

From: [Graham Farrar](#)
To: [Osborne, Jenelle](#); [Cordova, Gilda](#); [Vega, Victor](#); [Starbuck, Dirk](#); [Ball, Jeremy](#); [Haddon, Stacey](#)
Subject: Public Comment #7 Oppose cannabis tax increases
Date: Monday, May 17, 2021 2:23:20 PM

Honorable Mayor & Councilmembers,

As President of Glasshouse farms, we encourage the City Council direct staff to return with options for cost recovery, in the form of increased license and permits fees. We are strongly opposed to any increase in taxes for manufacturing, distribution and processing. Our company has a bright future, and we are excited about realizing the immense investments we have already made in this jurisdiction. We are proud of what we are developing and hope to continue to build with the City of Lompoc, for example:

<https://www.forbes.com/sites/irisdorbian/2021/05/10/how-one-ca-company-is-training-gen-z-to-become-future-cannabis-leaders/>

Unfortunately we only just heard about this proposed increase in taxes last Thursday. We appreciate the City's interest in additional resources for cost recovery to administer the City's cannabis programs. We support options for cost recovery, via increased fees for licensing and permits, which could be done immediately (instead of having to wait for the next election). We recognize that evaluating and approving licenses and permits is a robust work effort, and that City staff would benefit from additional resources.

However, our company cannot support increases in taxes, which is not currently reflected in our financial model. We made fundamental decisions based on the existing taxation framework. Our business has not even secured the permits and licenses for our proposed activities. Therefore, we think this proposed change in premature and unfair for this developing industry. We welcome more time and opportunities to engage with the City staff and Council to discuss cost recovery, and other options, to support the City AND also strike the balance of supporting a thriving cannabis industry.

Additionally, it's worth noting that other local jurisdictions are headed in the opposite direction, and are looking at lowering taxes to attract more investment from the cannabis industry. In conclusion, we are confident that our business will continue to provide robust community benefits for the residents of Lompoc in the form of jobs, not only from our business but also from other contractors that help us secure permits and licenses. Once we secure the full permits and licenses, we anticipate that our business alone will provide dozens of high paying, competitive and stable jobs for local residents.

Thank you for the opportunity to comment on this critically important issue.

Graham