From: <u>Devin Granados</u>

To: Osborne, Jenelle; Cordova, Gilda; Vega, Victor; Starbuck, Dirk; Ball, Jeremy

Cc: Haddon, Stacey

Subject: Public Comment #7 Oppose Cannabis Tax Increase

Date: Monday, May 17, 2021 9:28:44 AM

Attachments: <u>image001.png</u>

Honorable Councilmembers & Mayor,

My name is Devin and I'm the Sr. Operations Manager for Glass House Farms' proposed and current projects/licenses in the City of Lompoc. We are alarmed to only just hear about a proposed tax increase in the City. Glass House Farms strategically selected Lompoc for our processing, manufacturing & distribution activities due to it's proximity to our farm in Carpinteria, and it's business friendly taxation rate. Glass House Farms was drawn to Lompoc, instead of other jurisdictions, specifically for it's tax rate for manufacturing, processing and distribution. We have not even had an opportunity to start operating our processing license. It has taken us over 5 months to secure sign off from the City. It's difficult to comprehend a significant change in the underlying tax rate when we haven't even had an opportunity to start up our operations. Upon full permitting/licensure, our operations alone will provide many excellent jobs to local residents. Due to our work in Lompoc, we are also supporting multiple jobs in the trades, including engineers, architects, and general contractors.

We look forward to continuing to work with the City to secure the appropriate sign offs. This location is critically important to our operation. However, we urge your Council to direct staff to work with the industry on taxation proposals before making any decisions. This would be a massive change for us that may impact our investments in this jurisdiction.

Please consider directing staff to engage further with the key industry stakeholders before voting to approve any fundamental tax changes. We are happy to provide input regarding what fee increases will strike a balance between a thriving cannabis industry AND supporting the public services that the City provides. We understand that the City needs additional support from the industry for cost recovery. We are happy to support reasonable increased licensing and permitting fees.

Thank you for your time and consideration.

Best,

Devin

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