



HUMBOLDT COUNTY GROWERS ALLIANCE

February 19, 2021

Director Ford,

We are writing to you today on behalf of licensed Humboldt cannabis businesses to request a conversation on barriers to on-farm trimming on permitted cannabis farms. In discussions among our membership, on-farm trimming has emerged as a top priority for small and independent farms who are seeking to establish a craft cannabis brand. We hope to work collaboratively with your department to identify potential barriers to on-farm trimming activities, and to reach solutions that will be workable for farmers, county staff, and other stakeholders within the county.

On-Farm Trimming and Craft Cannabis

We have found that the ability to trim on-farm is an essential value-added step for small and independent farms who are working to establish independent or appellation-based brands for craft cannabis. When cannabis is trimmed by a third-party company, farmers lose physical custody of the product and the ability to conduct oversight for quality control. Additionally, draft regulations for California's cannabis appellations program require that cannabis must be fully trimmed within appellation boundaries in order to legally use the appellation name. Without access to on-farm processing, or other local processing options, many farmers will be unable to meet appellation standards.

In wine, "estate bottling" is considered a critical differentiating factor for independent wineries that seek to compete in the craft market. Similarly, both now and in the future, we believe that the ability for Humboldt to retain its leadership in craft cannabis will be closely tied to the capacity to conduct value-added activities on-farm. As Humboldt's legacy cannabis industry becomes increasingly pressured by forces of consolidation and corporatization, we believe it is crucial that small and independent farmers have access to tools to help differentiate craft cannabis in a competitive market.

Building Code Barriers to On-Farm Trimming

Currently, the primary barrier to on-farm trimming is in the interpretation and application of commercial building code requirements.

Our understanding is that the county currently classifies on-farm trimming as an F1 (factory industrial) building code occupancy when it involves the use of employees. F1 occupancy

requires structures to meet commercial building code, but the stringency of these standards, and the difficulty and expense of meeting them, especially off-grid, can be disproportionate for a structure which is often used for only a few weeks during the year.

Depending on the size of the farm and whether employees are involved, our understanding is that some structures used for trimming can qualify as “agriculturally exempt,” and not trigger commercial building code requirements. Many farms, however, do not qualify for this exemption, and it is not always clear to us when and how agriculturally-exempt status is granted.

To address these barriers, we would like to suggest the following potential solutions for discussion.

Potential Solution #1: Expand Classification of Trimming as an Agriculturally-Exempt Activity

Drying, bucking, and de-leafing are all currently classified as agriculturally-exempt activities. Conceptually, we view trimming as very similar to these other post-harvest activities, and consider trimming as much closer to an “agricultural” activity than a “factory industrial” (F1) activity.

Our understanding is that trimming has been interpreted as an F1 occupancy because it has been determined to fall under the same classification as “processing.” Section 306 of California State Building Code reads:

“Factory Industrial Group F occupancy includes, among others, the use of a building or structure, or a portion thereof, for assembling, disassembling, fabricating, finishing, manufacturing, packaging, repair or processing operations that are not classified as a Group H hazardous or Group S storage occupancy.”

Our understanding is that “processing operations” are not specifically defined in state building code. Considering the lack of clear definition, “processing” (particularly in the context of a “factory” activity) would seem to apply more to the concentration or extraction of cannabis than to agricultural activities such as trimming. For the same reasons that bucking is considered to be agriculturally-exempt, we would suggest that trimming is not “processing” and could qualify as an agriculturally-exempt activity.

Potential Solution #2: Clarify and Standardize Minimum Commercial Building Code Requirements

If trimming is considered to be a processing activity, and not agriculturally-exempt, a clearly-defined set of minimum building requirements would go a long way towards making these standards attainable for farmers.

The uncertainty associated with engaging in an undefined process is a substantial deterrent to pursuing permitting for a commercial space. Considering that on-farm trimming is a shared need for a significant proportion of Humboldt's 900+ state-licensed cannabis farms, a standardized process would create much-needed certainty for farmers as well as county staff.

A standardized process could help to answer questions regarding minimum requirements for square footage, fire code and fire suppression, bathrooms, parking spaces, multi-story buildings, and ADA and OSHA requirements. Such a process could potentially tier requirements based on the size of a farm or the number of employees.

In addition to creating certainty for farmers and staff, standardization could facilitate the creation of a set of standardized building plans or pre-engineered buildings, with the potential to significantly drive down the cost of compliance and staff time required for review of building plans.

Thank you for considering these important issues, and we look forward to working together to better understand and address these issues.

Sincerely,
Ross Gordon
Policy Director
Humboldt County Growers Alliance