

June 23, 2023

Dear Supervisors and Staff,

HCGA has been made aware of the Schute Mihaly letter submitted on Wednesday, June 21 by the HCRI's proponents, and wanted to take the opportunity to provide an immediate response.

We've reviewed the letter and believe the proponents' position continues to be fundamentally incorrect and misleading. We believe the county is well within its rights to continue to disseminate the Planning Department's analysis and have asked Sanders Political Law to draft a response on our behalf, which should be completed and shared with you shortly.

In the meantime, however, we wanted to draw attention to what is <u>not</u> included in Wednesday's Schute Mihaly letter. While the letter's allegations rely on a claim that the county's analysis of the initiative is "argumentative, inflammatory, and erroneous," the letter does not respond to HCGA's <u>substantive policy analysis from May 18</u>, which rebuts inaccurate and severely misleading substantive claims in Schute Mihaly's original April 20 letter and affirms the county's factually correct analysis.

We believe it's notable that the proponents have chosen to double down on attempts to prevent the county from distributing an analysis of the initiative, while failing to engage in a substantive discussion of the content of the initiative itself.

Instead, we read the June 21 Schute Mihaly letter as effectively conceding some of the most critical reasons why the initiative is deeply flawed. The last page of the letter states that *"the Initiative would not prevent existing small-scale farms—those already under 10,000 square feet of total cultivation area—from adding structures"* - implicitly conceding that the initiative prohibits farms over 10,000 square feet from adding additional structures. Such a restriction has no evident policy justification and would be catastrophic for the functionality of Humboldt's cannabis program.

The Schute Mihaly letter also fails to note that most farms under 10,000 square feet would also effectively be prohibited from adding structures under HCRI due to Section CC-P13, which requires all "expansions" (i.e. any increase or in number or size of any structure used in connection with cultivation) to be located on Category 4 roads.

In light of these and other issues identified in the Planning Department's analysis, it continues to be clear to us that, if passed, the HCRI would send Humboldt's program into an existential tailspin, likely marked by extensive litigation that reflects the adversarial posture already demonstrated by the initiative's proponents. To point this out is not "self-defeating," as claimed in the proponents' letter: it is a direct response to the alarming, plain text of the initiative itself.



We believe the County, supervisors, and staff are well within their rights to continue to inform the public on the negative consequences of the HCRI were it to pass, and that the public deserves access to this accurate analysis.

We appreciate your attention to these issues and look forward to continuing the conversation.

Sincerely,

Ross Gordon Policy Director Humboldt County Growers Alliance Natalynne DeLapp Executive Director Humboldt County Growers Alliance