

January 17, 2017

Regular Meeting

Item #13d

Public Works, CAO,

Sheriff, Finance

**Update on Status of Jail
Renovation/Replacement
Project**

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January 15, 2017

Board of Supervisors
County of Mono
Suite 307
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Dear Members of the Board of Supervisors,

We in receipt of your proposal letter dated January 9, 2017. The letter notes that it is in response to a proposal we made to the County on behalf of the Sierra Center dated Sept. 13, 2016. (For the record, our proposal was actually submitted to the County in July of last year, some six months prior to the County's response.) The County's response came almost a year since the County started its analysis. We point this out because the delay in responding, coupled with staff's powerful and obvious bias towards constructing a new building, it is emblematic of a dysfunctional process with staff as it relates to Sierra Center and your office needs. This has led us to the conclusion that further negotiation with staff is no longer productive or appropriate.

Let us state upfront that Ownership's position is a desire to continue to negotiate with the County; however such negotiations need to have some potential of success. Based upon the letter of January 9th to us, and staff's engagement to date of Sierra Center's ownership, we do not feel it would be worthwhile to continue under the current process. However, we have provided a process we would continue under as outlined later within this letter.

As some background, our understanding is that the County began working on a solution for its office space requirements approximately a year ago in January of 2016 when it engaged Collaborative Design Studios. Collaborative was supposed to consult and give unbiased analysis to the County as to its office facilities. Given that Sierra Center is the County's largest current landlord, one would think that we would be the first place they would start. However, to date we have never spoken to Collaborative or given them any information. We were also not informed of the purpose of their inspection of our building and we received no questions about our ongoing renovations or mechanical upgrades. However, during that same period the County staff and Collaborative have gone to great lengths to meet with Dan Holler, Manager for the Town of Mammoth Lakes several times throughout 2016 and do pre-development analysis of a new shared building. Additionally, we understand that Collaborative Design Studios is seeking a contract to design a new building and also has an interest in contracting for the management of said building upon construction. Given the potential for millions of dollars in fees, this consultant could hardly be deemed unbiased.

However, as your present Landlord, by last summer, we had not been engaged in any meetings or discussions with Collaborative or the County staff on Sierra Center as an alternative. Frustrated, in July 2016, still with no contact or input from Collaborative or the County, we furnished an unsolicited proposal with a detailed financing summary attached. However, still no response

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from the County. Not until after the September 13th Board, did County officials communicate with us. This engagement was only following direction given by the Board on September 13th to contact us. We then met with staff first on Oct. 25, 2016 and then almost two months later, on Dec. 16, 2016. We were never contacted by Collaborative, and their description of “having met with a representative of the building” was with a janitorial employee who spoke little English.

At the December meeting, we emphasized again that we had not received a response to our proposal of July, or any kind of a proposal or negotiation at all. We were told that all prior contacts were simply information gathering, and that the December meeting was the first actual negotiation regarding the County’s continued occupancy. At that meeting we discussed various details and options for a new revised proposal. Then, only five days later, on Dec. 20, 2016, we saw a very slanted presentation by staff to the Board, which advised the Board, in no uncertain terms, that a new building was the only reasonable choice as far as staff was concerned. This, combined with staff’s obvious public support for the new building at the September, 13th Supervisors meeting, has led us to conclude that our sincere efforts at presenting an option for the County have only been received with great opposition by the same County staff we are supposed to be working with towards a negotiated proposal. It appears to us that, as far as County management is concerned, spending 30 million plus on a new building is the only option they are interested in, and have been interested in from the very beginning. Given our experience as described above with the County staff over the past year, we have lost confidence in the process to date and have concluded that continued negotiation with the current County team and current process would not be productive or a worthwhile expenditure of time for either side.

Therefore, if the County wants to evaluate what its possible options are with respect to the Sierra Center in order to make the its decision, the only way forward from our perspective, is for the decision makers for Sierra Center to speak directly with decision makers for the County, the Supervisors. Accordingly, we are open to negotiating with a group comprised of at least 2 Supervisors representing the Board, or as alternative, before a closed session with all Supervisors present.

We believe strongly that with direct negotiations as described above, we can construct an agreement in cooperation with the County Board at Sierra Center that will suit the County’s needs, solve any management or repair concerns, and provide a far superior cost alternative as compared to constructing an expensive new building at the direct cost of the taxpayers of Mono County.

In closing, we understand that the Board may not, for whatever reasons, see things our way. With that in mind, and, with all due respect, we are proceeding with a plan to convert the third floor to a different use, and will be prepared to execute that plan immediately at the conclusion of the County’s lease.

PSR/hs

Respectfully,



Paul S. Rudder

January 17, 2017

Regular Meeting

Item #13f

Community

Development

**Extension of Temporary
Moratorium on Commercial
Cannabis Activities**

Introduction

The Mono County Cannabis Task Force held its first meeting January 9th at 2:30 pm. In attendance were representatives from the following departments:

Accounting	Agricultural Commissioner	Assessor
Behavioral Health	Building	Code Compliance
Community Development	County Counsel	District Attorney
Economic Development	Environmental Health	Finance
Probation	Public Health	Sheriff-Coroner
Social Services		

The meeting lasted approximately two hours and included a brief discussion on the issues and abilities of the County to regulate. Each department representative present was given an opportunity to ask questions and acknowledge their needs and role for County regulation. The Assessor's Office and Social Services Department opted not to be apart of the Task Force's future meetings. The next Task Force meeting will be held January 23rd at 3:00 pm.

Departmental Analysis

Agricultural Commissioner/Director of Weights & Measures

The Agricultural Commissioner expressed the largest concern will be staffing as workload, difficult to estimate, will increase due to enforcement and overview of licensing, pesticide use, and nursery compliance. There will be safety concern when checking on compliance and accompaniment by the Sheriff may be necessary. Hemp must be licensed differently and both cannabis and hemp will need to be tested by an independent entity for THC level along with other substances. The distance to markets, excluding other states, may be a deterrent to potential grows but unlike other County agricultural products cannabis and hemp could be utilized within County boundaries.

Sheriff – Coroner Office

The Sheriff has concerns pertaining to security for retail outlets, and outdoor or indoor grows. Requirements should be made for fencing, cameras and other devices to prevent theft. Nuisance factors such as smell and visual crops may attract crime. The County also must investigate Tribal laws for cannabis and communicate that after leaving reservations cannabis business must adhere to local ordinances. "Under the influence" arrests may increase given the decriminalization of adult use, leading to increased persons in probation followed by behavioral health programs.

Behavioral Health

The Behavioral Health department will be tasked with rehabilitation programming with some funding come from the State, but the costs may not be met and a need for additional funding is anticipated. The Department also recognizes the allowed adult use of cannabis may lessen stigmatism associated with the substance. The long term effect of this may increase the number of users, therefore increasing the need to help those battling substance abuse. Long term programming needs to address responsible use and preventing edibles from being accessed by children and animals. Additional staff for new programs will be necessary.

Probation Office

The Probation Office has the concern of increased cannabis use by juveniles due to desensitization of the substance. Increased participants within probation programs will need to be met with additional staffing.

Economic Development

The Department of Economic Development has identified the cannabis industry as a County business/tax revenue opportunity with the potential to create a new source of wealth, work force, and niche business for the area. Regional branding and marketing may aid the tourism economy.

Accounting and Finance

Accounting and Finance have asked for the Task Force to establish a budget. The County must also decide on a tax structure for medical cannabis businesses and recreational cannabis business. The taxes must be approved by public vote. A revenue structure to compensate for additional costs will need to be identified. Banking is an issue as it is unknown at this time if banks will accept cash generated from this business type. It is also unknown how the Trump administration will treat States' marijuana programs, opening the possibility of legal consequences.

Public Health

The Department of Public Health has concerns that the State regulations will include over-burdensome tasks for localities that lack funding from the State. The Department is unsure if medical marijuana licenses still need be issued under the new proposition and if there is opportunity to advocate for what local Public Health Departments want in the State regulations. Impacts to programs and services unclear at this time. Increased staffing will be necessary.

Environmental Health

Environmental Health has expressed concern and questions for regulating cannabis edibles as little guidance has been provided by the State. Confusion is whether edibles will be classified as recreational or medical for taxing and regulating purposes, and how production of edibles would be categorized. Depending on amount and generator-type, cannabis cultivation, processing, and manufacturing waste may be considered hazardous waste and require a waste management program. The Department anticipates the need for a new cannabis program for inspections and will need additional training.

Assessor

The Assessor's Office will not be involved in regulation writing, but will need be involved in the County process. The Office must be notified if licenses are issued and of illegal commercial grows in order to tax land improvements. Clarification is needed to determine if cannabis and certain product types are taxable.

Community Development

The Community Development Department will be responsible for developing land use regulations including land use designations and land development regulations for each business type. Permissive

zoning will not exclude cannabis uses. Regulations may address issues such as security and safety, signage and aesthetics per business type, potential nuisance issues, planning permits, and CEQA compliance for County regulatory package and private businesses, where applicable. Code enforcement will be responsible for regulation, therefore additional training and staff is anticipated. Code enforcement may need security and assistance from the Sheriff's department given the nature of task per duty. The Building Division would issue permits for cannabis business given the change of occupancy, potential mixed use of agricultural lands, and in order to route applications to departments. Precedent is available for building requirements including structural, mechanical, electrical, plumbing, fire, security, egress and HVAC needs.