BLOCK&BLOCK

A T T O R N E Y S

January 8, 2021

<u>By Electronic Mail</u> Tabatha Chavez, Chief Compliance and Enforcement Branch CalCannabis Cultivation Licensing California Department of Food and Agriculture 1220 N Street Sacramento, CA 95814 *calcannabis@cdfa.gov*

<u>By Electronic Mail</u> Tennis Wick, Director Sonoma County Permit and Resources Management Department 2550 Ventura Avenue Santa Rosa, CA 95403 *tennis.wick@sonoma-county.org*

<u>By Electronic Mail</u> Andrew Smith Sonoma County Agricultural Commissioner Department of Agriculture/Weights and Measures 133 Aviation Boulevard, Suite 110 Santa Rosa, CA 95403 *andrew.smith@sonoma-county.org*

Dear Ms. Chavez, Mr. Wick and Mr. Smith:

I am writing to bring to your attention systemic violations of state and local cannabis law that are occurring in the Middle Two Rock neighborhood of Sonoma County, where my clients live. The undue concentration of permits in this area, as evidenced by the attached aerial photograph (<u>Exhibit A</u>), imposes an unfair burden on area residents. Their burden is compounded by growers' widespread cultivation of cannabis beyond legal limits and by the lack of any sustained or effective enforcement effort by the relevant authorities.

The photographs attached to this letter are evidence of egregious and easily detectable violations of state and local cannabis law. Enforcement by cannabis regulatory and law enforcement authorities, however, has been practically non-existent. This lack of enforce-

ment gives non-compliant growers an unfair advantage in the marketplace, deprives state and local authorities of tax revenue, undermines the cannabis regulatory system, infringes on local residents' property rights and quality of life, and generally breeds cynicism and distrust concerning California's experiment with legal cannabis.

I ask that you investigate the violations and properties identified in this letter and take swift and certain action to hold the responsible parties to account for past violations and ensure compliance in the future. I also ask that this evidence be taken into account in connection with any permit reviews or license renewals.

A. The Witt Property 5730 Bodega Avenue <u>APN 022-090-002</u>

Between May 31 and July 23, 2020, the Sonoma County Department of Agriculture issued sixteen ministerial permits to seven different applicants for up to 10,000 square feet of outdoor cultivation on each of four contiguous parcels. One of the applicants – Sennin Soul, LLC – has four provisional state licenses for small outdoor cultivation. The others do not have any state licenses. Thus, the maximum amount of cannabis that may be cultivated on this site is 40,000 square feet, all of it outdoors.

Attached is an aerial photograph of the site taken on October 11, 2020 (<u>Exhibit B</u>). It shows 93,954 square feet of outdoor cultivation and 127,489 square feet of mixed light cultivation, for a total area under cultivation of 221,443 square feet.

On November 2, 2020, the county issued notices of violation for thirteen 4,000 square foot hoop houses at 5730 Bodega Avenue. These hoop houses alone account for 52,000 square feet of mixed light cultivation, none of which was authorized by Sennin Soul's permit or license.

Next to the hoop houses was 93,954 square feet of unpermitted outdoor cannabis, which was in plain sight of county officials when they inspected the hoop houses. Yet the county has failed to cite anyone for patently illegal outdoor or mixed light cultivation. County officials deliberately looked the other way.

Sennin Soul should never have received a state license. Section 26050.2 of the Business and Professions Code provides that the Department of Food and Agriculture may issue a license if CEQA review of the application is either complete or underway. Because the County classifies the permits granted to Sennin Soul as ministerial, there was and never will be any CEQA review. There is also no neighborhood notice, public hearing, or meaningful appeal of ministerial permit applications.

The issuance of ministerial permits in this case is improper. Even a cursory review of the documents, and the cultivation infrastructure on-site, reveals that the applicants are working in concert to pursue a single large cannabis project. The project was clearly "piece-mealed" – separated into 16 different applications – to qualify for ministerial permits and avoid environmental review. The county has condoned this ruse for some time and is now embroiling the state in this illegal behavior.

B. The Western Dairy Property 4235 Spring Hill Road <u>APN 022-240-007/008/009, 022-260-003</u>

A similar ploy was used by the applicants at 4235 Spring Hill Road. On June 15 and 16, 2020, the county issued ministerial permits for 10,000 square feet of outdoor grow on four separate parcels to four applicants. All four list Vanessa Calhoun as organizer or agent and use the same address in Santa Rosa, adjacent to CannaCraft's headquarters. A principal in one of the applicants, Melissa Huynh, is listed as a CannaCraft director.

The county should have considered these applications together, consistent with CEQA's requirement to evaluate the "project as a whole." Instead, it enabled the applicants to evade environmental review by splitting a single project into 16 applications. The state has now issued provisional licenses for this property, effectively ratifying the county's CEQA violation.

Attached is an October 11, 2020 photograph of cultivation on the four Spring Hill Road parcels (<u>Exhibit C</u>). It shows (i) 78,716 square feet of mixed light grow on APN 022-240-007; (ii) 61,287 square feet of mixed light grow and 15,584 square feet of outdoor grow on APN 022-240-008; (iii) 66,480 square feet of outdoor grow on APN 022-240-009; and (iv) 41,500 square feet of mixed light grow on APN 022-260-003.

The permits and licenses issued for this property allow a maximum of 160,000 square feet of outdoor grow. The total area under cultivation in the photograph is 249,541 square feet, of which 181,503 is mixed light cultivation for which there are no permits or licenses.

On October 21 and 23, 2020, the county issued notices of violation for 17 unpermitted hoop houses on three of these parcels: (i) eight on APN 022-240-007 totaling 70,400 square feet; (ii) five on APN 022-240-008 totaling 42,000 square feet; and (iii) four on APN 022-260-003 totaling 33,600 square feet. Shockingly, while citing the owners for failing to obtain building or fire department permits for the hoop houses, the county ignored the fact that mixed light cultivation was not authorized on this property at either the state or county level.

At the same time, the county ignored violations on an adjacent parcel, APN 022-240-009, where 66,480 square feet of outdoor cannabis was being cultivated in plain sight on a parcel permitted for a maximum of 40,000 square feet.

C. The Drips Property 3215 Middle Two Rock Road <u>APN 021-160-011</u>

According to county records, this grower is operating under the Penalty Relief Program ("PRP"). The PRP entitles an eligible grower to continue growing, without a county permit, until the county acts on the grower's cannabis permit application on the condition that the grower not cultivate more cannabis than would be allowed under the permit for which it has applied.

The county has not yet acted on the grower's permit application, so cultivation is still subject to the terms of the PRP. The grower has applied for a cannabis use permit authorizing 10,000 square feet of mixed light cultivation, and currently holds a provisional state license for medium outdoor cultivation. The grower does not have a state license for indoor or mixed light cultivation.

The attached photograph (<u>Exhibit D</u>), taken on October 11, 2020, shows 18,356 square feet of mixed light cultivation. This is (1) a state law violation because the grower does not have a license for mixed light cultivation, and (2) a violation of the county's PRP because the amount of mixed light cultivation shown in the photograph is almost double the amount allowed by the permit for which the grower has applied.

D. The Highland Canopy Property 334 Purvine Road <u>APN 022-230-020</u>

This grower holds a state medium outdoor license, which authorizes up to one acre of outdoor cultivation, and a county permit for 28,560 square feet of outdoor grow. The county permit provides for maximum total cultivation of 39,536 square feet. The at-tached photograph from October 11, 2020 (Exhibit E) shows outdoor cultivation at 334 Purvine Road consisting of 45,374 square feet and total cultivation of 48,824 square feet, including 3,451 square feet of unlicensed indoor and mixed light cultivation.

This is not the first time the grower on this property has ignored applicable law. In February 2019, the Sonoma County Superior Court issued a preliminary injunction prohibiting the grower from cultivating cannabis without a permit and license (Exhibit F). The court's decision was based on aerial photographs from July 2018, similar to the photographs attached to this letter, showing illegal cultivation occurring before the grower

had received either a county permit or a state license. The injunction was upheld on appeal.

E. Conclusion

Two facts stand out about cannabis cultivation in the Middle Two Rock neighborhood. First is the scope and brazenness of the violations. Growers feel free to grow as much as they want wherever they want, confident that there will be no consequences.

Their brazenness is related to the second remarkable fact – the obvious indifference of the authorities. It is absolutely clear that Sonoma County lacks the will to reign in illegal grows and is deliberately turning a blind eye to large-scale, easily detectible violations. The utter lack of enforcement of cannabis rules raises troubling questions about the influence of the cannabis lobby on local decision-makers.

I earnestly request that the state and county work in tandem to hold the responsible parties accountable for the violations identified in this letter and to put in place a more aggressive enforcement program to improve compliance in the future. Doing so is the only way to ensure a steady flow of tax revenue, neighborhood compatibility, public confidence in cannabis regulation, and the ultimate success of the legal cannabis market.

Sincerely,

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Kevin P. Block

cc:

Stacey Roberts, Supervising Deputy AG, Cannabis Control Section (stacey roberts@doj.ca.gov) Richard Parrott, Director, CalCannabis (richard.parrott@cdfa.ca.gov) Margaret Cornell, CalCannabis Licensing (margaret.cornell@cdfa.ca.gov) David Rabbitt, Sonoma County Supervisor (david.rabbitt@sonoma-county.org) Patrick McGreevy, LA Times (patrick.mcgreevy@latimes.com)

EXHIBIT A



EXHIBIT B

Address: 5730 Bodega Ave. Feature Type: Large Greenhouses Area: 79325.04 Square Feet Perimeter: 1129.64 Linear Feet Address: 5730 Bodega Ave. Feature Type: Outdoor Cultivation Area: 70674.78 Square Feet Perimeter: 1121.65 Linear Feet

Address: 5730 Bodega Ave. Feature Type: Outdoor Cultivation Area: 23279.3 Square Feet Perimeter: 628.01 Linear Feet

Address: 5730 Bodega Ave. Feature Type: Large Greenhouses Area: 48164.29 Square Feet Perimeter: 878.49 Linear Feet

EXHIBIT C

Address: 4235 Springeril Blvd. Feature Type: Outdoor Cultiva rea: 15584.38 Square Feet Parimeter: 788.43 Linear Fest 022-240-009

Address1235 Springhill Blvd.
Feature Tyle: Large Greenhouses022-240-008Area: 612804 Square FeetPerimeter: 100.78 Linear Feet

022-260-002

Address: 4235 Springhill Blvd. Feature Typ: 1 Outdoor Cultivation Area: 664 50.07 Square Feet Pennes er: 1113.27 Linear Feet

022-240-007

Address: 4235 Springhill Blvd. Feature Type: Large Greenhouses Area: 78715.77 Squart Feet Perimeter: 1266.61 Linea Feet Address: 3803 Spring till Blvd. Feature Type: Large Greenhouses Area: 41500.14 Square Fet Perimeter: 1060.95 Linear Fet

022-260-003

022-250-001

EXHIBIT D

Address: 3215 Middle Two Rock Road Feature Type: Outdoor Cultivation Area: 1489.36 Square Feet Perimeter: 162.18 Linear Feet

Address: 3215 Middle Two Rock Road Feature Type: Small Greenhouses Area: 1585.94 Square Feet Perimeter: 165.12 Linear Feet

> Address: 3215 Middle Two Rock Road Feature Type: Outdoor Cultivation Area: 11176.82 Square Feet Perimeter: 442.37 Linear Feet

Address: 3215 Middle Two Rock Road Feature Type: Small Greenhouses Area: 10054.53 Square Feet Perimeter: 494.45 Linear Feet

> Address: 3215 Middle Two Rock Road Feature Type: Large Greenhouses Area: 6715.46 Square Feet Perimeter: 362.73 Linear Feet

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EXHIBIT E

Address: 334 Purvine Road Feature Type: Indoor Cultivation Area: 1284.32 Square Feet Perimeter: 152.95 Linear Feet

Address: 334 Purvine Road Feature Type: Mixed Light Cultiv Area: 616.93 Square Feet Perimeter: 104.25 Linear Feet Address: 334 Purvine Road Feature Type: Barn/Mixed Light Cultivation Area: 1550.26 Square Feet Perimeter: 173.1 Linear Feet

> Address, 334 Purvine Road Teature Type: Outdoor Cultivation Area, 45374.26 Square Feet Perimeter: 912.24 Linear Feet

EXHIBIT F

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alifornia limited liability company;	Hon. Patrick Broderick	
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ORDER GRANTING PLAINTI	FFS' PRELIMINARY INJUNCTION	

Plaintiffs' Motion for a Preliminary Injunction came on for hearing in Courtroom 16 of this Court on February 1, 2019. All parties appeared through their counsel of record. After considering the moving and opposition papers and the arguments of counsel, the

Court adopted its tentative ruling as its final order and ruled as follows:

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Motion for Preliminary Injunction Granted. Plaintiffs expressly seek to enjoin only illegal operations in violation of the Sonoma County Code, which defines these actions as a nuisance and for which an injunction is expressly available. Plaintiffs demonstrate that Defendants lack the required permit for commercial cannabis operations and provide evidence of such conduct which requires a permit. The injunction is expressly limited to illegal conduct. The court notes that it does not bar any legal personal cannabis cultivation by Defendant Jared Rivera for his own personal use which Defendants claim is the limit of the cannabis conduct. Plaintiffs must post a bond of \$100 because the injunction, being limited to illegal conduct, inherently appears to have no likelihood of causing any actionable or recoverable damages. IT IS SO ORDERED.

PRELIMINARY INJUNCTION:

Defendants, their employees and agents, and persons acting on their behalf or in concert with them, are enjoined and restrained pending trial of this action from:

(a) engaging in the commercial cultivation of cannabis for medicinal or recreational purposes at 334 Purvine Road, Petaluma, California without a cannabis permit from the County of Sonoma and a cannabis license from the State of California in violation of the Sonoma County Cannabis Ordinance, the California Medicinal and Adult Use Cannabis Regulation and Safety Act, and applicable state and local regulations; and

(b) engaging in the cultivation of cannabis for medicinal or recreational purposes at 334 Purvine Road, Petaluma, California for personal use in violation of the Sonoma County Cannabis Ordinance, the California Medicinal and Adult Use Cannabis Regulation and Safety Act, and applicable state and local regulations; and

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ORDER GRANTING PLAINTIFFS' PRELIMINARY INJUNCTION

hosting, sponsoring, organizing, holding or participating in tastings, promotional (c) activities or events related to cannabis uses at 334 Purvine Road, Petaluma, California in violation of section 26-88-250(c) of the Sonoma County Code. Plaintiffs shall file with the Clerk of the Court an undertaking, or cash in lieu thereof, in the amount of \$100 pending trial of this action. IT IS SO ORDERED. PATRICK M. BRODERICK February 25, 2019 Judge - 3 -ORDER GRANTING PLAINTIFFS' PRELIMINARY INJUNCTION 1.1