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https://www.mendocinocounty.org/departments/cannabis-department

DATE: November 13, 2023

TO: Mendocino Cannabis Department Staff

FROM: Steve Dunnicliff, Interim Director Mendocino Cannabis Department

RE: Internal Procedure #06 – Termination or Revocation

PREVIOUS PROCEDURE

None.

PURPOSE

To promote accountability, consistency, equal application, efficiency, and ensure proper due process, the Mendocino County Cannabis Department (hereby "Department") shall define and implement a uniform strategy regarding commercial Cannabis Cultivation Business License (hereby "CCBL") termination.

DEFINITIONS

Due Process – or "Procedural due process", concerns the procedures that the government must follow before it deprives an individual of life, liberty, or property as outlined in the governing law(s). In the case of the Department and its applicants and CCBL holders, this would include all relevant code sections entitling CCBL applicants and CCBL holders to both accountability measures and the opportunity to be heard regarding Department determinations.

Cannabis Cultivation Business License or **CCBL** – An issued Cannabis Cultivation Business License for cultivation or nursery operations in Mendocino County.

Revocation - See "Termination".

Service – Presentation of official documents to a Responsible Party by a Department designee in one (1) of the following ways:

- 1. Personal service of the official documents; or
- 2. First class mail, postage prepaid, to the Responsible Party's mailing address as shown on the County's last equalized property tax assessment rolls, if such address is available, or otherwise to the last known address of the Responsible Party; or
- 3. Posting the official documents any real property within the County in which the Department has knowledge that the Responsible Party has a legal interest. This method of service is only effective if service by mail fails, but posting may be done at any time.
- 4. Alternative Service. If the person being served agrees in writing, service may be accomplished in any agreeable manner, including but not limited to email, or overnight delivery.

The "date of service" shall be the date on which the Document is either personally served, mailed, posted, or in the case of alternative service, the date the County initiates the delivery of the agreed method of service. For the purpose of this definition, "mailed" means deposited for mailing with

the United States Postal Service or placed for collection and mailing by way of the County Department's ordinary business practices through which mail is collected and placed for mailing with the United States Postal Service, with postage prepaid.

The time in which an act is to be performed according to law, which is based on the service date described in this section, shall be extended by five (5) days if the service was provided by either mailing or posting.

The Department shall document the actions described above via the attached Certificate of Service form (Attachment 1).

Suspension – Not currently utilized as a department practice, but the term is found in MCC CH. 10A.17.

Termination – The Department mechanism to eliminate an issued CCBL at any time during the permit life, including the renewal period, for failure to meet the requirements of MCC Ch. 10A.17. The due process of a permit termination is outlined in MCC Ch. 10A.17.140(D).

SCOPE

All Divisions within the Department and any authorized contractors performing work on behalf of the Department shall be responsible to this procedure.

PROCEDURE

Issued CCBL Termination

Failure of CCBL holders to comply with the requirements and performance standards of MCC Sec. 10A.17 as determined by the Department, and/or reasonably remediate violations identified by the Department will result in the following procedure:

- 1. Documented outreach from the Department to the CCBL holder to establish what proper compliance is in the individual circumstances of the CCBL, and to establish a timeline to achieve compliance. This outreach shall include, but not limited to, phone call and mail, electronic or first-class mail. The Department retains discretion on what the appropriate amount of time is to move from step one (1) to step two (2). The decision and information that informs the finding shall be documented by Department staff.
- 2. Failure by the CCBL holder to respond, agree, or comply with step one (1) shall then result in the Department seeking a determination by a hearing officer via an administrative hearing. The Department shall carefully review the following code sections in preparation for the next steps.
 - a. Sec. 10A.17.140 Violations and penalties respecting cultivation pursuant to CCBL.
 - b. Sec. 10A.17.150 Administrative Order to Show Cause.
- 3. The Department shall contact the Office of County Counsel to request a Deputy County Counsel be assigned to prepare and review the Department's materials and request the Office of County Counsel schedule the hearing with the hearing officer. The hearing shall
 - not be set for a date earlier than five (5) days after personal delivery, or ten (10) days after mailing, of the notice specifying the date, time and location of the hearing.
- 4. The Department shall provide the assigned Deputy County Counsel all the relevant materials associated the with CCBL and a brief written chronology of events depicting the

life cycle of the CCBL, including CCBL holder communications regarding compliance, and the attempts made by the Department to facilitate compliance. The Department will request analysis and advice from the Deputy County Counsel regarding the materials and presentation to the hearing officer. Once an agreed strategy is developed between the Department and the Office of County Counsel regarding the materials, presentation, and hearing date, time, and location, proceed to step five (5).

- 5. The Department shall issue the Notice to Terminate CCBL and Administrative Order to Show Cause via MCC Sec. 10A.17.140(C) and MCC Sec. 10A.17.150 (Attachment E) with the scheduled hearing date, time, and location to the CCBL holder utilizing personal service and/or certified mail according to proper service as described in the definition section of this procedure.
- 6. The Department shall participate in the hearing as described in Sec. 10A.17.150(C) Hearing Procedure.
- 7. The Hearing Officer shall consider the evidence presented by the parties, and shall issue a signed, written decision and order that either affirms or reverses the determination to terminate the CCBL in question. Such decision shall be delivered to the CCBL Holder by personal delivery or by first class mail, postage prepaid, sent to the mailing address associated with the CCBL and return receipt requested. The decision shall become effective either on the day the decision is personally delivered to the CCBL Holder, or five (5) days after the decision is mailed to the CCBL Holder.
- 8. Based on the Determination of the Hearing Officer, the Department will either reinstate the standing of the CCBL, or the CCBL shall be officially terminated. The County shall notify any license authority, as defined by the Medicinal and Adult Use Cannabis Regulation and Safety Act, whenever a CCBL has been terminated, and any additional Department or Agency with an interest in the CCBL being terminated, including but not limited to Mendocino County Code Enforcement, Local or State Law Enforcement, California Department of Fish and Wildlife, and/or the Department of Cannabis Control.

RESPONSIBILITY

Any Department staff or authorized contractors performing any functions described in the scope are responsible to ensure compliance with this procedure and the subsequent revisions of this procedure. For MCD staff, failure to perform within the parameters of this procedure may result disciplinary action up to and including termination. For any contractor providing services on behalf of the County, failure to perform within the parameters of this procedure may result in termination of contracted services and responsibility of any costs incurred by the County.

ATTACHMENTS

1. Certificate of Service

<u>AUTHORITY</u>

Procedure Approved:

Date: 1/20/23

Steve Dunnicliff, Interim Cannabis Department Director

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