the difference comes at the State level. Chair Matthews stated and/or if you would be allowed to retail. He said growing and having a nursery is one thing, but wholesale or retail is a whole different question. Commissioner Frasier stated that is something that would be hard to determine without knowing what the State's going to say. Commissioner McHugh agreed, stating he thinks we should send it up the chain saying that there is general agreement that nurseries are okay. There is no retail allowed in the County of any sort, but we could recommend when they are ready to take that on, retail nurseries make sense, to sell clones to growers, to cultivators, that's the point of the nursery. He said he can imagine we allow wholesalers to sell seedlings to other nurseries; he said there are all sorts of things that aren't covered by the ordinance. He said he thinks we are leaning towards allowing nurseries, he's not sure he is prepared to say which zones they ought to be in just yet; he agrees with Commissioner Frasier on that. He said it is interesting to hear Commissioner Brower say he is not actually in favor of the full one acre size that the State allows until down the road, so maybe we would come up with some limitations when we are prepared to say where they go, and asked him if he imagined tying this to other aspects such as parcel size or setbacks or the usual things that come up in this context. Commissioner Brower responded sure, and he thinks it's a matter of spreading it out and creating more opportunity and more locally specific genetic stock that is already acclimated to getting a variance. There is a variety of different micro climates in Trinity and these different neighborhoods where the industry is already clustered up, they've got these specialty genetics that have been worked out over generations in some cases. Commissioner McHugh asked if he thought the Commission would specify limitations on what you are allowed to grow. Commissioner Brower responded no, he thinks that is none of the County's business, but he would like to see 5,000 sq. ft., 10,000 sq. ft., he would like to see people prove themselves as being able to operate responsibly in the smaller sizes before stepping up, and he thinks granting full acres any time soon is premature.

Commissioner Stewart stated it depends on your interpretation of a nursery too, because a nursery isn't just selling plants, it selling soils and amendments and a lot of other things, and those take space. Commissioner Brower said he is talking about canopy, when he says 5,000 or 10,000 square feet he is

talking about vegetative canopy. Commissioner Stewart said yes, but we are talking about nurseries, we aren't talking about grow sites. Commissioner Frasier asked Director Tippett, we did the nursery in Hyampom, what was the amount of space that had to be used for actual nursery stock, not soils and amendments. Director Tippett responded actually that was Growing Wild on Highway 3 south of Hayfork. He said 25/75 sticks in his mind. Commissioner Frasier stated there is something out there that would dictate what that number would be. You have to have a certain amount in actual plants to be called a nursery. Tippett stated if he recalls, that was not incorporated into the rules, that was a use permit condition for that specific site. Commissioner Brower stated he doesn't think it behooves Trinity County or the Trinity brand to do full acres under any one entity yet. He said he thinks starting off incrementally helps build the brand, lets people prove that they can operate responsibly, before really blowing things up.

Commissioner Stewart said back to zones, have we decided, do we have to have consensus that we can recommend Industrial and Agriculture. It's a question to the Chair.

Chair Matthews stated he's not clear that we have consensus on Industrial, we certainly have consensus on Agriculture, and we haven't talked about Commercial zones.

Commissioner McHugh stated his personal preference would be that we get down what we really think nursery looks like, and then we take that concept back, either staff and we do the homework, and the public, and study all the zones and see what makes sense. He said the proposal sort of put it in any zone and he would rather figure out what that is and then go through the list of zones and figure out what makes sense. He said he can see some retail making sense in some Commercial zones, it may not make sense in all of them, he doesn't know at this point, so he's not prepared to recommend that.

Consensus was reached that nurseries should be allowed, there should be retail and wholesale nurseries. (5-0)

Commissioner McHugh said it sounds like with some size limitations, less than what the State is talking about. Chair Matthews responded that no one else talked about that. Commissioner Brower asked if there was any other input on that. Commissioner Stewart responded it depends, what's our definition of a retail nursery, because our definition of a retail nursery allows for soil, soil amendments, compost and all that kind of thing, then an acre might be a reasonable size, because in her mind, a nursery is not just the plants that you are out there growing. Commissioner Brower said to clarify he was describing it as the canopy of the plants size, not the total size of the operation or similar uses. Commissioner Stewart said but we don't want an acre of baby plants at this time.

Discussion on plant sizes, from starter plants until ready planting for the season. Chair Matthews stated and how many plants are grown in Trinity County right now, how many growers would need a nursery to provide them ... probably in the hundreds or thousands. Commissioner Brower stated Trinity County Sheriff's Narcotics Task Force last spring put it at least 3,500 commercial plantations grow operations in the County. Chair Matthews said that is just plantation, multiply that by fifty to five hundred. Commissioner McHugh asked what is the average number of plants per plantation. Commissioner Brower responded most people start with maybe 300 to 400% number of plants they want to finish with, the number of holes they want to dedicate, and you choose the ones with the most vigor or other selection criteria, it's part of the art of the grower, and if you are starting from seed, most seed batches are going to end up somewhere around 50/50 male/female and right there, that precludes half, and you whittle it down from there. You want to be transplanted in the ground or in your big boxes by the first heat wave of summer, and so you have between March or so until the first heat wave in June to go from however many you start with to however many you are going to end up with. Commissioner Stewart said Commissioner McHugh's question was how many plants.

Commissioner McHugh said someone else asked that but he was trying to follow up on that, but we need to know that. Brower said, another really big factor is the State and our County just went from plant numbers to vegetative canopy as a measurement of how much you can grow; so, we are about to see a lot of people switch from 99 big girls that grow full season to hundreds, hundreds and hundreds of small ones that only get knee or waist high, and they are going to be flipping those batches over two or three times a year, instead of having all their eggs in one basket for an October/November finish. He said to tell the truth, the Trinity brand can really benefit from these shorter cycle and light deprivation techniques, it produces probably the best product on the planet. It beats the best indoor. Chair Matthews stated he was raising the issue of numbers simply to get a handle on the order of magnitude of starts that might be needed in nurseries. Commissioner Stewart stated if you assume that the 3,500 grows at 100 plants each, that's 350,000 plants, but many people have bigger than that. Chair Matthews said a lot of people are going to start their own so they are not going to use a nursery, but still if you are talking about one acre and the whole acre was dedicated to growing, and if they are 4" plants then you get six per square foot so that would be 240,000 at that size that would be available in that nursery without no other uses. Commissioner Frasier said one of the questions he has if we are going to make a difference between retail and wholesale nursery. He said to him, a retail nursery would be open to the public, he would think that the licensed growers would be able to buy from wholesale, if a farmer can buy wholesale, so why would we go to retail nurseries to supply the actual licensed farmers when they can buy wholesale from a wholesale nursery under their business license. Chair Matthews said so the retail would only be for patients who are growing their six plants. Commissioner Stewart said or the people that want recreational.

At the request of a member of the public, Chair Matthews reopens public comment period on this matter.

Comments received from Ben Brady, Terry Mines, Duncan McIntosh, Olivia from Hayfork, and Steve Hagen.

Commissioner Fraser stated there is no allowance in the County ordinance for retail operations, if we do not permit retail nurseries then we don't have to change the County ordinance. We can permit a wholesale nursery which could then sell to farmers and then we still don't get into the retail aspect until that's better defined. What is a retail nursery and what is a dispensary, but at the same time you could allow people to try to get that nursery license, which from the State level it is only one, at which point the County comes up with an actual idea of what we are going to have for a permanent ordinance; those people could be in the works for their nursery and then at that point, if the County deems it necessary, and then go to a retail nursery. But until the County comes up with a definition of what retail is going to be allowed, wholesale nurseries, there would be no public access but they would be able to sell to a licensed farmer.

Director Tippettt stated really at the end of the day, he thinks we will have to go back and ensure that we define that because it's a zoning issue, so that's one of the things that we are supposed to be resolving. Chair Matthews asked so it will be coming back before us. Director Tippettt responded in the affirmative.

Commissioner Brower said another thing to consider, under AUMA the locality doesn't permit both commercial cultivation and retail, you're not going to be eligible for grants to come back from the State to that county and so there's about to be millions of dollars available from Sacramento to the counties that permit both cultivation and retail, for watershed restoration, job training and a whole bunch of other stuff. Commissioner McHugh asked aren't they also talking dispensaries. Commissioner Brower said yes, but this is also a very similar use if we are talking about retail. He said he thinks much of the County's Industrial zoned land would be good sites for all license types,

including nurseries.

Chair Matthews asked County Counsel if the Commission provided enough to go back to the Board with. County Counsel Long responded it is very helpful, she can use it in discussions that the Board is to have. She said she understands, what do you put first, the chicken or the egg, what are first trying to define it and the areas you are determining them to be in, but either way, whatever the answer is, she thinks it's going to be a good one for the Board to have.

Commissioner McHugh said when this comes back before the Commission he would like to get a sense of how much of this is needed. We talked about a couple of excellent points, one, we are servicing the 500 licenses, so that's the target, once those are sold out that's the size the additional wave that the nurseries need to service; the other point was the size of the nursery, we need to understand those 500 licenses, how many plants do they need, how big is this issue. If we only need one of these, it's a whole lot smaller problem, he's guessing we need more than one of these nurseries. Do we need 500, do we need four of them. He would like to get a sense of how many plants they produce based on the size numbers. He said he can't imagine asking the staff that's enforcing this to go out and measure canopy on a 3-inch plant. So, he would like to understand how that might work instead of the Commission making that up. Commissioner Stewart said the problem with that, the way she sees it, is that we need to not just be looking at what we are doing for this initial 500 because it's not going to be that long before it's more than 500.

Counsel Long stated she cautions the Commission, at this point it is at 500 and there is no discussion about increasing it, and it could potentially remain and 500. The direction you have now is to look at it with the 500.

Commissioner Stewart said but if we are looking at nurseries, we also need to be looking at the fact, unless the County says we cannot any longer sell to individual people who are growing for their medical marijuana licenses or people that are growing for their own recreational use, they need to have some place to buy as well, so it's not just the 500, it's more than the 500, because she wouldn't be surprised if there weren't a great number of people growing their own six plants.

Commissioner McHugh said there are great questions in the staff report. He said he imagined those get handled as part of the use permit process. Director Tippett agreed.

Commissioner Brower stated he sees nursery basically as cultivation with the absence of the odor issue. Commissioner Frasier said a retail nursery, as Trinity County defines it as selling plants grown off site; that would be the only distinction between cultivation and nursery. If you are growing on site, you would have to have a cultivation license. If you are starting them from seeds on site and growing them and selling them, that's cultivation, you are growing them. If you are buying some from someone else's starts from seed and sells to someone else, you are just the middle man, that's a retail nursery, and so mostly what we are talking about would follow under the definition of wholesale or cultivation. McHugh said he would agree in terms of supporting the 500 licenses, but it's six plants, why not participate in that market then. Commissioner Frasier stated that is where he would want staff's, or the Board, or County Counsel's definition of the retail nursery, and he would have a hard time allowing an acre of cultivation in a commercial zone. Director Tippett said right now it is restricted to 10,000 sq. ft. McHugh said it's not allowed at all right now. Frasier responded under your Type 1 cultivation license you can grow 10,000 sq. ft. He said that 10,000 sq. ft. could be little tiny plants at which point you are your own nursery, you just can't sell it. McHugh said he doesn't consider a cultivator who starts from seeds and then sells that plants a nursery at all. Commissioner Frasier stated that is where he sees the difference too, if you are starting from seed, growing them up and selling them, then you are a wholesale operation and there is a difference there as to where they

should be allowed. He said if you allow someone to take an enormous chunk of Industrial or Commercial zoning and use it for cultivation of clones or starts, to him Commercial zoning would be more reserved for a retail operation, where the small store front who is bringing in the product from someone else who has a large Agriculture zoned parcel to grow the starts, to take them to the retail nursery to sell them to the public. Chair Matthews said it's only an acre, it's not that big. Frasier said if you had an acre of starter cubes that is a lot. He said he wants a definition between retail and wholesale before we can determine where it is allowed.

6. **RE NURSERY IN TRINITY ALPS BUSINESS PARK SUD**

Discuss and/or take action regarding proposal to allow cannabis nursery in the lower bench of the Trinity Alps Business Park Specific Unit Development.

Item pulled from Agenda per Director Tippett and County Counsel Long.

7. **MATTERS FROM THE COMMISSION**

Commissioner Brower requested an update from staff on the commercial cannabis. Director Tippett responded he will discuss under Matters from Staff.

8. **MATTERS FROM STAFF**

Director Tippett advised we are accepting 2016 commercial cannabis applications through February 28, 2017. Those Applications with Licenses will expire March 31st. The 2017-2018 Applications will be available February 1st and there will be two types of Applications, the full Application or the Renewal Application. He said renewals, essentially you would come in and state that nothing has changed from the one before, and there is a couple of other things you would have to provide. He said our intent was initially, the permits that were issued in 2016, we had 500 permits to issue, anyone that has an accepted permit on the 28th, which would be a permit that was submitted and all the information was provided, except that there was a piece of information that was needed, and you would have five days, and if your fees were also paid by the 28th, you would have licensing priorities in 2017 are for people received licenses in 2016, people that submitted a complete Application for a license, and then third it would fall back to the Water Board number, those people would be set aside and have a different timeline than the folks that didn't. He said even though the Applications are available February 1st, on February 28th we will do our first screening, we will go through all the cards that we have received and the people that submit those cards are people that are ready to submit an Application, we will sort them out by Water Board number and go down that list and start processing those Applications, and we will screen out every two or three weeks. If there is something missing on the Application you will be given a certain timeline to take corrective action, if you do it within that timeline you stay in your place, if you do not then you go to the next screening. He said we are expecting to have a large number of people show up for the 2017 so we want to try to have some processes in place.

Commissioner McHugh asked for the number of Applications submitted. Director Tippett responded he believed we have over 40 Applications, 11 have been issued to date, 16 or 17 need more information on or fees to be paid. Counsel Long stated there were 140 interest cards submitted. Tippett said we have called everybody and what they are supposed to do is make an appointment when their Application packet is complete and ready to be submitted.

Tippett advised that we are now posting the Application number and where it is in the process on the internet. Commissioner Brower asked about confidentiality of information. Counsel Long assured him that the rest of the information that is on the Application is kept completely confidential.

9. **ADJOURN**

The Chair adjourned the meeting at 9:01 p.m.