



Supplemental Packet No. 2 – City Council Meeting Agenda

Monday, August 17, 2026 at 6:00 PM

33 Church Street, Sutter Creek, CA 95685

The Agenda can be found on the City's Website: www.cityofsuttercreek.org

The City of Sutter Creek City Council Meeting will be available in person and LIVE on YouTube at

<https://www.youtube.com/@CityofSutterCreek>.

You can also watch the meeting on Zoom (please note Zoom participation is only available for viewing.

<https://us02web.zoom.us/j/81391466458?pwd=4jXmBm1AP5bEbiID3iDwuxk4GpreRY.1>

Or Dial by phone: 301 715 8592 Webinar ID: 816 8589 0182 Passcode: 186036

Unless stated otherwise on the agenda, every item on the agenda is exempt from review under the California Environmental Quality Act ("CEQA") per CEQA Guidelines Sections 15060(c), 15061(b)(3), 15273, 15378, 15301, 15323 and/or Public Resources Code Section 21065.

1. Information and Correspondence

- A. [County Letter 8-12-26](#)
- B. [Consideration of Concerns - 8-17-26 - Calmese-SC](#)
- C. [Gary W. Redman - Amador County Sheriff's Office](#)
- D. [District Attorney's comment Letter](#)
- E. [Embarc consolidated response to City Council 08-14-2026](#)
- F. [Marijuana Convenience or curse](#)
- G. [Linda Rianda - 08-11-2026](#)
- H. [Barbara Comnes - 08-12-2026](#)



GENERAL SERVICES ADMINISTRATION

GLENN SPITZER, DIRECTOR

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August 12, 2026

Via Email to listed email addresses

To City Council for the City of Sutter Creek

City Manager Tom DuBois: tdubois@cityofsuttercreek.org

City Planner Erin Ventura: eventura@haugebrueck.com

Re: Embarc THC Dispensary Project (August 17 City Council)

Dear Sutter Creek City Council:

The proliferation of marijuana dispensaries, offering products ***more than 20Xs stronger*** than the marijuana available in the 1990s, has overwhelmed and degraded our youth and culture. The New York Times reports daily marijuana use has grown exponentially from an estimated (1) million daily users in 1992 to an estimated ***18 million*** daily users in 2023, far surpassing alcohol use (at 14 million daily users). The numbers are likely much higher today, and the epidemic is accelerating beyond society's ability to control or address the impacts.

As discussed in the County's June 3, 2026 letter, a recent wave of high-quality metadata studies and large-data-set longitudinal studies (the gold standard of medical research) have ended any legitimate debate about marijuana's effects. Those studies and reports (many released just this year) have been submitted to the City and are available to the public for review. Here is a short summary of the conclusions:

- (1) Adolescents who regularly use marijuana suffer potentially permanent deficiencies in working memory, processing speed, language, and other cognitive functions. (American College of Neuropsychopharmacology (2026));
- (2) IQ in adolescents "decreases by 2 points each year after the start of frequent/dependent use." (European Archives of Psychiatry and Clinical Neuroscience (2024));
- (3) Adolescents who regularly use marijuana are over twice as likely to develop psychotic and bipolar disorders. (Journal of American Medical Association (JAMA)(2026));
- (4) Adolescents who use marijuana had a 58% increase in developing anxiety disorders and 80% increase in suicide attempts. (ScienceDirect (2026));
- (5) Adolescents who *abuse* marijuana (*i.e.*, daily, significant use) show a two to four-fold increase in anxiety disorders, a five-fold increase of major depression, and a five-fold increase in psychosis. (EAPCN (2024));
- (6) Adolescents who use marijuana have decreased education outcomes and a reduced "motivation to engage in everyday activities such as a diminished desire to study or work," or to "engage in social or recreational activities." (EAPCN (2024));
- (7) "A new analysis reveals that more than 40% of drivers who died in motor vehicle crashes tested positive for [THC]." (ScienceDaily (2025));

- (8) Commercial access to marijuana resulted in 469% increase in poison control calls for small children. (California State Auditor (2025));
- (9) Commercial access to marijuana resulted in 1,808% increase in ER visits for persons over 65. (American Geriatrics Society (2023)); and
- (10) Regular use of marijuana caused a six-fold increase in heart attacks for people under 50 years old and a four-fold increase in strokes. (American College of Cardiology (2025)).

Corporations like Embarc push these THC narcotics with horrifying efficiency and sophistication. The product marketing (samples provided by the County) has strong appeal for children. The medical research shows that—despite age-verification security that prevents adolescents from buying at the dispensaries—rates of marijuana abuse for adolescents rise nearly 400% when the drug is commercially accessible and convenient. (American Journal of Preventive Medicine (2026).) These adolescents use what kids call “plugs” to buy the drugs. These are older friends, relatives, and locals on social media willing to make a quick buck. The convenience of a local dispensary—the ease of accessibility—is the most important factor to adolescent drug use.

The EAPCN metadata study also confirmed that claims of benefit are generally meritless or wildly exaggerated. In almost all cases (with limited exception for ailments such as epilepsy and muscle spasticity), the harm significantly outweighs any benefit. For epilepsy, the benefit derives from CBD, not the psychoactive THC component. The study also confirmed that there are more effective and far less harmful drugs available for pain and chemo-induced nausea.

Historical Context: THC narcotics are following a predictable drug epidemic cycle, and are now entering the backlash phase.

Since California legalized marijuana for medical use in the 1990s, the public has been told wild and unsubstantiated claims about how marijuana is harmless and beneficial. And now we have the hard data that proves these claims false. To understand the moment, it is important to put this in a historical context. We have been here before.

Mark Twain famously said, “history doesn’t repeat itself, but it rhymes.” THC narcotics are following the same predictable cycle we’ve seen with previous drug epidemics. The cycle involves three phases:

The Delusion Phase: This phase is characterized by the wild and unsubstantiated claims that the drug is a beneficial wonder drug.

The Profit Phase: This phase is characterized by heavy marketing of the drug followed by reckless profiteering.

The Backlash Phase: This phase is characterized by a consensus recognition by the general public that the drug is ruining lives and degrading society.

Morphine followed the same cycle in the second half of the 19th century. The medical establishment heavily marketed morphine as a cure for pain, depression, coughing, diarrhea, anxiety, alcoholism, etc. The commercialization resulted in the country’s first major addiction

epidemic. It ruined countless lives. Ultimately, medical journals alerted the public to the harms, physicians stopped recommending it, and the public demanded action to address the damage to society. The final nails in the coffin were the 1906 Pure Food and Drug Act and the 1914 Harrison Narcotics Act. Now its use is limited to severe, end-of-life pain.

Cocaine also followed the cycle. In 1887, the U.S. Surgeon General claimed there was no such thing as a cocaine addiction, and he recommended cocaine as a treatment for depression. Sigmund Freud published *Über Coca*, in which he touted cocaine as a miracle drug and a substitute for alcohol “without any of the unpleasant after-effects.” Pharmaceutical companies Merck and Parke Davis marketed cocaine for multiple ailments and made fortunes. American pharmacist John Stith Pemberton founded Coca-Cola, introducing cocaine to the masses. Countless cocaine products came to market around the turn of the century.

Then came the consequences—mass addiction, crime, and ruined lives. Freud’s 12-year addiction finally came to an end after he admitted to himself that his recommendations led to severe addiction and psychosis. In fact, many of the addicts whose lives were destroyed were the same doctors who recommended cocaine as a wonder drug. By the early 20th century, studies and reports of addiction, toxicity, and abuse led to a reversal of attitudes, and the people demanded legislation, which severely restricted the commercial use of cocaine.

THC-related narcotics are still in the profit phase, but are now clearly entering the backlash phase. It is increasingly common to see public outrage, and that trend will grow as the medical research becomes more widely known. This transition from the profit phase to the backlash phase is characterized by a battle between those who seek to maintain the “drug is harmless/beneficial” lie and those who demand the truth and seek change. Over time, those who seek to prop up the lie will appear more and more ridiculous, until there is no one left to believe the lie. The same battle of ideas occurred with morphine and cocaine, and today, no sane person would claim that cocaine and morphine are harmless or beneficial.

Some may see this letter as hyperbolic because they still view marijuana from a perspective of the 1990s or before. Those days are gone. The accessibility, use, and potency of this drug has exploded on our watch. The THC narcotic epidemic is now ground zero in the battle for our children and our culture. Parents are awakening to the reality that these narcotics are dumbing down the youth, stifling their ambition, permanently damaging them psychologically, and making them lazy, docile, and dependent.

A free society depends on our children growing up with purpose, clear-headed, strong-minded, intelligent, and independent. A culture in which tens of millions of people now medicate themselves daily, while corporations like Embarc expand their market with ruthless efficiency and a public-facing smile, is a direct threat to our nation’s continued freedom and prosperity. The time is now to address this epidemic plainly and firmly.

Public health and safety impacts are impacts that must be analyzed under the California Environmental Quality Act (CEQA)

Embarc claims CEQA is unconcerned with the health and safety effects of marijuana on Amador County citizens, but the California Supreme Court holds a different view: “The Legislature has

made clear—in declarations accompanying CEQA’s enactment—that public health and safety are of great importance in the statutory scheme.” (*California Building Industry Assn. v. Bay Area Air Quality Management Dist.* (2015) 62 Cal.4th 369.)

In its staff report, the planners initially dismissed marijuana’s health and safety impacts by mischaracterizing them as “social impacts,” which are generally not cognizable under CEQA. But the County correctly pointed out in its June 22, 2026 letter that a public agency cannot avoid an analysis of public health and safety impacts by simply mischaracterizing those impacts as social impacts.

In response to the County’s letter, in its June 30 letter, Embarc counsel made two arguments: (1) that “CEQA generally does not require an agency to analyze how a project may affect the people who use it” and (2) that the County did not present substantial evidence of the effects of the project. Embarc is wrong on both counts.

1. CEQA is concerned with impacts arising from the project, including the health and safety impacts from THC narcotics.

For support of its first point, Embarc curiously cites *California Building Industry Assn.*, which does not support Embarc’s position in the least. The key holding in *California Building Industry Assn.* is that an agency need not analyze impacts on human health and safety when those humans are invited to an **existing** hazard. In that case, the Association challenged CEQA Guideline section 15162.2(a), which called for an environmental impact report to “identify and focus on the significant environmental effects of the proposed project,” including “any significant environmental effects the project might cause *by bringing development and people into the area affected.*” (*Id.* at p. 385 (emphasis in original).)

In other words, if a developer sought to build a subdivision in an existing flood zone or on an existing fault line, then this Guideline would have required the agency to analyze the impacts on future users of the project, even though the project itself did not *create* the flood or earthquake hazard.

For context, it is important to understand a fundamental rule of CEQA, which is that impacts are measured from the baseline, which is defined as the “existing physical conditions.” (*Communities for a Better Environment v. South Coast Air Quality Management Dist.* (2010) 48 Cal.4th 310, 319.) The proposed Guideline language violated this fundamental rule in that it redefined the baseline and required agencies to analyze that baseline as if it were an impact. The Court ultimately struck the Guideline language as incompatible with CEQA, concluding “that CEQA generally does not require an analysis of how **existing** environmental conditions will impact a project’s future users or residents.” (*Id.* at p. 386 (emphasis added).)

The proposed dispensary project presents an entirely different factual scenario. Embarc is not inviting the public to an *existing* public health and safety issue (such as a flood zone); instead, Embarc is *creating* a public health and safety issue by flooding the County with THC narcotics. Based on Embarc’s pro-forma forecast, it intends to flood the region with \$6,228,954 worth of narcotics in year one, \$6,914,139 in year two, \$8,918,086 in year three, \$9,720,714 in year four, and \$10,595,579 in year five. It’s not as if there were piles of marijuana existing on this site

before Embarc applied for this project. This is not an *existing* public health and safety issue, but one that Embarc seeks to *create*. No one would dispute that CEQA requires an analysis of the impacts *arising from* (i.e., created by) Embarc's dispensary project—and that includes the health and safety impacts.

The entire reason the County cited the Supreme Court case was for the simple point that public health and safety impacts are cognizable CEQA impacts. Embarc does not dispute this point. Naturally CEQA is concerned with the public health and safety impacts on humans—just as CEQA is concerned with the health and safety impacts on any species.

Moreover, Embarc does not dispute the fact that CEQA is also concerned with impacts on governmental services, a point discussed at length in the County's June 22 letter. Sutter Creek's Police Chief recently acknowledged impacts on the Sutter Creek Police Department and the County's Sheriff's Office, concluding: "The introduction of a cannabis dispensary at 11 Ridge Road introduces a distinct, elevated profile of criminal risk that fundamentally exceeds the capacity of current patrol resources." (Jim O'Connell memo.) This criminal strain on resources is separate and apart from the strain on capacity to patrol the roads to address impaired drivers.

2. Embarc's arguments regarding substantial evidence flow from the same erroneous reading of *California Building Industry Assn.*

Embarc's arguments regarding substantial evidence are likewise premised on its mistaken assumption that CEQA is unconcerned with health and safety impacts arising from the proposed dispensary. CEQA is indeed concerned with any and all public health and safety impacts arising from the project. (Pub. Res. Code §§ 21080(d), 21100(a)-(d),(g), 21001(b) and (d).) This defective assumption led Embarc to conclude that any evidence related to marijuana in general is irrelevant and that only site-specific traffic-related evidence is relevant.

Substantial evidence is defined broadly to include "enough relevant information and reasonable inferences from this information that a fair argument can be made to support a conclusion, even though other conclusions might also be reached." (CEQA Guidelines, § 15384(a).) Substantial evidence excludes argument, speculation, unsubstantiated opinion or narrative, evidence which is clearly erroneous or inaccurate, or evidence of social or economic impacts. (*Id.*) It includes "facts, reasonable assumptions predicated upon facts, and expert opinion supported by facts." (CEQA Guidelines, § 15384(b).)

The research studies presented by the County are a compilation of factual observations of the harmful effects of marijuana on humans. This is empirical evidence—not "argument," not "speculation," not "unsubstantiated opinion or narrative," and not "clearly erroneous or inaccurate evidence." The studies were published by the most prominent medical institutions on the planet and easily verifiable. The studies were performed on humans. Humans also live in Amador County. It is reasonable to conclude that Embarc's THC narcotics will have similar impacts on the humans that live in Amador County. Accordingly, the studies are relevant and qualify as substantial evidence related to Embarc's project.

The California Supreme Court recently reinforced the County’s argument that the “existing facilities” exemption is improper because the expansion of use is not “negligible.”

In its June 30 letter, Embarc argued that the County’s “existing facilities” argument was baseless in part because the California Supreme Court was reviewing *Sunflower Alliance v. Dept. of Conservation* (2024) 105 Cal.App.5th 771, a case on which the County relies. The California Supreme Court cite is 20 Cal.5th 22.

The County’s reliance on this case was not negatively impacted by the recent Supreme Court decision; the decision only reinforces the County’s argument. The County cited the appellate case to assist explaining the threshold for “negligible.” The Guideline states that the “existing facilities” exemption only applies to minor alterations of existing facilities “*involving negligible or no expansion of existing or former use.*” (CEQA Guidelines, § 15301 (emphasis added).) The exemption itself states: “The key consideration is whether the project involves negligible or no expansion of use.” (*Id.*)

The County quoted the lower *Sunflower Alliance* case merely to explain that the term “negligible” sets the outer limits of a permissible expansion. (*Sunflower Alliance*, 105 Cal.App.5th at p. 784.) The court noted that “[t]he plain meaning of ‘negligible’ is small, unimportant, or inconsequential.” (*Id.*) This point is supported by the plain language of the Guideline itself, and the Supreme Court did nothing to disturb this common sense explanation.

The Supreme Court’s focus was on the term “use.” The Supreme Court clarified that “the phrase ‘negligible or no expansion of existing or former use’ refers to the change in the *nature* or *degree* of a structure or facility’s use, not the risk of environmental harm caused by such a change in use.” (*Sunflower Alliance v. Dept. of Conservation* (2026) 20 Cal.5th 22, 48-49 (emphasis added).)

This holding bolsters the County’s argument. The County was not myopically focusing on the risk of increased environmental harm arising from the expanded use of the site. Instead, the County was (and is) focusing on the fact that the dispensary project presents a *significant* change in the *nature* and *degree* of the previous bank use.

The daily trip evidence reinforces that point—not merely from an environmental impact perspective, but from a use perspective. According to the County’s traffic engineer, with reference to the ITE Trip Generation Manual 12th Edition, the proposed dispensary use is expected to generate approximately 606 daily trips when evaluated correctly (*i.e.*, using the *gross* floor area instead of the *retail* floor area). In terms of *degree* of use, the dispensary is substantially more intense, particularly when one considers that the bank has not been operational for approximately seven years. To put 606 daily trips in perspective, when a potential use generates 200 daily trips, the County’s Transportation Impact Study Guidelines generally require a traffic study.

Moreover, the project proposes a significant change in the *nature* of the use of the facility—from a low-intensity bank use to high-intensity marijuana dispensary use that has a likely potential to transform the region. As the Sutter Creek Chief of Police, Jim O’Connell, stated in his memorandum to the Council: “Given the types of high-priority crimes associated with

dispensaries-specifically armed robberies and organized burglaries involving multiple suspects, the City of Sutter Creek's ability to respond with 'only one officer on duty' creates an unacceptable risk to both the officer and the community."

The proposed dispensary presents a potentially significant safety issue on Ridge Road at and between the intersections of Sutter Hill Road and State Highway 49.

In its June 30 and July 3 letters, Embarc mischaracterizes the County's concerns regarding traffic. Citing CEQA Guidelines, Section 15064.3, Embarc correctly points out that CEQA now generally requires a traffic analysis that focuses on vehicle miles traveled and not on congestion and level of service. But this misses the point entirely. The County is not focusing on *congestion*, the County is focusing on *safety*.

Public Resource Code section 21099, which is the law that directed the Office of Planning and Research to develop the Guideline 15064.3, reads in relevant part as follows:

This subdivision does not relieve a public agency of the requirement to analyze a project's potentially significant transportation impacts related to air quality, noise, safety, or any other impact associated with transportation. The methodology established by these guidelines shall not create a presumption that a project will not result in significant impacts related to air quality, noise, safety, or any other impact associated with transportation.

(Pub. Res. Code § 21099(b)(3).)

The County is focused on a potentially significant traffic safety issue on Ridge Road from the intersections of Sutter Hill Road and leading to the intersection of Highway 49. The area is already heavily congested during peak hours. Making matters worse, many residents access Highway 49 (myself included) from Sutter Hill Road, which ends at Ridge Road directly across from the proposed dispensary.

The safety issue arises from the fact that the dispensary alone will generate an estimated additional 606 daily trips within a quiet shopping center that probably generates a total of 50 daily trips presently. This severe increase will pose potentially significant safety issues on this congested intersection.

I have personally witnessed that the turn lanes on Ridge Road for Highway 49 often do not fully accommodate all turning vehicles during peak hours. The left-side turn lane ends in front of the proposed dispensary, and traffic is often backed-up into the single through-lane (thereby blocking through traffic). To safely accommodate the new traffic from the dispensary, the road may have to be reengineered with new striping. Also, the ingress/egress for the dispensary will likely need to be reengineered.

A traffic engineer report will be presented to the City prior to the August 17 meeting. This report will provide greater detail of the potential safety impacts.

The “Common Sense” exemption has no application to the dispensary project.

Staff relies on two exemptions: the “existing facilities” categorical exemption (discussed above) and the “common sense” exemption. The common sense exemption has no application to this project because it requires the City “to be *certain* that there is *no possibility* the project may cause significant environmental impacts.” (*Davidon Homes v. City of San Jose* (1997) 54 Cal.App.4th 106, 117; CEQA Guidelines, § 15061(b)(3).)

As the *Davidon Homes* court noted, the common sense exemption lacks the implied finding that the project will have no significant impact (as other exemptions have). (*Id.* at p. 116.) This means the initial burden is on the City to show “with certainty” that the activity will have no impact, and this initial showing is particularly important where the project opponents raise arguments regarding the possibility of significant impacts. (*Id.* at p. 117; *Muzzy Ranch Co. v. Solano County Airport Land Use Com.* (2007) 41 Cal.4th 372, 385-386.)

It is likely that, because the common sense exemption is plainly inapplicable to this project, Embarc does not even attempt to defend it in its June 30 letter.

The “Unusual Circumstances” exception prevents the use of any categorical exemption (including the “existing facilities” exemption).

As the County noted in its June 22 letter, “a categorical exemption shall not be used for an activity where there is a *reasonable possibility* that the activity will have a significant effect on the environment *due to unusual circumstances*.” (CEQA Guidelines, § 15300.2(c)(emphasis added); *Berkeley Hillside Preservation v. City of Berkeley* (2015) 60 Cal.4th 1086, 1104.)

Citing basic common sense as well as *Walters v. City of Redondo Beach*, (2016) 1 Cal.App.5th 809, the County argued that the first-ever THC dispensary in the County plainly qualifies as an unusual circumstance under the Guidelines. In its June 30 letter, Embarc countered by arguing that marijuana is “a lawful, state-regulated use expressly authorized by Proposition 64; its novelty in Amador County is a political and regulatory fact, not an environmental one.”

Embarc’s misguided rebuttal flows from the same error discussed above. Namely, Embarc incorrectly assumed that marijuana’s effect on the health and safety of Amador County residents is irrelevant under CEQA. As discussed above, Embarc is wrong. Moreover, it is irrelevant if the impact arises from a “lawful, state-regulated” activity. Indeed, virtually all activities for which people seek a permit are lawful and state-regulated. This does not mean those activities are devoid of environmental impacts and exempt from CEQA review.

The additional 8% sales tax is unlawful because it was not approved by the electorate.

Proposition 218 added Articles XIII C and D to the California Constitution. Article XIII C, Section 2(b), states in relevant part that no taxes may be imposed “until that tax is submitted to the electorate and approved by a majority vote.” The term “tax” is defined broadly in Article XIII C, section 1, subdivision (e).

Prop 218 severely limits a city’s ability to impose taxes, and it has seven narrow exceptions to

the broad “tax” definition. One of the exceptions is “A charge imposed as a condition of property development.” (Cal. Const., Art. XIII C, Sec. 1, Subd. (b)(6).) This is the exception Embarc attempts to utilize to bypass the Prop 218 requirements of voter approval.

The obvious problem with the use of this exception is that Embarc’s purported “development agreement” does not qualify as a development agreement under California law. Instead, it is merely a revenue sharing agreement related to the operation of the facility dressed up as a development agreement for the sole purpose of getting around Prop 218.

Development agreements are governed under, and defined by, Government Code sections 65864, *et seq.* In its June 30 letter, Embarc acknowledged this point. However, Embarc failed to address the fact that the purported development agreement plainly fails to meet the requirements imposed by the Government Code. The most obvious defects are that the agreement does not pay for public facilities related to the project, and that the City is not making the basic findings required by the Government Code related to the accounting of the public facility financing.

Government Code section 65865(a) authorizes any city to enter into a development agreement, but states that the agreement “shall comply with Section 66006 with respect to any fee it receives or cost it recovers pursuant to this article.” (Gov’t Code § 65865(e).)

The Mitigation Fee Act (Act) is codified in Government Code sections 66000-66008. Qualifying “fees” under the Act are defined as “a monetary exaction other than a tax or special assessment ... that is charged by a local agency to the applicant in connection with approval of a development project *for the purpose of defraying all or a portion of the cost of public facilities related to the development project*” (Gov’t Code § 66000(b) (emphasis added).)

“Development project” is defined as any project undertaken for the purpose of development and construction, and it specifically excludes the *operation* of the development. (Gov’t Code § 66000(a).)

Government Code section 66001 requires the City to specifically describe (1) the purpose of the fee, (2) the use of the fee (*e.g.*, which public facility it is used to finance), (3) the relationship between the fee and the type of development project, and (4) the relationship between the need for the public facility the fee is funding and the type of development project on which the fee is imposed. (Gov’t Code § 66001(a).)

The Government Code also requires the City to determine the reasonable relationship between the amount of the fee and the cost of the public facility attributable to the development on which the fee is imposed. (Gov’t Code § 66001(b).) Government Code section 66006 imposes specific accounting requirements on the City for the financing of those public facilities the development agreement is intended to finance.

The purported “development agreement” between Embarc and the City meets none of these requirements for statutory development agreements for the simple reason that this agreement has nothing to do with the financing of public facilities intended to serve the proposed dispensary.

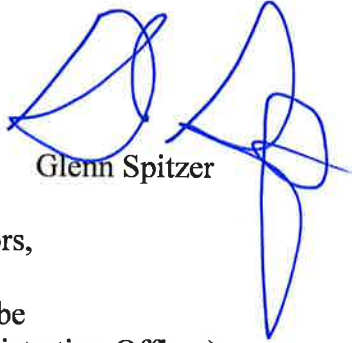
Instead, the agreement is merely a revenue sharing agreement dressed up as a development agreement in a shallow attempt to avoid the requirements of Prop 218. The effect of the agreement, in fact and in law, is to impose a tax on the consumer without his or her consent.

Conclusion

In conclusion, for all the reasons stated above, the County respectfully requests that the City deny this project application. The project is in direct conflict with the general welfare of the community, and it is unlawful in several respects.

Thank you for allowing the County to comment.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Glenn Spitzer', with a stylized, looping flourish extending from the end.

cc: County Board of Supervisors,
Sheriff Gary Redman
District Attorney Todd Riebe
Chuck Iley (County Administration Officer),
Greg Gillott (County Counsel)

August 12, 2026

Via Email

Derek Cole, City Attorney
City of Sutter Creek
18 Main Street
Sutter Creek, California 95685

Re: Proposed Embarc ordinance, development agreement, and 11 Ridge Road entitlements request for continuance, complete record, and open participation

Dear Mr. Cole:

Our office represents Tom Calmese, a long-standing Sierra Foothill cannabis operator who operates licensed dispensaries in San Andreas, Sonora, and Arnold. Mr. Calmese is evaluating a compliant retail proposal at 125 and 130 Central Eureka Street in Sutter Creek. He has operated in the region for more than a decade and is prepared to submit a complete application, enter a development agreement, provide meaningful local benefits, and participate in a transparent public process.

We have reviewed the July 8, 2026 Planning Commission packet regarding Sutter Creek Responsible and Compliant Retail LLC d/b/a Embarc's proposal at 11 Ridge Road. We write in a constructive spirit. While the City has legitimate authority to regulate cannabis retail and may determine that carefully controlled local retail access serves the community, our concern is not that the City must reject Embarc, it is that the City should not, on the present record, permanently vest a single private applicant with the City's sole cannabis-retail opportunity while excluding other qualified operators. Moreover, material legal, environmental, and process questions remain unresolved and could subject the current Embarc project to further scrutiny and potential legal challenge. We hope to collaborate with the City in mitigating risk and avoiding further controversy in any respect.

1. Need to Revisit CEQA Analysis for the Project

As you know, CEQA applies to discretionary public-agency approvals, expressly including enactment and amendment of zoning ordinances and issuance of CUPs, unless an exemption applies [Pub. Res. Code § 21080(a)] with categorical exemptions available only for projects fitting a designated class and not subject to an exception. CCR §15301 covers operation, permitting, leasing, licensing, or minor alteration of existing facilities involving negligible or no expansion of use;

However, the proposed Notice of Exemption describes a project that includes the zoning amendment, development agreement, CUP, site plan, and sign permit. The stated basis for the Class 1 categorical exemption focuses on reuse of the former bank building and replacement sign copy. A Class 1 exemption may ultimately be appropriate for the limited tenant improvements, but the planning commission record is lacking any base of reference to relevant traffic studies, nor does it include any analysis let alone proposed mitigation measures for prospective cumulative impacts of increased customer traffic on the community for a project that proposes drawing business from across the region. Further, it appears that the estimate of 195 vehicle trips per day was an estimate provided by the applicant, itself, rather than from an objective quantitative analysis. The record should identify source studies, the precise denominator (entire 2,662-square-foot building or 1,300-square-foot sales floor), the actual former-bank baseline, peak-hour assumptions, delivery/armored-car trips, and why the cited range supports the conclusion. The Council should not rely on a staff conclusion without the underlying calculations and source reports. Accordingly, an exception under CEQA Guidelines §15300.2 may not be defensible.

The transportation record particularly warrants closer review. Staff relies on the Governor's Office of Land Use and Climate Innovation (formerly the office of Planning and Research 'OPR') premise that locally serving retail generally reduces Vehicle Miles Traveled (VMT). But Embarc's own materials characterize the Highway 49/Ridge Road location as serving a broad geographic area beyond Sutter Creek, including Amador County and surrounding foothill communities. OPR's technical advisory distinguishes local-serving retail from regional-serving retail and recommends analysis of the net change in total VMT for retail projects. This level of research is absent from the Planning Commission record which creates an additional question as to whether an affirmative decision as to finding 'C' (The proposed uses would not be detrimental to the public health, safety, or general welfare') could be reasonably supported to withstand a prospective legal challenge.

We suggest a recommendation to the Council that this matter be continued, pending further analysis, consideration and discussion, including consideration of whether concentration of all commercial cannabis retail sales at a single location within a 30-mile radius may be appropriate, versus potentially allowing a second location which would serve to diffuse traffic concentration and provide additional convenience for local and regional consumers. The City should seek to obtain independent review of the project description, the Class 1 finding and exceptions, the local-versus-regional market characterization, and the traffic/VMT/parking assumptions. The record should disclose the source data and calculations behind the stated daily-trip estimate, including the former-bank baseline and anticipated delivery/dispatch operations. Currently the CEQA exception analysis is conclusory as it lacks an independently documented analysis of the potentially regional retail draw, cross-jurisdiction trips, cumulative traffic/parking/circulation, air quality, operational security/queuing effects, or the citywide regulatory change. This is not to suggest a full EIR is necessary, it is merely an observation that a fully defensible, whole-project environmental record does not appear to be advancing to Council for the August 17, 2026 meeting which may ultimately lead to a revocable legislative decision, if challenged.

2. The CUP and Amendment Findings Lack Evidence as to Public Convenience and Consistency with Established Policy

The proposed ordinance would authorize a storefront dispensary “in any zone” by CUP while simultaneously limiting the City to one operating dispensary. A site-specific C-2 compatibility finding does not itself establish the policy consistency of a use authorized in 'any' zone by CUP while creating an exclusive marketplace for a single operator. The Council should either limit the amendment to defined suitable districts or make the policy analysis explicit.

The record explains why the City may choose to permit cannabis retail, but it does not explain why public convenience, consumer choice, pricing, access, local investment, and fiscal benefit are best served by awarding the only opportunity to a single applicant without an open opportunity for other qualified operators, let alone fostering a competitive local marketplace such as that which exists in nearby San Andreas, which shares a similar population demographic to the City of Sutter Creek. This also seems to defy an affirmative finding 'A' ('The proposed uses of the property are desirable to the public convenience or welfare') as stated in the Planning Commission Staff Report as required under Sutter Creek Municipal Code 18.60.040.

The City can preserve (and enhance) safety, local benefits, and meaningful control while accepting applications from more than one qualified operator, applying objective criteria, and allowing the Council to compare public benefits rather than irreversibly vesting a single applicant before an open opportunity exists.

3. The Current Legislative Record Lacks Foundation

The Planning Commission packet describes the zoning amendment, development agreement, CUP, site plan, and sign permit as a “complete, interconnected package.” Yet the proposed development agreement contains uncompleted fields for hearing dates, resolution numbers, and planning-area information, and includes Council-approval recitals in the past tense before Council action. The proposed Planning Commission resolutions also include uncompleted resolution/vote fields.

Because a development agreement is a legislative act that must be approved by ordinance and supported by a legislative-body finding of consistency with the General Plan and any applicable specific plan, see Gov. Code §65867.5, the Council should receive a complete final agreement, a redline from the Planning Commission version, and specific consistency findings tied to actual General Plan policies. The City should also circulate the final Council agenda packet and all supporting materials with sufficient time for meaningful public review.

///

4. Transparency Surrounding Financial Projections and Conflict(s) of Interest

The proposed DA requires an 8% payment on gross receipts and describes that payment as consideration for vested rights, regulatory administration, compliance monitoring, law-enforcement coordination, and other City services. Staff’s forecast treats the payment as a major anticipated revenue source. Before final action, the City should make available the legal analysis, cost/consideration support, drafts, redlines, and communications concerning that payment, as well as the material describing how the separate community fund will be administered. The City should further consider the 'Community Fund' to which Embarc is purportedly committing 1% of its gross revenue, while also appearing to be independently organized and administered by Embarc itself. Absent input from established community organizations with a proven record of raising and distributing resources to benefit the local community, the self-directed Embarc fund may present various issues around conflict of interest and potential financial collusion.

We also request that the City preserve all project records and ensure that all officials have completed any required conflict review and recusal analysis. We make no accusation against any official. We do ask that any actual or potential financial interests, including interests in nearby property, be addressed through the appropriate documented process before the Council acts. The same is true of communications that may bear on the timing, selection process, or development of the project. Notably, the Staff report explicitly states that Embarc, as applicant *requested* the zoning amendment creating an exclusive opportunity for itself to do business as a cannabis retailer in the City. This lends itself to an assumption that the City has deferred to the will of a private entity without exercising proper due diligence and discretion prior to advancing an exclusive, lucrative opportunity for a single private party.

On July 29 and August 11 my office advanced Public Records Act requests which seek much of this material. It is concerning that the City's response to our July 29 request cites 'unusual circumstances' under California Government Code section 7922.535(b), and requests a 14-day extension to August 21, which has the City at best continuing to search, or at worst, intentionally withholding these records until the City Council's decision on August 17 is made. Given the scheduled Council action, please provide the responsive final Council packet, CEQA and traffic materials, agency comment letters, DA drafts/redlines, and communications concerning the selection and financial terms as promptly as possible.

5. Allow Open and Equal Participation by Qualified Operator(s)

Mr. Calmese asks the City to allow his proposal to be considered on equal terms.

The City can preserve careful local control while either:

- 1. Revising the ordinance to allow more than one qualified operator in suitable commercial zones; or

2. Establishing a public, neutral application process with published criteria, a defined application period, consistent environmental review, and a transparent comparison of qualifications, community benefits, fiscal terms, site suitability, and public-safety measures.

An open process, if warranted under these circumstances, again, pending further discussion, would reduce risk, strengthen the administrative record, and give residents the benefit of informed choice. It would not require the City to lower its standards or to approve any applicant, per se.

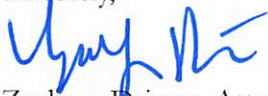
Requested Action

For these reasons, Mr. Calmese respectfully asks the City Council to:

- Continue the proposed ordinance, DA, and associated entitlements;
- Direct preparation of a complete public record and independent CEQA review appropriate to the integrated project;
- Circulate a corrected final DA and explicit General Plan consistency findings;
- Defer any exclusivity or vesting decision until the City establishes an open, objective path for qualified applicants, including Mr. Calmese; and
- Preserve and produce the requested records, and complete any applicable conflict review.

We would welcome the opportunity to meet with you and City staff promptly to discuss a process that allows the City to retain local control, protect public safety, secure legitimate community benefits, and avoid excluding a qualified local operator without a transparent basis.

Sincerely,



Zachary Drivon, Attorney & CEO
Drivon Consulting, Inc.

cc: City Council; Tom DuBois, City Manager; Alejandra Zambrano, Interim City Clerk; Tom Calmese; Kevin Marchese



Honorable Sutter Creek City Council Members:

I have served in law enforcement for more than 30 years. Throughout my career, I have witnessed firsthand the challenges that communities face when addressing issues related to public safety, illegal activity, and substance use. Based on that experience, I have significant concerns regarding the potential establishment of a cannabis dispensary in the City of Sutter Creek.

First, I recognize that the legalization of marijuana has provided certain benefits, including regulated access and tax revenue. However, legalization does not eliminate the public-safety concerns associated with cannabis. Licensed dispensaries can become targets for theft, burglary, and other criminal activity, including incidents that can involve violence. Both Calaveras and Amador Counties have experienced homicides associated with marijuana-related activity. These incidents place not only dispensary employees at risk, but also neighboring residents and members of the surrounding community.

Second, while licensed dispensaries are required to comply with state and local regulations, an illegal cannabis market continues to exist. Unlicensed operators may sell unregulated products that can pose risks to consumers. This illicit market undermines legitimate businesses, creates additional challenges for law enforcement, and makes it more difficult to monitor the quality, distribution, and ultimate source of cannabis products.

Third, impaired driving remains a significant public-safety concern. As cannabis becomes more accessible, law enforcement agencies must continue to address the dangers associated with driving under the influence of marijuana. Impaired drivers put every person traveling on our roads at risk. Law enforcement agencies are continually working to improve detection, enforcement, and prevention, but these efforts require additional time and resources.

There are also potential fiscal impacts to my office and to Amador County that may not be accompanied by any corresponding compensation. A cannabis dispensary could potentially result in increased calls for service, arrests, investigations, traffic-related incidents, and medical emergencies. These demands could extend beyond the boundaries of the City of Sutter Creek and

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place additional responsibilities on county law enforcement and emergency communications resources.

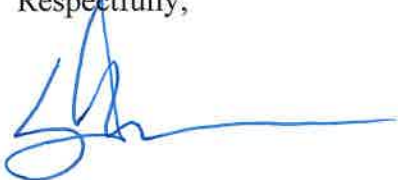
I also understand that the Amador County Board of Supervisors and the Trustees of the Amador County Unified School District have expressed the position that a cannabis dispensary is not in the best interests of the District, its students, Amador County, or the City of Sutter Creek. Based on my more than 30 years of law-enforcement experience and my responsibility for public safety, I concur with that assessment.

Ultimately, the decision before the Council is about more than whether a dispensary can operate under a regulatory framework. It is also about considering the broader public-safety, law-enforcement, emergency-response, and community impacts that may accompany such an operation.

I respectfully ask the Sutter Creek City Council to carefully consider these concerns and the potential burden on local and county public-safety resources before making a decision regarding a cannabis dispensary in Sutter Creek.

Thank you for your consideration and for your continued commitment to the safety and well-being of our community.

Respectfully,



Gary W. Redman
Sheriff-Coroner
Amador County Sheriff's Office

Todd D. Riebe
District Attorney

Criminal Division (209) 223-6444
Facsimile (209) 223-6304
Investigations (209) 223-6444
Victim Witness (209) 223-6474



August 14, 2026

[Via e-mail to listed addresses]
City Councilmembers, City of Sutter Creek
City Manager Tom DuBois [tdubois@cityofsuttercreek.org]
City Planner Erin Ventura [eventura@haugebrueck.com]

Re: Embarc Dispensary Project Proposal

Honorable Councilmembers, Mr. DuBois, and Ms. Ventura:

I write on behalf of the District Attorney's Office to urge your consideration of the opposition to the Embarc Dispensary Project. We reference the letters submitted by our colleagues on behalf of the County, particularly Sheriff Redman and General Services Administration Director Spitzer, alongside Chief O'Connell and the Amador County Unified School District outlining the very real and practical implications of a dispensary in Sutter Creek.

Our office's opposition is based upon the following issues: (1) the known public safety impacts to the City and the County; (2) the danger of increased access to marijuana and cannabinoids to minors and impacts to our schools; and (3) that the promised benefits to the City of Sutter Creek are illusory and far outweighed by the negative impacts to the County.

This is no comment upon the legalized recreational and medicinal use of cannabis products by adults. Safe and legal access to those products is already available to those consumers. But plainly, allowing the dispensary makes it easier for the next location to become established, and for Amador to share in the problems that plague surrounding counties.

Public Safety Impacts

The staffing and patrol constraints referenced by Sheriff Redman and Chief O'Connell are well-taken. In addition to enforcement and arrests, though, the impact of any crimes connected to a dispensary location extends through the investigation, charging, and prosecution of those offenses, all the responsibility of the District Attorney's Office. Our superior court and public defenders would further carry the obligations of those additional cases on the docket.

This office has investigated and prosecuted multiple marijuana-related crimes, all of which occurred because of the cash and processed cannabis available on-hand. In 2011, there was an attempted robbery of an illegal marijuana grow in the Carbondale area, which resulted in the murder of the operation's caretaker. Another robbery and shooting occurred with a man who was selling marijuana from his home at the 49er Trailer Village. Owing to enforcement efforts here against illegal mass cultivation, and the consistent position of County Supervisors on marijuana-related issues, we have been spared more frequent crime than our neighbors.

While a storefront is distinguished from black or grey-market cannabis cultivation, it presents the same vulnerability: it is well-known that dispensaries have cash on premises because the state will not allow them to have business accounts at an FDIC-insured bank. In many places, dispensaries have been robbed. Patrons of a dispensary in the proposed location are also vulnerable – with only a few main roads traversing the area, most of which are not highly-traveled or well-lit, there is opportunity for those who would target their purchases.

This dispensary will be located near a thoroughfare for patrons of the Jackson Rancheria Casino. Some of those patrons will purchase products and use or sell them on Casino grounds. That already occurs, but with a local dispensary, it will be even more convenient. And when patrons elect to use their purchases and drive those roads, it will exacerbate the significant problem we face with DUIs here – which include marijuana-related DUIs. Despite our rural location and size, Amador County has an outsized ratio of alcohol and substance-related traffic fatalities. When it comes to impairment from cannabis or other ingested substances, too many drivers still perceive that usage is without risk. Those cases are also more difficult to prove, requiring specialized training among patrol officers to identify signs of impairment and expert evaluation and testimony – additional staffing and prosecution costs.

Increased Access to Cannabis Products by Minors

Minors will undoubtedly have greater access to marijuana and cannabis products that will be given to them by young adults who are able to purchase the products from the dispensary. The demand is there. Just months ago, ACCNET (Amador County Combined Narcotics Enforcement Team) agents investigated and shut down a business near the proposed location of the Embarcadero dispensary. Evidence established that the proprietor had a steady cash trade selling THC-containing vape pens to minors. The investigation began when a 14-year-old was taken to the hospital for treatment, having ingested legally purchased THC gummies. Marijuana-induced psychosis is a real thing that can hit youth hard, particularly those with undiagnosed mental illness and/or anxiety. For all these reasons, and more, ACUSD has taken a position in opposition to the proposed dispensary.

Any Fiscal Benefit is Uncertain and Outweighed by These Costs

The promised revenue to the City of \$1.6 million is illusory. These figures are extended in every jurisdiction that has considered approving a dispensary – and those numbers are not reached across the board. Even if they were to deliver, the financial benefit is far outweighed by the public safety, youth and medical impacts and costs that will be borne by the City and the County. Our neighbors in Calaveras County, which still faces ongoing budget shortfalls, struggle with the consequences of the approval of dispensaries and related difficulty of enforcement on larger marijuana grows. Please don't start that process in Amador County. It will detrimentally impact our quality of life. Any monetary gain – which has not been realized – is just not worth the cost.

Respectfully:



Caitlin M. Casey
Chief Assistant District Attorney

August 14, 2026

Via Email

Honorable Members of the City Council
Mayor Claire Gunselman (cgunselman@cityofsuttercreek.org)
Julia Sierk (jsierk@cityofsuttercreek.org)
Susan Feist (sfeist@cityofsuttercreek.org)
Dan Riordan (driordan@cityofsuttercreek.org)
Jim Swift (jswift@cityofsuttercreek.org)
City of Sutter Creek
18 Main Street
Sutter Creek, California 95685
Attn: Tom DuBois, City Manager (tdubois@cityofsuttercreek.org)

**Re: Comment Letter Regarding Proposed Cannabis Retail Facility at 11 Ridge Road
(APN: 044-020-063); August 17, 2026 City Council Hearing
-- Consolidated Response to the August 12, 2026 Comment Letters of Amador County and
of Drivon Consulting, Inc. (on behalf of Tom Calmese)**

Dear Honorable Councilmembers:

This firm has been retained as land use counsel to represent Sutter Creek Responsible and Compliant Retail LLC (“Applicant”) in this matter. This letter responds to two comment letters submitted to the Council on August 12, 2026: the comment letter of Amador County General Services Administration Director Glenn Spitzer (the “County Letter”), and the letter of Zachary Drivon of Drivon Consulting, Inc., on behalf of Tom Calmese (the “Calmese Letter”). Both urge the Council to reject or continue a project that this City’s own Planning Commission approved unanimously, that City staff has recommended for approval, and that the City Attorney has signed off on from a legal perspective. We respond to both here, so that the record before the Council is complete.

County Letter. This is the County’s fifth letter opposing a project located entirely within the City of Sutter Creek’s jurisdiction. Across five letters over four months, the County has not submitted a single compelling argument. The most recent letter instead recycles previously rebutted CEQA arguments, introduces a new traffic methodology engineered to inflate trip counts, and compares Applicant to nineteenth-century morphine and cocaine profiteers. This is a neighboring jurisdiction

raising policy concerns regarding a land use decision that belongs exclusively to this Council and this community. We respect the County's right to comment. We do not, however, mistake five months of escalating pressure for substantial evidence of an environmental impact under CEQA.

Calmese Letter. Mr. Calmese is the owner and operator of cannabis dispensaries in San Andreas, Sonora, and Arnold, all located within approximately 22 to 32 miles of Sutter Creek along the Highway 49 corridor. Those dispensaries currently serve Sutter Creek residents who have no local cannabis retail option; every Sutter Creek resident who purchases cannabis today makes a round trip of 44 to 64 miles to do so, generating vehicle miles traveled that leave the City and its tax base and benefit Mr. Calmese's operations in neighboring counties. The project would capture those trips locally and return the associated revenue to Sutter Creek. Mr. Calmese's financial interest in the outcome is direct, substantial, and undisclosed. The Calmese Letter is framed as a good-governance concern about process, CEQA completeness, and public participation; in substance, it is a competing operator's effort to delay a project that would reduce his regional market share. The Council is entitled to weigh his arguments with that interest in view.

1. The Science on Cannabis Is More Nuanced Than the County Presents — and the Regulatory Framework Already Accounts for the Risks.

The County's August letter draws on an extensive collection of medical studies to argue that cannabis commercialization is categorically harmful, particularly to adolescents. Applicant takes public health seriously and does not dismiss the studies the County cites. Cannabis carries real risks, particularly for developing brains, and those risks are precisely why California's regulatory framework is among the most stringent in the world.

What the County's presentation omits is the substantial body of evidence that cuts in the other direction, and the critical distinction between regulated and unregulated access. The National Institute on Drug Abuse, the Centers for Disease Control, and peer-reviewed research published in journals including JAMA and the Journal of Studies on Alcohol and Drugs have consistently found that states with legal, regulated adult-use cannabis markets have not experienced statistically significant increases in adolescent cannabis use rates compared to states where cannabis remains illegal. The most current data from California's own Department of Public Health shows that teen cannabis use rates in California have remained flat or declined in the years since Proposition 64's implementation. The mechanism is intuitive: a licensed dispensary with mandatory age verification, state-required track-and-trace inventory systems, and real consequences for compliance failures is a meaningfully higher barrier to adolescent access than an unregulated market with no verification and no accountability.

The County also omits the significant body of evidence on cannabis's therapeutic benefits. The National Academies of Sciences, Engineering, and Medicine's comprehensive 2017 report, updated with subsequent research, found conclusive or substantial evidence that cannabis and

cannabinoids are effective for the treatment of chronic pain, chemotherapy-induced nausea and vomiting, and patient-reported spasticity in multiple sclerosis, and subsequent research has documented beneficial applications for PTSD, anxiety disorders, and palliative care. The County's characterization of cannabis as a "narcotic" with no legitimate therapeutic application is not consistent with the current scientific consensus or with federal rescheduling proceedings.

None of this is offered to minimize legitimate concerns. It is offered to place the County's submission in context: it presents one side of a genuinely contested scientific and policy debate that California voters resolved in 2016. The proposed project — a single, heavily regulated retail storefront with mandatory state licensing, real-time law enforcement camera access, employee background checks, and a youth education program funded by the operator — represents exactly the kind of responsible implementation the voters authorized.

As a matter of CEQA law, the County's health studies do not constitute substantial evidence of a significant environmental effect arising from this specific project at this specific site. (Pub. Res. Code § 21080(e); CEQA Guidelines § 15384 ["evidence of social or economic impacts which do not contribute to or are not caused by **physical impacts on the environment** does not constitute substantial evidence"], emphasis added.) On a challenge to a categorical exemption, the party opposing the exemption bears the burden of producing substantial evidence that an exception applies. (*Berkeley Hillside Preservation v. City of Berkeley* (2015) 60 Cal.4th 1086, 1105.) CEQA requires site-specific evidence, not macro-level population studies applied wholesale to a single community retail business. Policy disagreement with cannabis legalization, however sincerely held, does not satisfy CEQA's substantial-evidence standard.

We also note that the County's invocation of the Sutter Creek Police Chief's memorandum, though offered to argue against the project, in fact supports the Development Agreement's fee structure. Chief O'Connell's assessment that a dispensary creates elevated law-enforcement demands documents the very regulatory burden for which the City negotiated its Retail Fee. The Development Agreement's Fee Payments provisions expressly identify law-enforcement coordination, surveillance-access administration, and ALPR program administration among the City regulatory services for which the fee is consideration. The Chief's analysis therefore confirms that the negotiated fee bears a fair and reasonable relationship to the City's regulatory burdens and to the benefits conferred on the operator — evidence that strengthens the record in support of the fee, not the County's position. To be clear, the conclusion of the Chief's assessment is that additional law enforcement resources should be funded, and not that the project should be denied. Applicant agrees.

2. The Traffic and VMT Analysis Is Correct; Trip Counts Are Not Reliable Evidence of a Significant Impact.

Both letters attack the project's transportation analysis: the County with a new trip-count figure, and the Calmese Letter by questioning the "denominator" and the source of the staff estimate. Neither identifies a significant transportation impact under current California law, and the trip-count criticisms do not withstand scrutiny.

The traffic methodology that is to be used under CEQA is well established, and is what City staff has used for the project. Vehicle miles traveled (VMT) is the CEQA standard that is used relating to traffic impacts. (Pub. Res. Code § 21099; CEQA Guidelines § 15064.3.) In this regard, a "lead agency has discretion to choose the most appropriate methodology to evaluate a project's vehicle miles traveled, including whether to express the change in absolute terms, per capita, per household or in any other measure. A lead agency may use models to estimate a project's vehicle miles traveled, and may revise those estimates to reflect professional judgment based on substantial evidence." (CEQA Guidelines § 15064.3.) Here, relying on sound ITE methodology, the City has concluded that 1) the correct denominator to be used for the VMT analysis is 1,300 square feet of retail floor area, which is the customer-accessible selling space of the project (excluding back-office, storage areas, and the like), and 2) that the project actually reduces VMT, given the net trips that is saves by providing a local source of cannabis for people who normally drive over 40 miles away.

The County has advanced three different trip-generation figures — first 195, then 517 to 880, and now 606 — using three different methodologies, each produced after the prior one was rebutted, and none a correct application of ITE methodology to this site. The County's most recent 606 trip figure rests on a single indefensible choice: the engineer applied gross floor area (2,662 square feet) rather than retail floor area (1,300 square feet) as the independent variable in the ITE formula. This same choice answers the Calmese Letter's "denominator" question. ITE Land Use Code 882 (Marijuana Dispensary) uses floor area as the independent variable, but "floor area" for trip-generation purposes means customer-accessible selling space — the space that generates customer visits. The remaining 1,362 square feet of this building is back office, vault, storage, employee restrooms, and utility area; a vault and a back office do not generate customer trips. No transportation engineer applies gross building area when estimating customer trip generation for a retail use — doing so is the equivalent of counting a store's warehouse square footage when estimating how many customers walk through the front door. When the correct retail floor area (1,300 square feet) is applied to the ITE LU#882 rate, the result is precisely the figure staff calculated: approximately 325 daily trips.

Staff's analysis has been consistent throughout. A trip count that changes each time it is challenged, by a different method each time, is not reliable evidence of a significant impact. Nor is there any merit to the Calmese Letter's suggestion that the staff estimate was "provided by the

applicant.” The trip generation analysis was performed by City Planner Erin Ventura of Hauge Brueck Associates using the ITE Trip Generation Manual; it is an independent professional analysis, and the record reflects as much.

Most importantly, none of the opponents’ trip-count arguments states a significant impact under current law, because since July 1, 2020, transportation significance under CEQA is measured by VMT, not level of service or raw trip counts. (Pub. Res. Code § 21099; CEQA Guidelines § 15064.3.) The staff report correctly applies the VMT framework. The Calmese Letter’s argument that Applicant’s materials describe a “broad geographic area” and therefore defeat the local-serving presumption, misreads the OPR guidance. The relevant distinction is between uses that capture trips that would occur anyway and uses that generate entirely new regional trips. A dispensary serving Sutter Creek and the surrounding foothill communities is paradigmatically *trip-capturing*: the residents of Sutter Creek, Amador City, Drytown, and the surrounding areas who now drive 22 to 32 miles to Mr. Calmese’s dispensaries will make those trips regardless; the only question is where they terminate. Terminating them locally is precisely what VMT reduction means, and the County has submitted no VMT analysis of its own.

Finally, the County’s attempt to recast its congestion concern as a “safety” impact does not change the result. The law is clear that “a project’s effect on automobile delay shall not constitute a significant environmental impact.” (CEQA Guidelines § 15064.3; see also, Pub. Res. Code § 21099(b)(2) [“vehicular capacity or traffic congestion, shall not be considered a significant impact on the environment”].) The County’s reliance on Public Resources Code section 21099(b)(3) is misplaced, as that provision preserves review of genuine transportation-safety impacts, but it does not relax CEQA’s substantial-evidence requirement, and it certainly does not change the clear statement (in the immediately preceding provision, no less) that congestion delays are not a significant environmental impact. An observation that turn lanes “back up” at peak hours describes congestion and level of service, not substantial evidence of a site-specific safety hazard caused by this project, and a report analyzing intersection capacity and level of service addresses the very metric CEQA no longer treats as a significance standard.

3. The § 15301 Class 1 Exemption, Unusual Circumstances, and Common-Sense Exemption Arguments Have Each Been Addressed in the Record.

The County’s CEQA exemption arguments appeared in its June 22 letter and were rebutted in Applicant’s June 30 and July 3 responses, which are in the record; the Calmese Letter’s contention that the exemption analysis is “conclusory” adds nothing new, because the record includes the staff analysis, the ITE methodology, and Applicant’s prior responses. The burden of producing substantial evidence that an exception applies rests on the challenger. We note the essential points.

Under the California Supreme Court’s June 25, 2026 *Sunflower Alliance* decision, addressed in Applicant’s July 7 record correction letter, the “negligible or no expansion of use” standard under

§ 15301 refers to a change in the nature or degree of a facility's use, not to the risk of environmental harm, and the Court confirmed that the Class 1 exemption can apply to new uses in existing facilities. The former bank and the proposed dispensary are both walk-in commercial retail uses occupying the same storefront during ordinary business hours; the nature of the use is unchanged, and the degree of the use — a single small retail tenant in a commercial building on a commercial corridor — is not more than negligibly changed. The Supreme Court's framework, correctly applied, supports the exemption.

The unusual-circumstances exception requires both a physical, site-specific characteristic distinguishing the project from others in the exempt class and a reasonable possibility that the characteristic will produce a significant environmental effect. (*Berkeley Hillside Preservation v. City of Berkeley* (2015) 60 Cal.4th 1086.) Being the first cannabis dispensary in a county is a regulatory fact, not a physical characteristic, and the County has identified no site-specific physical condition distinguishing 11 Ridge Road from any other small commercial building. The exception does not apply.

The County's attack on the common-sense exemption under § 15061(b)(3), citing *Davidon Homes v. City of San Jose* (1997) 54 Cal.App.4th 106, does not withstand scrutiny. The project satisfies the very standard the County invokes: the adaptive reuse of an existing commercial building into a regulated retail storefront — with no new construction, no expansion of footprint, and no change to utilities, and with operations governed by the most comprehensive state regulatory framework applicable to any California retail business — is precisely the kind of project about which it can be seen with certainty that no significant physical environmental effect will occur.

4. The 8% Fee Is Lawful Contractual Consideration — Not a Tax, and Not Subject to the Mitigation Fee Act.

The County's August letter argues that the Development Agreement's 8% fee violates the Mitigation Fee Act (Gov. Code §§ 66000-66008) for lack of the nexus findings required by § 66001. This confuses two distinct statutory frameworks. Mitigation Fee Act fees are unilateral conditions of approval, and they require nexus findings precisely because the applicant has no choice but to pay them.

Notably, Government Code section 66000 expressly defines a "Fee" under the Mitigation Fee Act as "a monetary exaction other than a tax or special assessment, whether established for a broad class of projects by legislation of general applicability or imposed on a specific project on an ad hoc basis, that is charged by a local agency to the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project, **but does not include...fees collected under development agreements** adopted pursuant to Article 2.5 (commencing with Section 65864) of Chapter 4." In

other words, the argument that the County is relying on is belied by the plain text of the code provision itself.

Development agreements under Gov. Code §§ 65864 et seq. are categorically different. A DA is a voluntary, bilateral contract that neither party is compelled to enter. The 8% fee is not a condition imposed on Applicant — it is consideration Applicant negotiated in exchange for vested rights, entitlement certainty, and a defined operating term it would not otherwise receive. California courts have recognized that a development agreement may secure contributions a city could not obtain through unilateral exaction, precisely because the arrangement is contractual. (See *Santa Margarita Area Residents Together v. San Luis Obispo County Bd. of Supervisors* (2000) 84 Cal.App.4th 221.) The County cites no authority applying the Mitigation Fee Act's nexus requirements to a negotiated development-agreement fee, because there is none.

The County's reliance on Gov. Code § 65865(e) is also misplaced: that provision requires DA fees to “comply with Section 66006” — an accounting and expenditure requirement for collected fees — not § 66001's substantive nexus test. The City's staff, Planning Commission, and City Attorney have reviewed and approved of this legally sound structure.

The County's Proposition 26 argument — that the fee is a tax requiring voter approval — fares no better. It has been addressed in Applicant's prior submissions and does not withstand scrutiny. The Retail Fee is bargained-for contractual consideration in a voluntary development agreement, not a charge imposed on the public; and to the extent any constitutional exception need be reached, the fee is a charge imposed as a condition of property development within Article XIII C, section 1, subdivision (e)(6), as the Development Agreement's recitals expressly provide. Equally important, this issue does not affect the project's approval or continued operation: the Development Agreement provides that the Retail Fee and the Community Fund contribution are severable, that Applicant's vested rights to develop and operate the Project are supported by independent consideration and are not contingent on the fee, and that any successful challenge to the financial terms would be resolved by negotiating a lawful replacement rather than by disturbing the entitlements. Any incidence of a purported “tax” would fall on future purchasers — not on the County or the appellant — and no such claim would be ripe before any fee is collected.

5. The Single-Operator Ordinance Is a Lawful, Revisable Regulatory Limit, and the Equal-Protection Ground Fails.

The Calmese Letter argues that the single-operator ordinance fails the CUP's public convenience and welfare finding and creates an “exclusive marketplace” that should be opened to competitive applications; the Ryan appeal separately argues that permitting a single dispensary without competitive bidding denies equal protection. Both arguments fail, and for related reasons.

Under the Adult Use of Marijuana Act, California municipalities have broad authority to limit or prohibit the number of cannabis retailers within their jurisdiction. (Bus. & Prof. Code § 26200.) A

numerical cap is a classic exercise of that authority, and the City has adopted it as a general regulatory limit on the number of retail permits — a limit that applies without regard to the identity, residency, or principal place of business of any applicant. The ordinance grants Applicant no exclusive franchise and no permanent monopoly. It authorizes one retail permit at this time and leaves the City free to revisit the authorized number following a defined review period. Characterizing a revisable regulatory cap as the irreversible creation of a private “exclusive marketplace” is inaccurate.

The staff report documents the public convenience and welfare basis for the choice: authorizing a single, closely regulated dispensary allows the City to concentrate its limited law-enforcement and code-enforcement resources, to monitor community impacts through one accountable operator, to capture associated revenue locally, and to evaluate the operation through the Development Agreement’s compliance, audit, and periodic-review provisions before deciding whether to authorize additional retailers. Those are legitimate findings, grounded in the City’s own circumstances rather than in the qualifications of any particular applicant. Whether instead to run a competitive process for multiple operators is a policy choice the law commits to the City’s discretion; the decision to proceed with a capped, phased approach is not a legal deficiency. The comparison Mr. Drivon draws to San Andreas — a market Mr. Calmese already serves — is, in substance, a request that Sutter Creek adopt a framework more favorable to his commercial interests.

The same principles dispose of the Ryan appeal’s equal-protection ground. A cannabis retail permit is a land use entitlement, not a government contract subject to competitive-bidding requirements. The City’s decision to authorize a single permit is a legislative line-drawing judgment reviewed under the deferential rational-basis standard, and the public-interest bases documented in the record — population size, limited enforcement capacity, and a phased approach with a defined review period — easily satisfy that standard. The equal-protection argument fails as a matter of law.

6. The DA’s Ministerial Blanks Are Not a Legislative Record Deficiency.

The Calmese letter argues that the Development Agreement contains “uncompleted fields for hearing dates, resolution numbers, and planning-area information,” and concludes that the Council should receive a “complete final agreement” before acting. This argument misunderstands how development agreements are processed.

Development agreements routinely contain ministerial blanks — hearing dates, resolution numbers, APN confirmations — that are populated at or after execution. These are administrative details, not substantive terms. The Council has before it the complete, substantive Development Agreement — every material provision, every fee obligation, every covenant, every compliance requirement, and every termination right — in the form approved by the Planning Commission.

The blank fields are the equivalent of signature blocks waiting for dates: they do not affect the legal sufficiency of the Council’s review or the adequacy of the legislative record under Gov. Code § 65867.5. The suggestion that ministerial blanks render the legislative record legally defective is not supported by the Government Code or California development agreement practice.

7. The Conflict-of-Interest Suggestion Is Unsupported, and the Community Fund Is Subject to City Oversight.

The Calmese Letter suggests — while expressly declining to make any accusation — that City officials may have undisclosed financial interests and that the selection of Applicant reflects a process in which the City “deferred to the will of a private entity.” No evidence of any conflict of interest, improper financial relationship, or procedural irregularity has been identified or submitted to the record. A suggestion that further investigation might reveal something concerning is not substantial evidence, and it is not a basis to continue or deny a project reviewed and processed through the City’s full public entitlement process over more than a year. Applicant does not oppose, and welcomes, the completion of any conflict review and the preservation of project records the Calmese Letter requests; a clean record serves the City and Applicant alike.

The observation that Applicant requested the zoning amendment is routine and carries no implication of impropriety. Development agreement applicants regularly initiate the legislative process by requesting the zoning authorizations a project requires; that is how land use entitlement works throughout California. Anyone could have approached the City with such a proposal — Applicant is the party that did so, through the City’s public process.

The Community Advisory Board and Community Fund, which Mr. Drivon characterizes as a potential conflict, are a governance model Embarc has implemented in 17 communities across California, and the Development Agreement subjects them to meaningful City oversight. Under the agreement, Community Fund allocations must be made for public purposes benefiting the City and its residents in accordance with written criteria provided to the City Manager; Applicant must deliver an annual public report of all Fund receipts and allocations; and the Fund may not be used for the private benefit of Applicant or its owners, officers, or affiliates. The Board must include Sutter Creek residents and meet quarterly, with City representatives invited to participate. This is a structured, transparent community-benefit mechanism the City negotiated and approved, not self-dealing.

8. The Public Records Act Requests Do Not Require a Continuance.

Mr. Drivon notes that his office submitted Public Records Act requests on July 29 and August 11, and characterizes the City’s 14-day extension as potentially “intentionally withholding” records until after the Council vote. The Public Records Act expressly authorizes an agency to extend the initial response period by up to 14 days in “unusual circumstances,” including the need to search for and collect records from separate facilities, to review a voluminous set of records, or to consult

another agency with a substantial interest in the request. (Gov. Code § 7922.535(b)-(c).) The City's use of a standard statutory extension is not evidence of bad faith, and a records request submitted days before a long-scheduled Council vote does not, by law, require that vote to be continued. The City remains obligated to respond to the requests on the statutory timeline, and it can do so without delaying a decision on a project that has been pending for more than a year.

9. A Continuance Would Prejudice Applicant and Serves No Legitimate Public Purpose.

The relief the Calmese Letter requests — continuance, competitive rebidding, and independent CEQA review — would require Applicant to restart an entitlement process that has been underway for more than a year, during which Applicant has invested substantial resources in site planning, community outreach, Development Agreement negotiation, and regulatory compliance. The practical effect would be to give a competing operator an opportunity to enter a market he does not currently serve, at the expense of an applicant that has completed the City's process.

The City's process has been public and noticed throughout. Two Planning Commission hearings were duly noticed; public comment was accepted at every stage; and the administrative record spans months of submissions, responses, and hearings. The City lawfully elected to authorize a single retailer rather than to run a competitive application process, and it was not required to run one. Within that framework, the opportunity to engage the City was not closed to anyone — any qualified operator could have approached the City and pursued the same public entitlement path Applicant pursued. The suggestion that the process lacked transparency or public participation is contradicted by the record itself.

Conclusion

The City of Sutter Creek has conducted a thorough, deliberate, and legally compliant review of this application. Across five letters, the County has shifted its traffic analysis three times, renewed CEQA arguments rebutted on each prior submission, and introduced a Mitigation Fee Act theory that misreads the governing statutes. The Calmese Letter, for its part, is a competing operator's effort to delay a project that would return to Sutter Creek the cannabis-retail trips and revenue his own out-of-county dispensaries now capture. The Council should not defer to either, and it should not mistake either for evidence.

Applicant remains committed to being a responsible, community-integrated operator in Sutter Creek. The Development Agreement includes real-time law enforcement camera access, employee background checks, a youth drug education program, local hiring priorities, and a community advisory board, together with the negotiated Retail Fee and community benefit contribution supporting the City and its residents, the same operating model Embarc has implemented in 17 communities across California.

Applicant respectfully urges the Council to deny the request for continuance, deny the appeal filed by Teresa Ryan, uphold the Planning Commission's decisions, and approve all pending entitlements at the August 17, 2026 hearing.

Respectfully submitted,



Seena M. Samimi

cc:

Alejandra Zambrano, Interim City Clerk (azambrano@cityofsuttercreek.org)

Erin Ventura, Planning Consultant (eventura@haugebrueck.com)

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Cannabis Dispensary: Convenience or Curse?

The word “convenience” has been used many times in sales pitch presentations by Embarc, who wants to open a cannabis dispensary in Sutter Creek, and by the Planning Consultant, in reports to the Sutter Creek City Manager, the City Council, and the City Planning Commission.

The Embarc Cannabis Dispensary is hoping that those of you that have never used cannabis, or have not ingested, smoked or vaped cannabis products in many years, will shop at their “conveniently” located Embarc Cannabis Dispensary on Ridge Road and Highway 49 in Sutter Creek.

Who else will find this to be a “convenient” location? An 18-year-old high school student with a medical marijuana recommendation card that they purchased from an online doctor. The medical marijuana card does not limit the level of THC (the chemical that makes you high) in products they are able to purchase. Some of the Embarc Dispensary products exceed 90% THC. The 18-year-old student would be able to “conveniently” purchase cannabis before, during or after school and sell it for a profit to the junior high and high school students. The Embarc Cannabis Dispensary will be “conveniently” open from 8:00 a.m. to 10:00 p.m., 14 hours a day, 365 days a year.

Our brains are actively developing from birth until around the age of 25. Regularly ingesting, smoking or vaping cannabis in junior high, high school and college hijacks that brain development and can cause long-term problems with thinking and mental health.

Who else would find this Embarc Cannabis Dispensary to be a “convenient” location? The potentially 100 residents at the Danco/Valley View Commons project for the homeless and severely mentally ill, which is currently under construction, and is “conveniently” located within walking distance to the Embarc Cannabis Dispensary. Increased foot traffic across Highway 49 and Ridge Road, day and night, should be a major concern to the City Council, City Manager, and the City Planning Commission. They have chosen not to address this concern.

Many of us have given the Sutter Creek City Council, the City Manager, and the Sutter Creek Planning Commission volumes of information pertaining to the potential harm and adverse impacts an Embarc Cannabis Dispensary will potentially have upon our children, citizens, and Amador County. Many have shared their heartbreaking personal experiences of how regular use of cannabis has had devastating mental, physical, and financial impacts upon their lives and those they love.

Please do not be duped by Embarc's attempts to destigmatize and make "convenient" the sale and use of high-level THC cannabis products. The "inconvenient" truth is the City Council is promoting an Embarc Cannabis dispensary because they want the additional sales tax revenue. And in doing so, the City Council is saying money is more important than our health, safety and welfare.

City Council members, Dan, Claire, and Susan, we are pleading with you to please vote NO to an Embarc cannabis dispensary on August 17th. Teresa Ryan, Sutter Creek

Please make this correspondence part of the administrative record for the August 17, 2026, City Council Meeting.

August 11, 2026

To the City of Sutter Creek City Council, City Manager, and City Planner,

I strongly oppose the proposal for a marijuana dispensary in Sutter Creek. I urge you to reject, with a no vote, a zoning ordinance amendment, a development agreement, a site plan, and other proposed changes and recommendations from staff.

Marijuana dispensaries are currently prohibited in Amador County and all five cities in Amador County, which of course includes Sutter Creek. Sutter Creek, the Jewel of the Mother Lode, has always been known for the Gold Rush, its rich history, and its historic charm. While on Sutter Creek's City Council, and as Mayor of Sutter Creek, residents repeatedly voiced their concerns about any change, anywhere in Sutter Creek, that would impact its history, its uniqueness, and its charm. Sutter Creek is one-of-a-kind, which is why visitors from all over the world come here to our small town.

Do not allow one business to destroy our identity. Calaveras County used to be known for Mark Twain and the Jumping Frog of Calaveras County--now it is known for its pot. Humboldt County used to be known for its beautiful redwoods--now it is known for its pot. Don't turn Sutter Creek into just another location on the map known for its pot. Do not turn your back on our history, our charm, and our unique culture.

Most concerning about a marijuana dispensary in Sutter Creek, however, is the harmful impact it will have on the youth in our community. Recent studies show the very negative impact on children living near a marijuana dispensary. Additionally, the International Academy on the Science and Impact of Cannabis (IASIC) concluded, based on scientific evidence, that the public health effects of high potency cannabis are harmful. The IASIC also notes the significant evidence linking cannabis use and suicide, especially in teens and young adults.

I personally know a number of people who can attest to the harmful effects cannabis has had on their family members, most of them very young, including psychotic episodes, attempted suicide, and attempted harm to family members.

A Resolution Opposing Cannabis Dispensary from the Board of Trustees of the Amador County Unified School District dated July 22, 2026, describes their concerns regarding marijuana use in the schools, and states that they do not believe a cannabis dispensary is in the best interest of the District, its students, or the City. Having a cannabis facility in Sutter Creek will only exacerbate an already bad situation by increasing the availability of very potent cannabis.

At the City's request for input, you have received correspondence not only from the School District, but from the County, ACTC, and many other agencies, regarding their numerous concerns about the impacts this proposal will have not only on Sutter Creek, but on all of Amador County. The decision you make tonight, will not only effect Sutter Creek, but all of Amador County.

The residents of Sutter Creek, and the County, are depending on you to take your time and carefully review, and address, each of the concerns they have voiced. I believe that if that is done, you will see that there is no option but to deny the proposal for this cannabis facility.

I encourage you to vote NO on adoption of a resolution approving a marijuana dispensary in Sutter Creek. The City of Sutter Creek should not put money ahead of its residents, especially when it comes to the most vulnerable, our children.

Linda Rianda

Sutter Creek



Tom Dubois <tdubois@cityofsuttercreek.org>

Marijuana dispensary

1 message

Barbara Comnes

Wed, Aug 12, 2026 at 5:10 PM

To: jsierk@cityofsuttercreek.org, sfeist@cityofsuttercreek.org, jswift@cityofsutter.org, Claire Gunselman <cgunselman@cityofsuttercreek.org>, Dan Riordan <driordan@cityofsuttercreek.org>
Cc: Tom DuBois <tdubois@cityofsuttercreek.org>

Please include this email in the administrative record for this issue.

To: Members of the City Council
From: Barbara Comnes, 284 California Drive, Sutter Creek

Why do some people think that Sutter Creek will benefit from Embarc's recreational marijuana dispensary?

1. More money for the City budget.

How much more money? This is uncertain. There is no guaranteed amount. California is awash in drugs and dispensary revenues are down. How would the money be used? We don't know. If there were increased policing costs generated by the dispensary, would there be sufficient revenues from the drug sales to even cover those costs?

2. Convenience for local marijuana users.

The number of these users is unknown. The City has officially heard from very few of them regarding support for a dispensary compared to the number of residents who have officially opposed it. Convenience appeared to be their major concern, since they are still able to legally grow marijuana and purchase marijuana products.

3. Fairness for local marijuana users.

Some supporters said that given the town's wine tasting rooms, it is only fair that a recreational dispensary be permitted. **They are not equivalent**, however. I can't think of a winery that would place its tasting room at the location selected by Embarc—if Sutter Creek has a grungy zone, that is it. Nevertheless, Embarc finds this location satisfactory. Also, imagine along with *Wildflower and Wine* and *Wine Walk*, Sutter Creek had *Marijuana Stoned to the Bone Strolls*. Imagine Sutter Creek with "marijuana lounges" on Main St. Did you know that some marijuana lounges in California employ medical staff to assist patrons with acute THC reactions and are considered important to manage liability? And where else besides in these lounges can you legally smoke in public buildings in California—marijuana, yes, but smoke is smoke?

A recreational dispensary does not reflect or enhance Sutter Creek's character, so important to its reputation. Embarc has no interest in preserving that character, which derives from its gold rush history and location in a wine growing region of many years.

What price will the City pay for permitting this dispensary?

1. Damage to Sutter Creek's relationship with Amador County residents.

Like so many other California counties, Amador County did not vote for marijuana recreational legalization. Since then marijuana products of greater concern due to very high THC concentrations have become available in dispensaries like Embarc's.

2. Damage to Sutter Creek's relationship to the County government.

The Board of Supervisors made crystal clear their opposition to the dispensary in a resolution, in subsequent letters to the Council, and in verbal testimony to the Planning Commission.

3. Damage to Sutter Creek's relationship with local law enforcement.

The Sheriff opposes the dispensary. Sutter Creek's Police Chief, in a Staff Report, concluded that a dispensary would leave the Police Department unable to provide public safety to the City without the addition of three full-time police officers, their necessary personal equipment, and 3 patrol cars.

4. Damage to Sutter Creek's relationship with the Amador Unified School District.

The School Board has communicated their opposition in a strongly worded resolution.

5. Damage to Sutter Creek's relationship with the Danco property and Independence High School.

The Danco property will house and manage people with substance abuse problems and severe mental illness. The school is a continuation high school serving students who may be at risk of not graduating. Locating a dispensary in an easy walking distance of these properties is very ill-advised.

6. Damage to the City of Sutter Creek's reputation for fairness and transparency.

No dispensary operators other than Embarc have been given the opportunity to compete for a dispensary permit. No other business in Sutter Creek has the symbiotic relationship Embarc would have with the City, in which they partner to support sales in this case the sale and increased use of drugs in the community.

7. Most importantly, damage to the City's relationship with our youth and to their health. In enhancing their budget through these drug sales, the City would send the wrong message to our youth. How many cases of additional cannabis-induced psychosis among our youth are worth any extra money that the City might gain through drug sales? Their brains are still developing until age 25!

I urge you to **vote NO** on the dispensary. Permitting the dispensary is not worth the price Sutter Creek will likely pay.