

HUMBOLDT COUNTY

HC

GA

GROWERS ALLIANCE

the terpene tribune

Quarterly newsletter

June 2021



Photo Credit: Andrew Goff

HUMBOLDT'S BUDDING CANNA-TOURISM INDUSTRY

We welcome the following new members to HCGA. As a membership-based trade association that works to preserve, protect, and enhance Humboldt County's world-renowned cannabis industry, we rely on the participation and buy-in of our community. Our goal is to provide our members with immediate tangible benefits while working together to lay the groundwork for an improved future. To help guide HCGA, we welcome David Dickinson of Woody Ridge Farm to HCGA's Board of Directors and say thank you and goodbye to Scott Vasterling of Humboldt Family Farms. We are incredibly grateful to you for sharing your time, knowledge, and energy!

Plant-touching Members

- BlueBrookeFarms
- Catalyst Unlimited
- High Art
- Maple Creek Ranch
- Mary Jane Lane Farms
- Neukom Family Farm
- Sierra mountain collective
- Social Nature
- True Mom & Pop

Allied Industry Businesses

- Advanced Nutrients
- Akene Consulting
- Bloom HR Solutions
- ETA Humboldt
- Humboldt Cannabis Consulting
- Humboldt Cannabis Tours
- KWB Accounting PC
- Mika Design Studio
- P.LAI + ASSOCIATES
- Pure Analytics
- Redwood Rural Land Management Consulting
- Six Rivers Solar
- Verum
- White Eagle Insurance

Non-Profit Partners

- Cooperation Humboldt
- Humboldt Made
- UFCW
- Zero Waste Humboldt



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Aaron Lieberman

Director, Paradise Mountain Farm

David Dickinson

Director, Woody Ridge Farm

Welcome to the Humboldt County Growers Alliance's first edition of the Terpene Times!



Image Credit: Getty Images

By producing the Terpene Times, we hope to highlight our broad range of members and share HCGA's unique voice. We want to celebrate the work and activities of our cannabis community and share with the world a different way of life. A life where we care for each other, the earth, and take the time to smell the terpenes. What does our broader community have to learn from cannabis? Most importantly, that we are all better together. The entourage effect in cannabis shows that the biologically active cannabinoids and terpene profiles from whole plants may work more effectively in tandem, and that's a lesson we should all take to heart.

HCGA's members and mission are focused on preserving, protecting, and enhancing Humboldt County's world-renowned cannabis industry. By doing so, we are turning our opened hands to the world to share not only our cannabis, but also the joyful bounty of our community's ethics and our strong values. HCGA members share the common desire to support people, the planet, and prosperity, and the confidence that together we can make it happen. We are putting our collective feet down to show that a regenerative economy that gives to the earth and her creatures rather than extracting is possible. The closed loops systems we are working towards allow sustainable, equitable, and healthy growth.

In this edition of the Terpene Times you will read about how Humboldt's cannabis tourism industry is developing and how you can take the lessons learned by colleagues and integrate it into your own business models. You'll also read updates from HCGA's Government Affairs Program, Market Development Program and the Education and Events Program.

We ask you to take a stroll around your garden and remember what inspires you and gives you awe. Take a deep breath (and perhaps a toke!) and remember why you love the plant. Give yourself a hug. Let the sweet terpenes of the plants tickle your nose and your fancy. We are in this together. You are important and the work you do is important. Keep on keeping on!

The Team at HCGA

Humboldt's Budding Canna-Tourism Industry

by **Alegria Sita**

HCGA Membership Coordinator
and Owner/Operator of Gala Events
and Weddings

Humboldt County's world-renowned cannabis industry has lured weed connoisseurs to the redwood coast in search of that perfect high since the mid-to-late '60s. In 2017, after decades of prohibition and a War on Drugs, Humboldt finally placed the proverbial welcome mat at our beloved Redwood Curtain inviting any visitors 21+ to enjoy legal canna-tourism. Today, visitors across all demographics and backgrounds are demonstrating interest in Humboldt's budding canna-tourism industry, be they canna-curious, avid consumers, or invested entrepreneurs in canna-business. The industry is blossoming in the legal market, and Humboldt's remote, rural and breath-taking landscapes are poised to build a world-class legal cannabis tourist destination.

Finding Retreat Behind the Redwood Curtain

The majesty and wonder of the world's tallest trees, our regal redwoods, have drawn both residents and travelers alike to Humboldt. In the mid-to-late '60s, the back-to-the-lander movement drew folks seeking retreat from the fast-paced Bay Area buzz into our isolated, rural landscapes for natural living and simpler lifestyles. For many, growing cannabis throughout the Humboldt region and selling in the illicit market became the financial subsidy to the dreamy, harmonious, and sought-after rural lifestyle. While cultivators successfully actualized their dreams of homesteads and organic living, for many, their dreams were not realized without paying the high costs of navigating a treacherous and often punitive war on drugs. Today, however, Humboldt has the opportunity to share a rich and engaging story of cannabis, community, resiliency, and the importance of cultivating sustainable, high-quality, craft cannabis while providing visitors with an unparalleled glimpse into the laid-back lifestyles behind the redwood curtain.

Pioneering the Canna-Tourism Trail Humboldt Cannabis Tours :: The First Permitted Tour Operator

Matt Kurth, Owner of Humboldt Cannabis Tours, is the first licensed and permitted tour operator in Humboldt County. With a background in recreation administration, Kurth saw the perfect opportunity to take his river guide skills to the next level offering visitors guided cannabis farm and dispensary tours. Though, actualizing his vision was not quite a "walk on the farm."

Three days after Humboldt County passed Ordinance 1.0, Kurth submitted his Business License Application. Likely overwhelmed by the influx of applications, and unsure of how Canna-Tourism fit into the mix, Kurth's application stalled in the Planning Department for nearly two years; Ordinance 1.0 had not yet considered tourism a part of the legal cannabis market; furthermore, tourism does not require cannabis-specific licensing. So, the county required him to apply for a Special Permit (essentially, a permit the county can require of a business when their business model doesn't quite fit pre-existing processes, but they'd like to design a consistent format for that business model). Kurth pioneered the charter tour process in tandem with the County, and while the process was arduous, Kurth's tour company legally launched operations this month on Sunday, June 6th, and is already booking multiple tours each week.

Kurth was successful in obtaining his Special Permit, however, it did not come without restrictions and conditions. For example, Humboldt Cannabis Tours may only visit legally compliant, licensed farms permitted for tourism (which did not exist until this year) and dispensaries. He must abide by all California rules and requirements, such as maintaining his required insurance coverage and a Charter Party Permit, more specifically a Transportation Charter Permit (TCP). Additionally, Kurth may not park his van at his home, he must garage it off-premises, due to neighbors' voiced concerns about a cannabis business in their neighborhood. Any future commercial operators wishing to offer chartered cannabis tours in Humboldt County will now be expected to follow the same process Kurth's company underwent to receive their Special Permit.

Today, you'll see Kurth chauffeuring guests to licensed farms and dispensaries in his svelte, black, 13-passenger tour van where his raft-guide recipe for success has been amended for cannabis tours: meet up, introductions, travel to x, y, and z, lunch, travel to a, b, and c, then wrap up and return to Eureka. :)

While Ordinance 1.0 did not initially consider the potential of tourism with the licensed cannabis industry, Kurth's business license application for Humboldt Cannabis Tours sparked the county's awareness of, and potential for, canna-tourism as a viable commercial leg of the industry in Ordinance 2.0 with Performance Standards for Public Accommodation (Section 55.4.12.14 and specifically for Tour Operators, Section 55.4.12.15). In Kurth's opinion, some of the current regulations, like all regulations, need to be adjusted, though he's pleased that the Planning Department has added a check-box to cannabis permit applications to indicate applicants are interested in including tourism opportunities as part of their business operations. He encourages cannabis businesses to apply for their tourism permits and ready themselves for the budding canna-tourism industry, "A lot of people have heard about the difficulties of getting a public accommodation permit. I want to get the word out that some of those things [difficulties] have changed. The Planning Department has changed its interpretation of the regulations. You still need to comply with the ADA standards but it's much, much easier now with the parking, and the bathrooms and the garden paths... all that stuff has been worked out and it's not an issue anymore."



Huckleberry Hill Farm

Huckleberry Hill Farms :: The First Licensed and Permitted On-Site Farm Tour

As of January 2021, Huckleberry Hill Farms in Whitethorn is Humboldt's first permitted farm to offer on-site tours with his first commercial tours starting up this month (June 2021). Owner/Operator, Johnny Casali began his permit for on-site tours under Ordinance 2.0 in 2017. Like Humboldt Cannabis Tours, Casali was required to apply for a Special Permit; however, unlike Kurth's, Casali's Special Permit is a part of his licensed cannabis cultivation business.

Cannabis Farms, in general, carry the greater burden in obtaining their tourism permits due to the limitation set forth by the required Performance Standards for Public Accommodation. For example, one limiting hurdle is that farms interested in offering tours "must be located on a paved road with a centerline stripe, or paved meeting the Category 4 Standard" (Section 55.4.12.14.4.5.1). They must also provide flat parking for lift-loading and unloading and wheelchair accessibility. Walkways and ramps must be no more than a 5% grade and at least 6ft wide wherever the public is allowed, and bathrooms must be ADA accessible.

As aforementioned, the Planning Department originally had strict interpretations of ADA compliance, requiring permanent property infrastructure that imposed excessive expenses that simply made on-site tours unlikely for most rural, Humboldt cultivators. While Casali does have the good fortune of having a farm located along a Category 4 Road, obtaining his Special Permit required working closely with Planning Director, John Ford, to navigate what could work realistically to meet ADA requirements for his mountainside cannabis farm. Together they paved a pathway forward (pun not intended), which will hopefully make farm tours more feasible for other farms too, all the while ensuring accessibility for all public visitors. Some of the allowances which made it possible for Casali to obtain his special permit include the use of an ADA-accessible Porta-potty, rather than a permanent bathroom; pathways may be hard-granite paths rather than pavement; and parking pads may be plywood mats, rather than paved concrete slabs. Road and ADA requirements will certainly continue to remain a major hurdle for Humboldt's more remote farms and cultivators unless addressed on a regulatory level.

It's important that people know where a multi-billion dollar industry was created and in my opinion, the Emerald Triangle is very special and unique.

Although Casali is indeed permitted to host commercial tours at Huckleberry Hill Farms, some restrictions still pose hindrances for Casali's long-term farm tour vision; his special permit requires that only a third party (like Kurth's business, Humboldt Cannabis Tours) brings groups to the farm, overnight stays are not an option, nor are on-site sales or consumption, and guests may not go into the greenhouses. Over time, as Casali builds a successful, compliant, and transparent tour operation on his farm, he hopes to see some of these restrictions lifted. For the time being, however, Casali is intent on following all of the rules set forth by his permit, building trust with the county planning department.

Casali is passionate about sharing the legacy of cannabis with visitors, "It's important that people know where a multi-billion dollar industry was created and in my opinion, the Emerald Triangle is very special and unique." The story Casali shares is not about being the "best grower" or having the "best product." It's about sharing the legacy of the spirit of the Humboldt Community, "People come for the world's best cannabis, but they move here for this community because it's so magical and so special." He believes that tour operators "only have one chance to have a major impact on the people to spread the Emerald Triangle message. For so many years we all fought for this harmless plant and we were told that it was bad and it wasn't good, and we were breaking the law, and now to come full circle to have it be legal is so special. We finally get to be openly proud of what [we're doing]."

Casali does not take the responsibility of representing the Humboldt cannabis industry lightly. He is motivated to inspire "guests to leave with a totally different perception of who [we] are as farmers, who [we] are as people, and who [we] are as a community. Together, hopefully, we can make an impact on those people that are eventually going to be the ones that dictate whether or not we survive or we don't."



Lucas Sanders, Terp Mansion

The Emerald Kid, Terp Mansion :: The First Licensed and Permitted Micro-business including Tourism

Lucas Sanders aka "The Emerald Kid" at the "Terp Mansion" had a completely different experience navigating the process of obtaining his permit. He submitted an application for a Conditional Use Permit (CUP) for his micro-business which includes manufacturing, wholesale nursery, and distribution. At the time, tourism wasn't on his radar. In contrast to Kurth and Casali who both applied for Special Permits to integrate tourism into their business models, Sanders was urged by county planners to include tourism in his micro business CUP, which he did. When it came time for his hearing in front of the Board of Supervisors, this was the first CUP to be reviewed regarding tourism, and it was unanimously approved, "thus kicking down the door for others," he revels. Sanders' farm is 100% ADA accessible and insured, located alongside category 4 roads in the heart of Willow Creek, CA with all commercial buildings (not ag exempt buildings) and a fully constructed permanent bathroom. As a result of his public accommodation allowance, Sanders IS allowed to offer compliant, on-site consumption (via fully tested, tracked, and taxed samples, donated back to his business), though may not host overnight stays, nor is he allowed to make on-site sales, "yet," he touts, as per county restrictions. His permit does not require a third party for hosting tours.

The Terp Mansion is a bit of an anomaly in the world of canna-business, as according to Sanders, "it's the first micro-business in Humboldt, and possibly the world, allowing for cultivation, manufacturing, distribution, and nursery sales on an actual homestead." He hopes to portray to the world what a small farm can do, emphasizing how much better and sustainable small farming is in comparison to big ag... quality over quantity. He'd like to normalize modern homesteading and cannabis at home.

Sanders has been pleasantly surprised by the overwhelming response he's already received for his tours. With over 100,000 social media followers the first marketing of his cannabis tours was posted on a Friday and received over 100 inquiries by the following Tuesday! Sanders believes that tourism will be a critical component of Humboldt's cannabis industry. He encourages other businesses to "use tourism to your benefit, use it for marketing, brand awareness, and sustainability awareness." He believes Humboldt has the opportunity to provide an experience for visitors to feel the Humboldt vibe.

The Humboldt Social :: Highlighting the Hospitality Experience

Humboldt Social's CEO, Aaron Sweat, oversees 4 unique tourism opportunities traversing various hospitality experiences: The Humboldt Bay Social Club/Oyster Beach (lodging, restaurant, event venue), Social Nature (dispensary), The Papa & Barkley Social (dispensary, food truck, spa, event venue), and the Scotia Lodge (lodging, event venue). Their goal is to normalize cannabis through hospitality, essentially serving as an extension of Napa for cannabis through streamlining access to cannabis and normalizing it in a variety of public settings; in essence, making the consumption of cannabis as standard and accessible as enjoying a glass of wine. Their hospitality model is founded in safety, education, fun, and inclusivity, "we will have failed if we are known as a bud and breakfast," suggested Sweat, indicating that the bud and breakfast model is exclusive to canna-consumers.

One of the vehicles by which the Humboldt Social franchise normalizes cannabis with their business models is to surround themselves with other independent businesses; for example, the P&B Social is host to a day spa, a food truck, a dispensary, and an event space, all of which create a symbiotic, inviting vibe for visitors to relax, eat, consume and enjoy as they tap into the many experiences offered. In regards to Special Permits, Humboldt Social works closely with Papa and Barkley, managing their pre-existing retail licensing.

Another approach Humboldt Social is taking to normalize the cannabis experience is to create places where women want to hang out. "Women make the majority of family spending decisions," Sweat asserted. By offering canna-inclusive, welcoming, social environments, the Socials hope to invite women and their families to spend (time and money) in their businesses, overcoming any reservations and or stigmas to mingling among cannabis. As a woman-led business entity itself (with Co-Owner Amy Cirincione-O'Connor at the helm) the Socials are committed to partnering with women-led businesses in their dispensaries. They've selected three women-led farms (Dew Point, Emerald Queen, and Sunrise Mountain Farms) to fill the shelves of their curated product selection at their two dispensaries. In emphasizing women-led businesses the Socials aim to target all demographics, and especially the women-dominant consumer base, in the hopes of "unlocking lingering fears that still see cannabis as reefer madness. We have an amazing space for so many different types of people to enjoy from the heavy-hitters to the canna-curious."

Regardless of their strategies used to create canna-inclusive social environments throughout Humboldt County, Sweat promises the Socials are "going to do our best to be the best representation of what Humboldt can be."

The Future of Humboldt's Canna-Tourism

A consistent sentiment among each of these tourism models is that each business is committed to and invested in Humboldt, and each sees its role in telling the Humboldt story as a responsibility. While the pathway to canna-tourism is finally paved, there is still a long way to go in making tourism a viable option for many canna-businesses. "Now is the time for businesses to get ready for tourism," urges Kurth. "John Ford, specifically, has expressed to me that he wants to permit tourism. He's ready to move forward with it. A lot of the supervisors are too, and they want people to apply to host tourism." The future is bright, and the time is now to begin considering how canna-tourism will fit into your business model.



Papa & Barkley Social Dispensary

Now is the time for businesses to get ready for tourism.

Government Affairs Program

There's an old adage in politics: "if you're not at the table, you're on the menu." As far back as 2014, legacy cannabis producing regions have worked in Sacramento to ensure that small and legacy cannabis businesses stay at the forefront of the cannabis policy conversation in the state capitol. Since 2019, HCGA has operated an independent Government Affairs Program to ensure that Humboldt cannabis operators specifically are well-represented in cannabis policy conversations.

Today, HCGA's policy team and contract lobbyist work closely with other representative organizations, including trade associations in other legacy cannabis regions, to advocate for the interests of the Humboldt cannabis community in Sacramento. With much of the cannabis industry becoming increasingly corporatized, a greater number of large and vertically-integrated multi-state operators have employed lobbyists to influence policy in Sacramento. HCGA's Government Affairs Program provides an important counterbalance to these interests. Ultimately, HCGA's influence comes from our members: while single larger companies may have more access to money and resources, they cannot claim to represent communities more broadly. HCGA is fortunate to work closely with Humboldt's representatives in the state legislature, Senator Mike McGuire and Assemblymember Jim Wood, who have fought especially hard on behalf of the Humboldt cannabis community for many years.

Last year, in 2020, HCGA's Government Affairs Program successfully backed the passage of SB 67, sponsored by Senator McGuire, which solidified and strengthened California's cannabis appellations program scheduled to roll out this year. In 2021, HCGA is continuing to work on appellations policy, while also prioritizing a range of other policy issues at the state level, including elimination of the state cultivation tax, reforms to state regulations to benefit small businesses, improvements to the state track-and-trace system, access to trade samples for small producers, and hemp policies that protect the integrity of the cannabis industry. The outcome of this advocacy will be determined over the next several months, with the passage of the state budget this summer, and legislative and regulatory deadlines approaching in the fall.

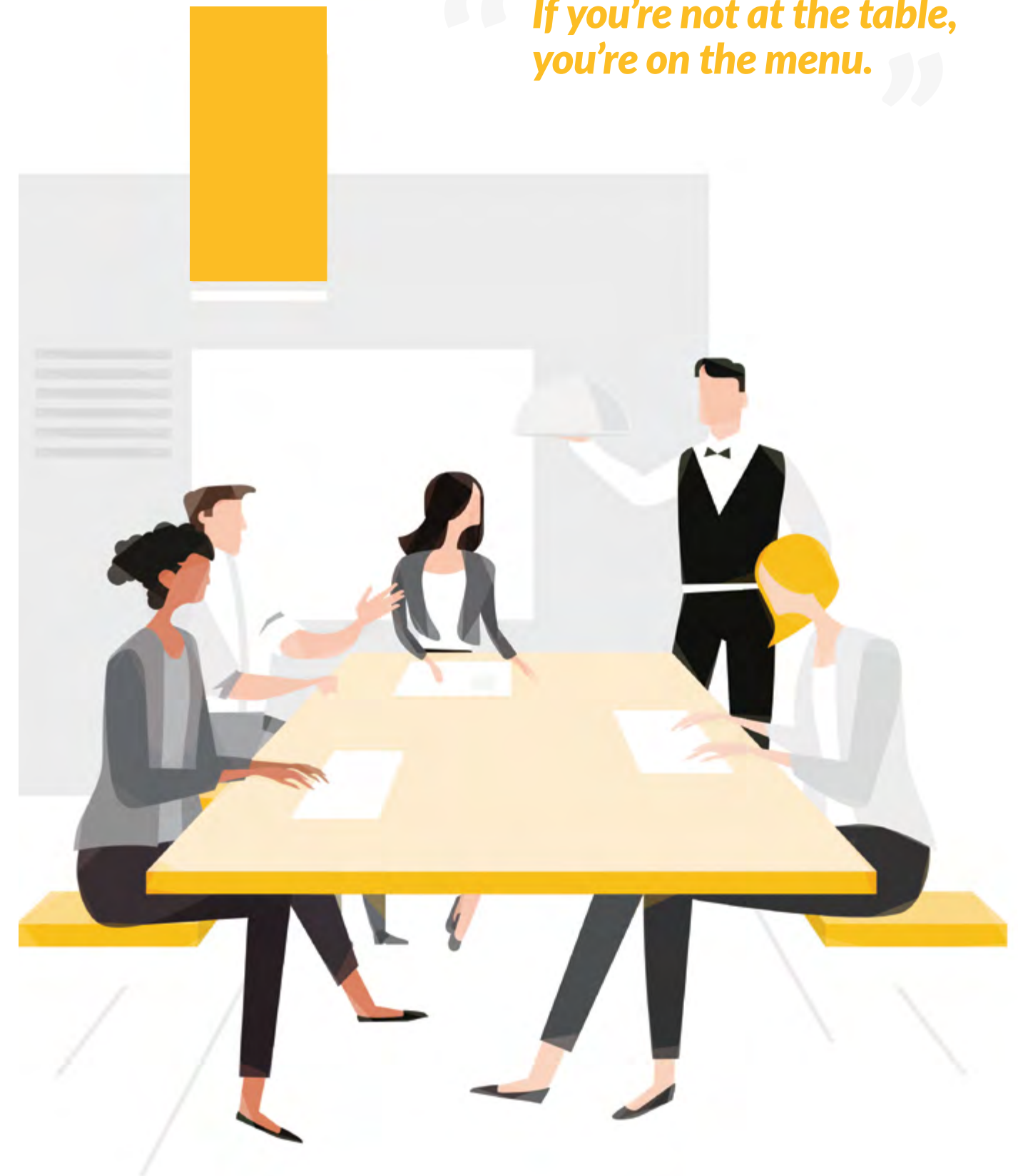
HCGA's Government Affairs Program also operates at the local and federal levels. Locally, HCGA's priorities include increasing access to on-farm trimming and supporting Project Trellis, which reinvests Measure S cannabis tax money back into the industry. Earlier this year, HCGA also successfully advocated to substantially reduce the size of a proposed 23-acre cultivation project in the Arcata bottoms, which sought to take advantage of a legal loophole to exceed what appeared to be an 8-acre cultivation cap included in Humboldt's cannabis ordinances.

On the federal level, HCGA is working to become more engaged in pending federal legislation, including the MORE Act - which passed the House of Representatives in 2020 and was reintroduced this summer - and in pending Senate legislation likely to be introduced soon. Top priorities for federal legislation include ensuring that the Humboldt name, and the name of any future Humboldt-based appellations, are adequately protected from fraudulent use in interstate commerce.

HCGA's policy priorities are determined through a democratic process which includes discussions on our weekly industry affairs calls and a formal vote by HCGA's policy committee. Members can stay engaged with the policy issues that affect them in many ways, including participating in weekly calls, engaging in discussions in HCGA's online communications platform, and running for a seat on the policy committee. As impactful policy conversations continue at the local, state, and federal level, HCGA is committed to maintaining a seat at the table and ensuring that the voices of Humboldt cannabis operators stay at the front of mind for policymakers.

by Ross Gordon
HCGA Policy Director

"If you're not at the table, you're on the menu."



Education Program & Events

The last year has been filled with unprecedented challenges and has encouraged everyone to reflect on our priorities. Humboldt's cannabis industry has always been a cornerstone of community relationships and it has become even more clear how important this meaningful connection is to help us thrive as individuals and businesses. HCGA fosters this connection through our education and events programming and keeps everyone up to date through our weekly Industry Affairs Calls, email newsletters, and 24/7 online communication platform.

Education

Industry Affairs Calls (IAC)

Held weekly on Wednesday mornings from 9:00 am to 10:00 am on Zoom, the Industry Affairs Calls, present and discuss current industry affairs and solicit feedback from membership to shape policy priorities and response. The IAC often includes guest speakers and special presentations. Check your email or Slack for login information.

Weekly E-Newsletter

Sent out weekly, the newsletter includes the agenda for the Industry Affairs Calls as well as HCGA program reporting and cannabis industry announcements.

Professional Development

Through the second half of 2020 and beginning of 2021, HCGA put on more than 15 workshops custom-designed for cannabis businesses. Workshops provided training on topics including accounting, climate adaptabilities, diversity and inclusivity, public relations and media, business planning, forming a nonprofit, and more.

The trainings are available for on-demand viewing on hcgaco and hcbdc.org and at HCGA's YouTube Channel.

Humboldt County Cannabis Marketing

In May 2021, the Humboldt County Economic Development Department released a Request for Proposals for Humboldt County-based nonprofit organizations to submit their proposals to the county for consideration on how they would implement a three-year branding and marketing strategy. HCGA wrote and submitted a proposal that will ensure a long-term strategy for maintaining and growing the region's competitive advantage in the ever-changing cannabis marketplace, with adequate and equitable input from community members, and stakeholders. The proposal was submitted to the county on June 30th. County staff and the Project Trellis Committee will review the proposals and make recommendations to the Board of Supervisors for a final decision at the end of August.

B2B SUMMER NETWORKING FAIR

You're invited to HCGA's B2B Summer Networking Fair on Thursday, August 19th between 1 pm and 7 pm, at beautiful and private Camp Bauer in Blue Lake. This is an opportunity for you to (re) connect with local cannabis colleagues, testing labs, nurseries, distributors, and manufacturers, as well as network with Allied Industry Businesses. Local dispensaries and their budtenders will be walking around shopping for products to fill their shelves.

Bring the whole family for some summer fun and games, business mixing, mingling, and that social atmosphere we've all been craving since March of 2020! At this free event, there will be music, food trucks, games, and the opportunity to host a booth to promote your business! We are looking forward to seeing you all in person once again, and enjoying the B2B exchange that we love oh-so-much!

Check out HCGA.co to exhibit and RSVP.

THURSDAY
AUGUST 19, 2021.
1PM-7PM
CAMP BAUER,
KORBEL





MIX & MINGLE

HCGA Monthly Mixers

The mixers are held around the county, often in collaboration with regional organizations or Chambers of Commerce. They are casual events designed to bring cannabis colleagues together to share and connect.

Held monthly on the second Thursday from 5:00 pm to 7:00pm.

MAY 13

Humboldt Bay Social Club

JUNE 10

Southern Humboldt Community Park

JULY 15

Mattole Grange

AUGUST 19

Camp Bauer in Blue Lake

SEPTEMBER 14

Willow Creek

OCTOBER 14

Arcata

NOVEMBER 11

Phatsy Kline's, Eureka

DECEMBER 9

Southern Humboldt

