ARMENDARIZ PARTNERS, LLC

Monday, August 15, 2022

Honorable Mayor and Council City of Lompoc 100 Civic Center Plaza Lompoc, CA 93436

Re: Cannabis Use Ordinance

Good afternoon honorable Mayor and members of the City Council. Thank you for placing this important item on your agenda Tuesday night.

First, let me be clear what my role is in this discussion. I represent the largest and most financially vested Cannabis retail operators in Lompoc. So, when I communicate the following thoughts with you, I want it to be understood that I am speaking on behalf of the Cannabis operators and not simply as an interested member of the public.

I want to restate what might seem like a minor point but is very much a significant point.

The Industry does not equate a "moratorium" with a "cap" on the number of licenses in Lompoc. In requesting your council consider adopting a moratorium, we chose the word moratorium based on its actual definition. Dictionary.com defines the word moratorium; thus, "a period of waiting; pause, interval, or delay."

Using that definition, the Industry believes a moratorium, i.e., a pause, is a prudent course of action for your City Council so that you, your staff, representatives of the Industry, interested members of the community, and relevant stakeholders can have the breathing room needed for a constructive dialogue and discussion as to the current state of the City's cannabis industry. This is particularly so for the City's retail dispensary sector.

We also want it to be understood the Industry is not seeking a "pause" or moratorium in the other cannabis sectors, specifically cultivation, testing, manufacturing, and distribution. Allow me to repeat that for emphasis, we are not asking for the City Council to pursue a pause in the other cannabis sectors.

The Industry's interest in this discussion is entirely concerning retail. Moreover, we believe without question that the objective of the City in partnership with the Industry, specifically the retail cannabis sector, is to help the City realize more revenues from retail

dispensary business activities, and more community benefits for the good people of Lompoc when all is said and done.

The Industry is grateful and appreciates the Lompoc City Council's unique leadership in Santa Barbara County to allow for a flourishing retail cannabis storefront ecosystem with as little regulatory interference as possible.

The Industry also is aware that some, perhaps even some of you on the City Council, question the necessity or wisdom of implementing a pause on the issuance of new cannabis retail licenses in the city.

However, as most of the reputable operators would tell you, and when I use the word reputable, I refer to those retail operators who are committed to full compliance with the City's cannabis use ordinance and regulations, the current situation as it relates to allowing an unlimited number of retail licenses in the city is less than optimal. Indeed, the current situation from a business development aspect has become quite challenging for the operators I represent.

And so, it is our hope that after enough time has been invested in reviewing and assessing the current retail cannabis sector, any changes, or reforms, brought about through any possible amendment to the Lompoc Municipal Code would result in a win-win.

In other words, after a pause is taken, and a constructive process for review and consideration has occurred, the outcome should be the city wins, the Industry wins, and most importantly, the good people who live, work, and play in Lompoc also win.

Thank you for your service to the city, I am available to be of assistance in any way the Council or staff believes would be helpful or beneficial.

Sincerely,

Sent on behalf of:

Roots, Elevate, Green Dragon, Royal Healing, ERBA Markets, and Green House



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